Arcade Presentation
New Partners for Smart Growth

February 3, 2017

DOMINIUM

What We Did…

DOMINIUM

Restored a 500,000 sq ft Downtown Gem

80 Market Rate Apartments

202 Affordable Artist Apartments

55,000 sq ft Commercial Space Leased to Webster University

DOMINIUM

129 Underground Parking Stalls

Lots of Unique Amenity Spaces

19th Floor Common Space

Flex & Paint Studio

DOMINIUM

Dance & Yoga Studios

DOMINIUM

Fitness & Steam Room

Fitness on Demand

DOMINIUM
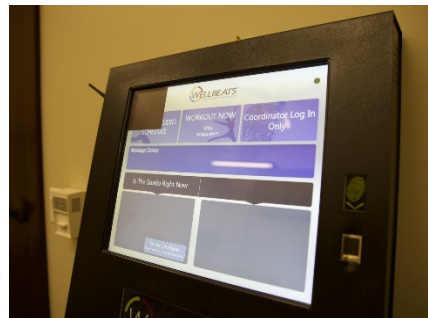
Killer Views

Background Context

Location in heart of Downtown

Arcade, St. Louis MO

DOMINIUM

Grand Old Building from 100 years ago

Vacant over 30 years

DOMINIUM

Failed Condo Deal Ended in Foreclosure

http://stlouispatina.com/arcadewright-building/

City Stepped into Ownership to Insure Proper Redevelopment

Development Problems to Solve

Problem: Parking

Solution: St. Louis City Treasurer's Office

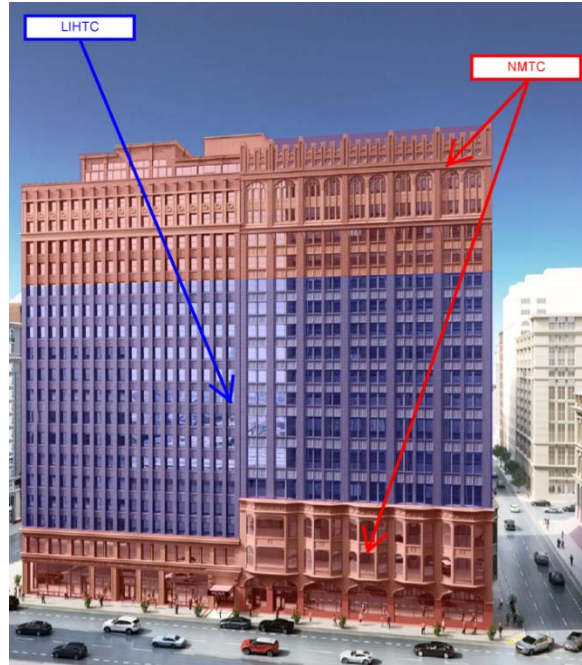# Problem: Soft Commercial Market

Solution: Long Term Lease with Webster University
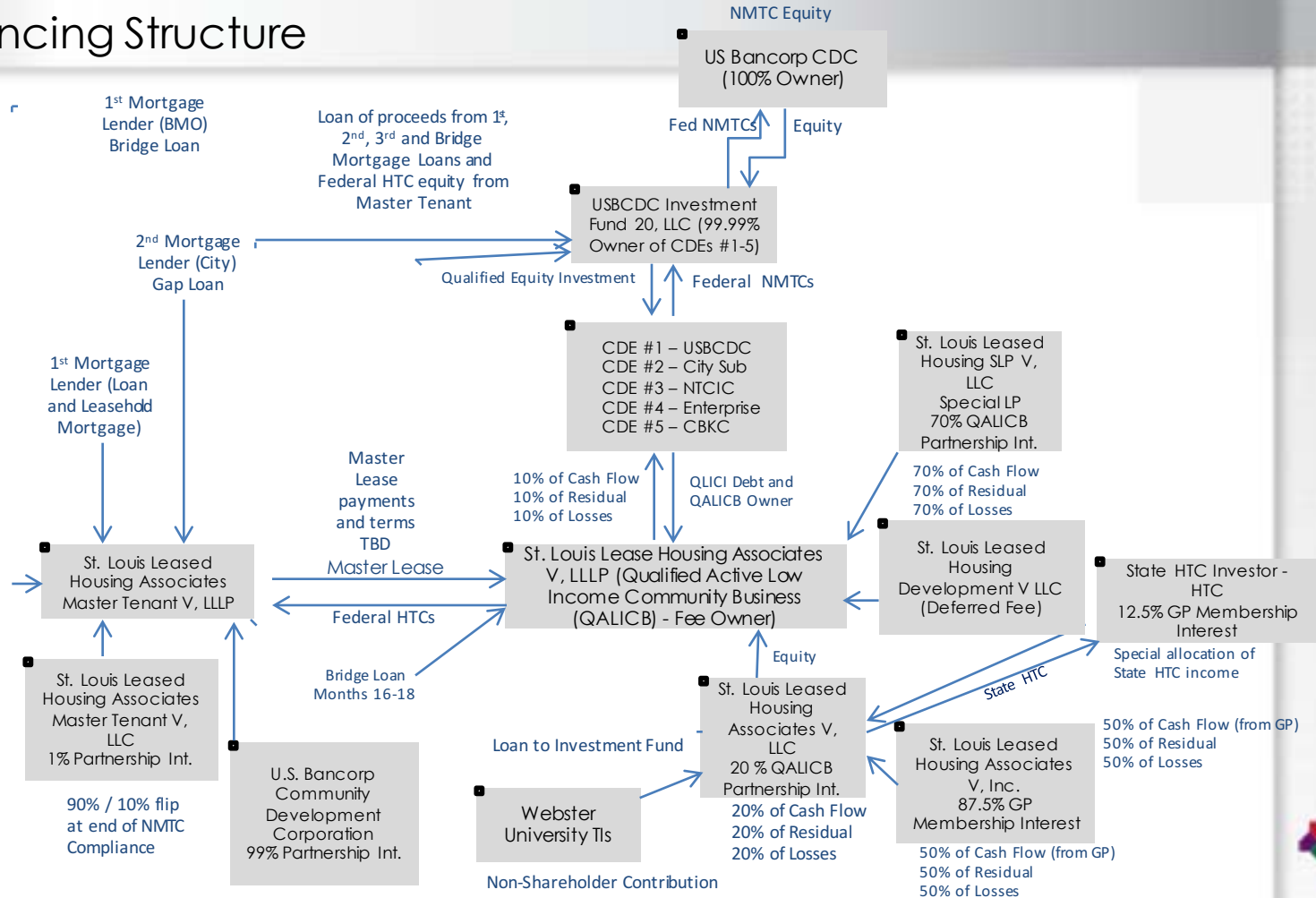
Problem: Rents Do Not Support Costs

