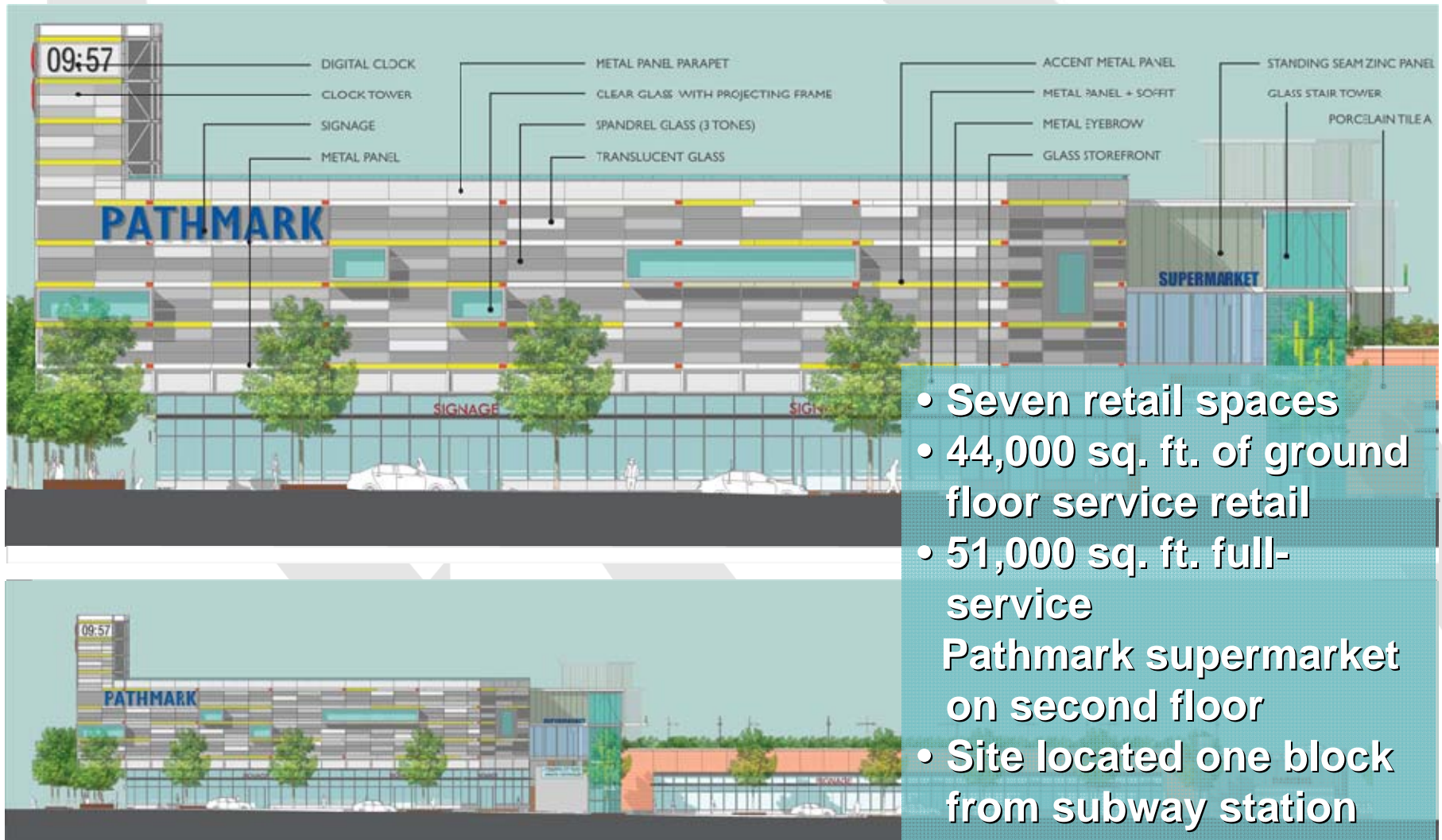




# Schmidt's Retail



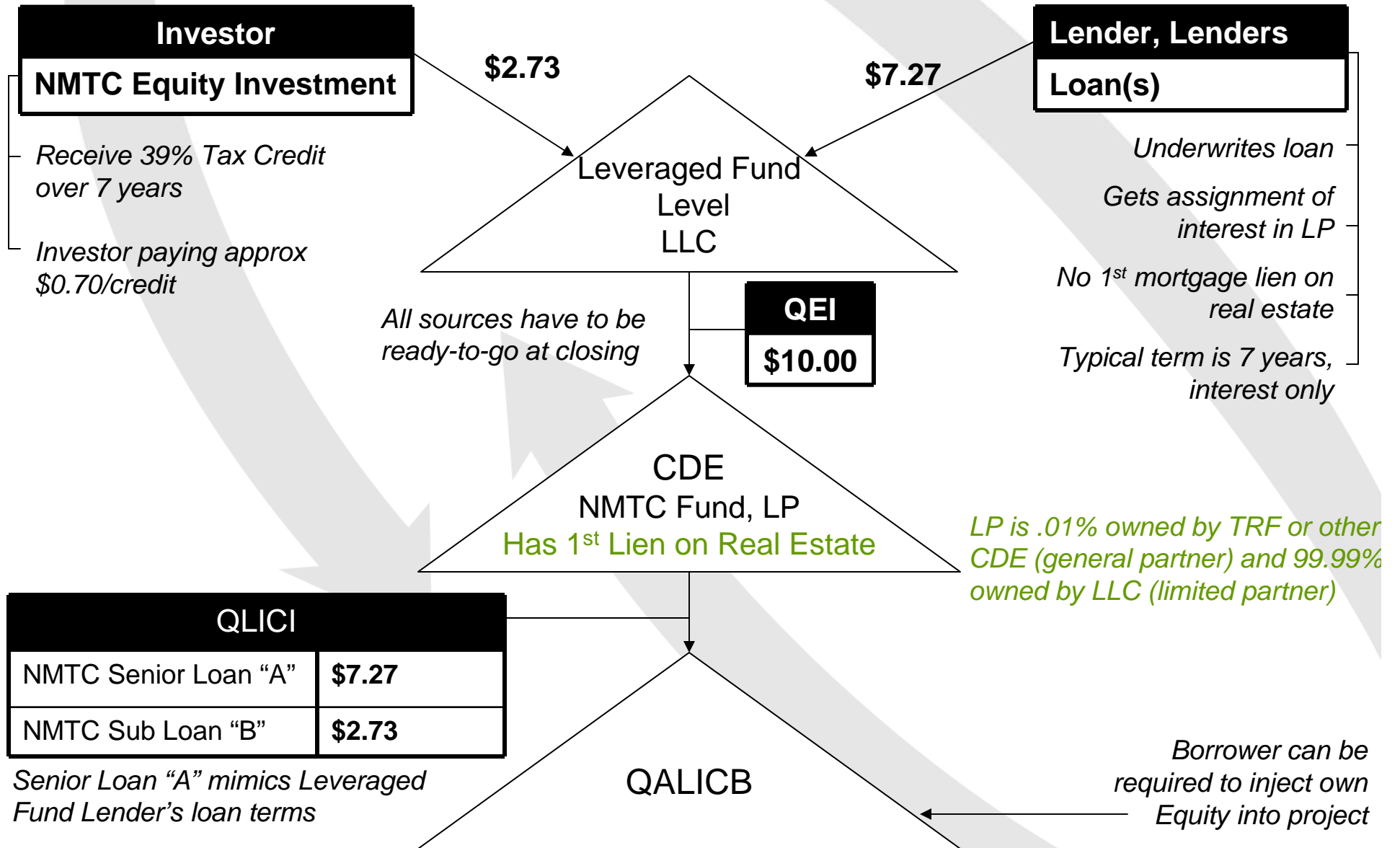
- Seven retail spaces
- 44,000 sq. ft. of ground floor service retail
- 51,000 sq. ft. full-service Pathmark supermarket on second floor
- Site located one block from subway station

