

Mountain View Apartments - Corbin, KY – Project Summary

Property details:

- Property Address: 2615 Cumberland Falls Hwy, Corbin, KY 40701
- Parcel ID No.: 120-00-00-086.00
- Total Buildings: 3 hotel buildings and 1 lobby/ restaurant building.
- Total units: 166.
 - 154 rooms hotel + Large restaurant bar to be converted into 166 dwellings Multifamily apartments with pool, Gym, Guest laundry.
- Lot size: 10.15 acres lot size

Project description:

- Property is currently Zoned C-1 which permits multi-family.
- The official letter showing zoning and Multi-Family Dwellings is permitted is included.

Financial Summary:

1. Acquisition Cost: \$1,175,000 (Acquisition \$1,060,000 + Closing costs)
 - a. \$350,000 paid by owner \$825,000 loan.
2. Additional \$200,000 in plans, permitting spent by owner. Plans approved, GC license and permit in hand.
3. Construction Budget: \$5,794,000

	Description	Total cost	Owner's Equity	Loan
1	Purchase/ Acquisition	\$1,175,000	\$350,000	\$825,000
2	Rezoning, plans & documentation phase	\$200,000	\$200,000	\$0
3	Development (Renovation) Budget	\$5,794,000	\$224,000	\$5,570,000
5	Debt Service (loan fees + 15 mo. Interest only payments), property tax, insurance.	\$425,000	\$0	\$425,000
	Totals	\$7,594,000	\$774,000	\$6,820,000

- **YOC:** 14.74%
 - \$1,119,663 (year-1 stabilized NOI) over \$7,594,000 total project cost
- **LTV:** 64.19%
 - \$6,820,000 loan amount over \$10,624 Asset Value (\$64K/ door exit sale price)
- **LTC:** 10.19% owner's Equity and 89.81% Lender/ finance for \$7,594,000 total project cost.

Loan Funds release:

- Renovation funds released per draw-based system. A 3rd party independent cost & progress review company could be retained to confirm progress made and only per their approved report (with pictures and data) draw would be released

Exit Strategy:

- We start marketing property when its around 80% ready. We prepare sample units by that time so potential buyers can see them during site tours.
- We anticipate them putting under contract before achieving certificate of occupancy and closing 30-60 days after achieving CO.