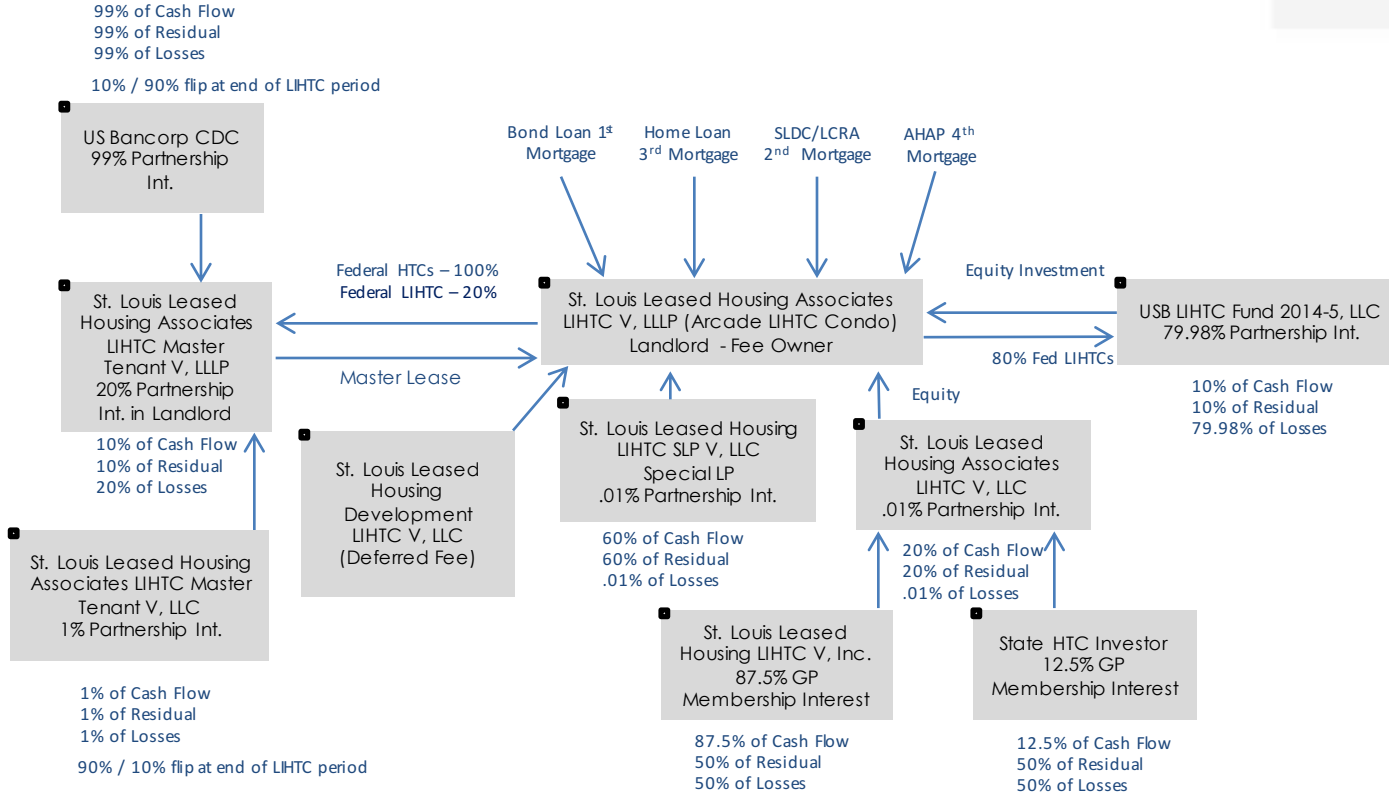# Solution: Complicated Financial Structure
          - split project

- Arcade NMTC Condo Financing Structure

- Arcade LIHTC Condo Financing Structure

Arcade NMTC Condo Financing Structure

NMTC Equity

US Bancorp CDC (100% Owner)

Fed NMTCs   Equity

1st Mortgage Lender (BMO) Bridge Loan

Loan of proceeds from 1st, 2nd, 3rd and Bridge Mortgage Loans and Federal HTC equity from Master Tenant

USBCDC Investment Fund 20, LLC (99.99% Owner of CDEs #1-5)

2nd Mortgage Lender (City) Gap Loan

Qualified Equity Investment   Federal NMTCs

CDE #1 – USBCDC
CDE #2 – City Sub
CDE #3 – NTCIC
CDE #4 – Enterprise
CDE #5 – CBKC

St. Louis Leased Housing SLP V, LLC Special LP 70% QALICB Partnership Int.

1st Mortgage Lender (Loan and Leasehold Mortgage)

70% of Cash Flow
70% of Residual
70% of Losses

10% of Cash Flow
10% of Residual
10% of Losses

QLICI Debt and QALICB Owner

Master Lease payments and terms TBD
Master Lease

St. Louis Leased Housing Associates Master Tenant V, LLLP

St. Louis Lease Housing Associates V, LLLP (Qualified Active Low Income Community Business (QALICB) - Fee Owner)

St. Louis Leased Housing Development V LLC (Deferred Fee)

State HTC Investor - HTC 12.5% GP Membership Interest

Federal HTCs

Special allocation of State HTC income

St. Louis Leased Housing Associates Master Tenant V, LLC 1% Partnership Int.

Bridge Loan Months 16-18

Equity

State HTC

U.S. Bancorp Community Development Corporation 99% Partnership Int.

Loan to Investment Fund

St. Louis Leased Housing Associates V, LLC 20 % QALICB Partnership Int.

