

Financial Analysis – The Archer



- **Project Budget**

- \$20,719,723 total project cost (est. as of 10/31/2024)
 - \$11,000,000 financed by Senior Loan (53%)
 - Project's Net Operating Income provides minimal coverage on annual debt payments
 - \$4,519,723 from equity / subordinated debt (22%)
 - Project's annual cashflow delivers substantially below market return on equity
- \$5,200,000 GAP identified in project private sources (25%)

- **Solving the Gap**

- \$200,000 Main Street Grant
- \$3,015,000 Tax Increment Financing
 - Redevelopment TIF District (26-year maximum duration)
 - No up-front City of Northfield funding
 - Paygo TIF Note – payable only after project is financed, constructed and pays taxes