2ND STREET ELEVATION



# NMTC TRANSACTION STRUCTURE

## At Closing





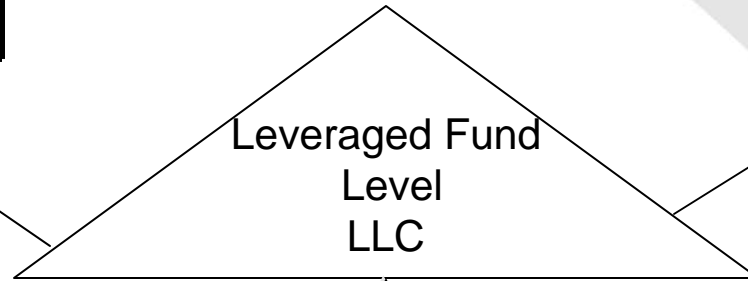
# NMTC TRANSACTION STRUCTURE

At End of 7 Years

**Investor**  
NMTC Equity Investment

**Lender, Lenders**  
Loan(s) Mature

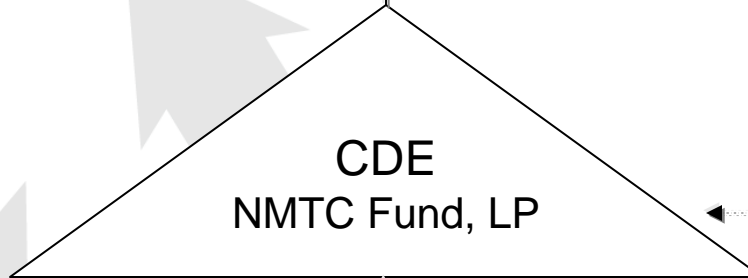
**\$3.90, Tax Credits** Over 7 years  
39% Tax Credit



**\$7.27, Debt Service**

**\$7.27, Debt Service**

*At end of 7 years, Investor/CDE exercises put*

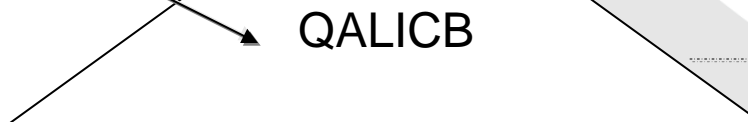


*CDE may take exit fee*

**\$7.27, Debt Service**

QLICI	
NMTC Senior Loan "A"	\$7.27
NMTC Sub Loan "B"	Equity-like

*NMTC Sub Loan "B" becomes Equity-like in the project*





## Community Benefit

- 215 new jobs and 150 construction jobs
- 51,000 square foot full service supermarket offering increased access to healthy fresh foods
- 44,000 square feet of retail offering community amenities such as banking, a pharmacy, etc.
- Revitalizing a formerly vacant site, bringing new amenities for the local community



## Sources of Leverage

### Traditional Debt

- US Bank 1<sup>st</sup> Mortgage - \$12mm

### NMTC Leverage Loans

- HUD 108 - \$7.5mm
- BEDI Loan - \$2mm
- Affiliate Leverage Loan - \$9.4mm
  - Developer Loan - \$7.4mm
  - Commercial Corridor Loan - \$1mm
  - Bridge Loan - \$0.75mm
  - FFFI Grant - \$0.25mm

### NMTC Equity (Total QEI = \$26.2, TRF = \$13mm of Total QEI)

- US Bank Equity - \$7.4mm

- Multiple CDEs (TRF and PIDC)
- Complexity of and Number of Sources
  - Source Compliance
    - Programmatic (NMTC, HUD, BEDI, FFFI, GAP)
    - Collateral Requirements
    - Geographic Restrictions
  - Eight Different Sources
- Marrying Traditional Debt with NMTC Debt
  - Intercreditor Priority
  - Disbursement Process