



KILLEEN MULTIFAMILY PFC

A partnership between
The NRP Group & the City of Killeen

Site Plan



Elevations



SW 7674
Peppercorn
Interior / Exterior
Location Number: 238-C7

SW 7650
Ellie Gray
Interior / Exterior
Location Number: 238-C6

SW 9166
Drift of Mist
Interior / Exterior
Location Number: 238-C2



STUDIO SCHAFFER

Public Facility Corporation (PFC) Refresh

- City of Killeen formed PFC in January 2021
- City of Killeen PFC approved the project in February 2021
- NRP is currently under contract to purchase the property
- At Closing (Estimated November 2021), title to the property is conveyed to the PFC and contemporaneously a 75 year lease is signed between the PFC and the developer Joint Venture (JV) entity
- NRP builds the project – at completion the PFC is the owner of the land and the improvements, but the project is encumbered by the lease allowing the JV to operate the project

City / PFC Benefits

- Affordability – 50% of units reserved for moderate income citizens, Killeen incomes ranging from \$35,000 - \$50,000 (HUD published for Bell County)
- Economic Development – High quality new construction in North Killeen
- Financial
 - Origination Fee paid at Closing = \$350,000
 - Sales Commission at Initial Sale = \$250,000
 - 15% carried interest in the JV entity (share in cash flow once equity investors receive a 10% preferred return), based on project performance (see next slide for forecasted cash flow)
 - 3.5 Acres of Commercial Land not to be encumbered by the lease (+/- \$300,000)
 - \$82,000 payment at Closing to City Parks Department for Conder Park

City / PFC Benefits

- Cash Flow from 15% carried interest (assuming JV holds 10 Years)
 - Year 1: \$350,000 (origination fee)
 - Year 2 & 3: \$0 (construction/lease-up)
 - Year 4: \$202,869
 - Year 5: \$212,702
 - Year 6: \$222,663
 - Year 7: \$101,994 (I/O Period of Loan Ends, Amortization begins)
 - Year 8: \$112,213
 - Year 9: \$122,562
 - Year 10: \$133,041 + \$250,000 sales commission

Project Financing Update

- Project Cost = \$52,053,387
- Cash Equity (35%) = \$18,223,936 (JP Morgan + NRP)
- Construction Loan (65%) = \$33,844,452 (Texas Capital Bank)
- PFC takes no liability on the project (both from a construction standpoint and from a loan guarantee standpoint)
- PFC doesn't fund any of the development costs

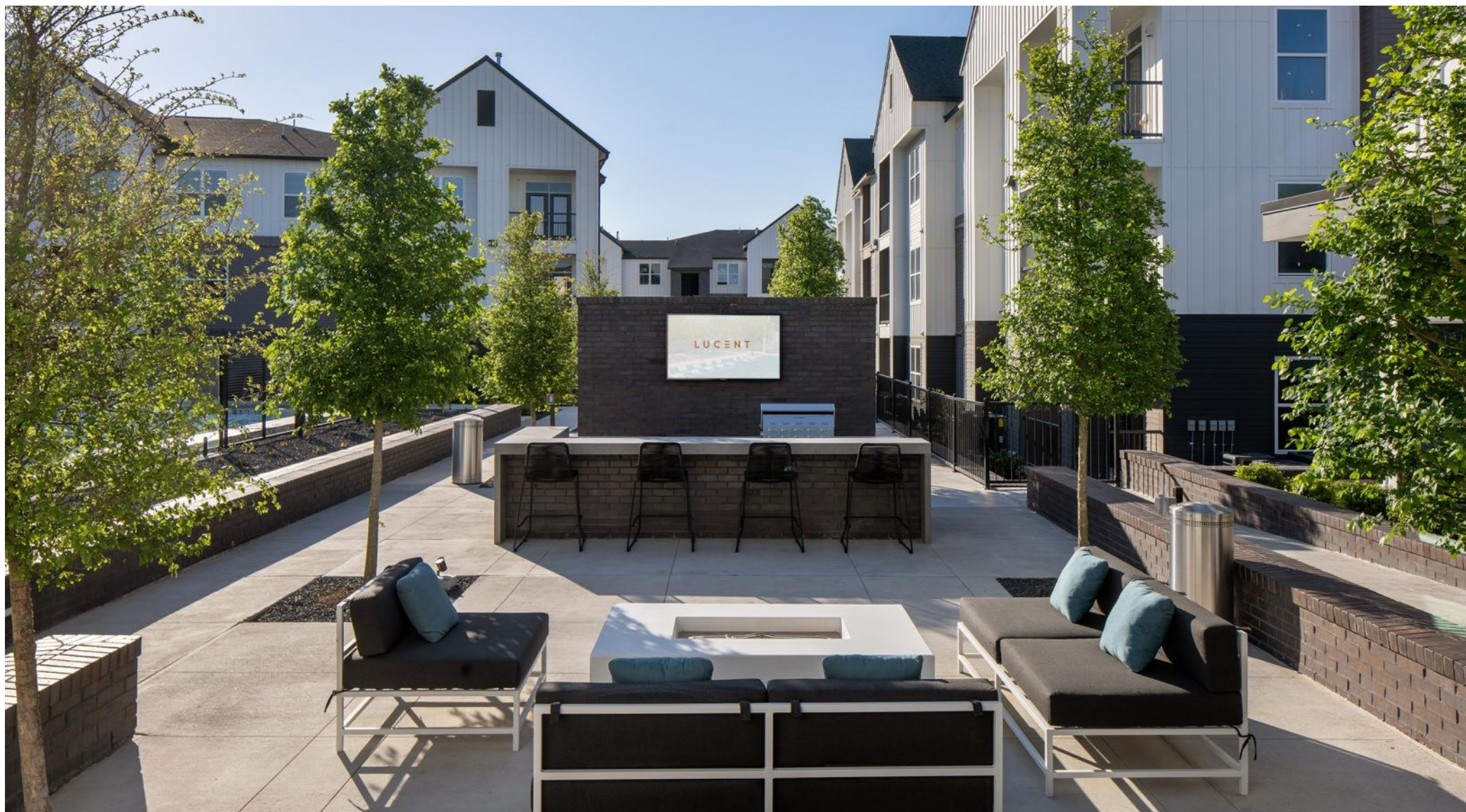
Design and Permitting Update

- PUD Zoning - Approved in January 2021
- Final Plat – Approved by P&Z, recordation in August/September
- Land Disturbance Permit – In review, anticipated approval August
- Civil Site Development Permit – In review, anticipated approval October
- Building Permit – In review, anticipated approval October



LUCENT PHOTOGRAPHY



















THANK YOU