50% of Cash Flow (from GP)
50% of Residual
50% of Losses

90% / 10% flip at end of NMTC Compliance

Webster University TIs

20% of Cash Flow
20% of Residual
20% of Losses

St. Louis Leased Housing Associates V, Inc. 87.5% GP Membership Interest

Non-Shareholder Contribution

50% of Cash Flow (from GP)
50% of Residual
50% of Losses

DOMINIUM

Arcade LIHTC Condo
Financing Structure

99% of Cash Flow
99% of Residual
99% of Losses

10% / 90% flip at end of LIHTC period

US Bancorp CDC
99% Partnership Int.

Bond Loan 1st Mortgage

Home Loan 3rd Mortgage

SLDC/LCRA 2nd Mortgage

AHAP 4th Mortgage

Equity Investment

Federal HTCs – 100%
Federal LIHTC – 20%

St. Louis Leased Housing Associates LIHTC Master Tenant V, LLLP 20% Partnership Int. in Landlord

St. Louis Leased Housing Associates LIHTC V, LLLP (Arcade LIHTC Condo) Landlord - Fee Owner

USB LIHTC Fund 2014-5, LLC 79.98% Partnership Int.

Master Lease

80% Fed LIHTCs

10% of Cash Flow
10% of Residual
20% of Losses

10% of Cash Flow
10% of Residual
79.98% of Losses

St. Louis Leased Housing Development LIHTC V, LLC (Deferred Fee)

St. Louis Leased Housing LIHTC SLP V, LLC Special LP .01% Partnership Int.

Equity

St. Louis Leased Housing Associates LIHTC V, LLC .01% Partnership Int.

St. Louis Leased Housing Associates LIHTC Master Tenant V, LLC 1% Partnership Int.

60% of Cash Flow
60% of Residual
.01% of Losses

20% of Cash Flow
20% of Residual
.01% of Losses

1% of Cash Flow
1% of Residual
1% of Losses

90% / 10% flip at end of LIHTC period

St. Louis Leased Housing LIHTC V, Inc. 87.5% GP Membership Interest

State HTC Investor 12.5% GP Membership Interest

87.5% of Cash Flow
50% of Residual
50% of Losses

12.5% of Cash Flow
50% of Residual
50% of Losses

DOMINIUM

Problem: Historic Investment On Hold
(Historic Boardwalk Hall Case)

Solution: Faith, Time, and IRS Guidance

Public/Private Partnership Makes Redevelopment Happen
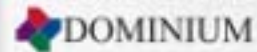
Financial Partners

17 Groups is A Lot!

US Bank — Community Development & Tax Credit Financing

Enterprise Bank & Trust

US Bank

BMO Harris Bank

Keeping St. Louis In Business — SLDC — ST. LOUIS DEVELOPMENT CORPORATION

National Trust Community Investment Corporation — a subsidiary of the National Trust for Historic Preservation

Community Renewal Development Inc.

MISSOURI — Department of Economic Development

central bank of kansas city — cb

Webster UNIVERSITY

BAKER TILLY

Strength, Dignity, Quality of Life — MISSOURI HOUSING DEVELOPMENT COMMISSION

CORNERSTONE

St. Louis Land Clearance for Redevelopment Authority

ENHANCED — HISTORIC CREDIT PARTNERS

Industrial Development Authority

Boston Capital

DOMINIUM

Local Government Coordination

STLOUIS-MO✦GOV

St. Louis Land Clearance for Redevelopment Authority

St. Louis City
Board of Aldermen

Mayor Francis G. Slay

Industrial
Development
Authority

Keeping St. Louis In Business
SLDC
ST. LOUIS DEVELOPMENT CORPORATION
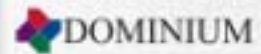
City
Treasurer's
Office

DOMINIUM

State/Federal Government Coordination

Development Team

- 75 Groups, Agencies and/or Individuals Came Together to make this Redevelopment a Reality

Construction Team

- Over 75 subcontractors
- Average 300 workers per day
- 16 months
- Overseen by Paric

What This Public/Private Partnership Accomplished

DOMINIUM

Restored Arcade to Original Luster

Completed On Time, On Budget

Webster University Expanded Downtown Presence

100% Leased in 5 months,
100% Occupied in 7 months

DOMINIUM