

City Return on Investment Estimate

for Cohort of 20 veterans

Type of ROI	Description	Income per unit	# of Units	Total
Direct impact				
New Construction (year 1)				
Property tax, closing services & fees	Median price: \$245,000	\$1,527.08	5	\$7,635.40
New Construction Local Sales Tax	Sales Tax on materials, services, rentals, etc. Estimated amt: \$180,000	\$2,700.00	5	\$13,500.00
Rehab Construction (year 1)				
Property tax, closing services & fees	Post rehab value \$190,000	\$1,184.27	10	\$11,842.70
Rehab Local Sales Tax	Sales Tax on materials, services, rentals, etc. Taxable amt: \$70,000	\$1,200.00	10	\$12,000.00
Total of all Direct Impact ROI				\$44,978.10
Annual Ripple impact of year 1 impact				
New Construction Property Tax Income	Median tax value: \$245,000	\$1,527.08	5	\$7,635.40
Rehab Property Tax value increase	Based on average increase in value of: \$100,000	\$623.30	10	\$6,233.00
Total of all Annual Ripple Impact ROI				\$13,868.40
First 3-years Total				
Sum of Direct	Direct Impact totals for 3 years	\$44,978.10	3	\$134,934.30
Sum of Ripple	Ripple Impact for 2 years (yr 1 is not ripple)	\$13,868.40	2	\$27,736.80
				\$0.00
Total of first 3 years of Direct impact (ROI)				\$162,671.10
Indirect Impact on community				
Killeen ISD	Tax income increase over first 3 years	\$22,619.35	3	\$67,858.05
On average, each \$1 invested in revitalization and infrastructure a city sees \$3 in return, over 10 years, in other community impact.		\$500,000.00	3	\$1,500,000.00
Additional benefits not directly tracked				
Catalyst for other renovation contractors continue the revitalization effort				
Increase in property tax allows for increased infrastructure improvements				
Corporate business site selectors have better reviews on quality of life amenities when seeking				
	Established/improved neighborhoods			
	Authentic sense of community			
	City has renewed character			
Increase in visitors and tourists drive business growth and revitalization downtown				
<p>After year 1, a cohort will increase their average number of new & rehab homes per year.</p> <p>With this increase in average completions and the compounding ripple income, a city can see their full investment returned by end of year 6.</p> <p><i>This does NOT include the Indirect impact on community assessment.</i></p>				