Powhatan Point Riverfront Resort RP-1/2/3/11/Common Prospectus

COMMUNITY DESIGNED AND CONTROLLED REVITALIZATION

HISTORIC TRANSITION FROM THE PAST TO THE FUTURE

Powhatan Point Revitalization Association
February 2016

Powhatan Point Riverfront Resort
Mixed Use RP-1/2/3/11/Common
Project Prospectus Offer

*The **Powhatan Point Riverfront Resort Project** represents the initial $70.9M development for the downtown riverfront properties as reflected in the long term revitalization planning.*

This includes the construction and rehabilitation of the:

(a) RP-1 Powhatan Cultural Center (Rehab);
(b) RP-2 Riverfront Resort Hotel Building 2/Common;
(c) RP-3 Riverfront Resort Hotel Building 3/Common; and
(d) RP-11 Modular Manufacturing Facility.

The Powhatan Point Riverfront Resort Inc is seeking a company to participate as both an investor and desired development partner. To meet this challenge we are offering for a $4, $6, $10, or $15M investment option, a respective 8%, 16%, 24% or 35% equity stake in the Project; as a Non-Cumulative Preferred Stock or Bond holder; with an annual dividend guarantee of 1.5% for period FY2019-2029. It further includes a representative position on the Project Board of Directors; voting rights; and potential paid positions on the development management team utilizing their respective experience/expertise in the decision-making and management process.

Contents

1.0 PROJECT ABSTRACT

The ***Prospectus*** is associated with the proposed development of a ***Powhatan Point Riverfront Resort*** (***Project***) to be located in Downtown Powhatan Point, Ohio. The Project represents the first phase build (see highlighted ***Figure 1 and 2***), to an expanded long-term destination strategy as a regional retail center and retirement/resort community. This ***Prospectus*** is based upon an extensive analysis of the location, related strengths aand weaknesses, the development facility design review/assessment, the Project's local and regional competitive lodging market, related resort/boutique markets and the immediate hotel/housing demand of the current/future gas industry forecast. Separate feasibility study results reflected a highly profitable RevPAR outcome based upon the hotel location, operational approach, competition, 85+% occupancy demand, costs, $150 ADR pricing strategy and competent management. It also evaluated the present economy of the region, taking into account the sharp rise of economic and housing demand conditions created by the Marcellus/Utica shale play gas industry (see ***Figure 3 and 4***). This demand coupled with under served hotel/extended stay capacity for the local 20 mile area has shown to impact room occupancy/pricing rates, and related development risk/profit margins. Development costs, wages and other operating expenses against investments, pricing strategy, market demand, and competitive assessments are further weighed in short/long term periods of the Project to determine its economic value, as further described in the referenced ***Powhatan Point Riverfront Resort Feasibility Study.***. In summary, these factors are expected to provide a reasonable assessment of potential return on investment for the interested investor and financial partnerships.

Figure 1. Powhatan Point Riverfront Resort RP-1/2/3/Common/MMF Project Overview (Highlighted in Red)

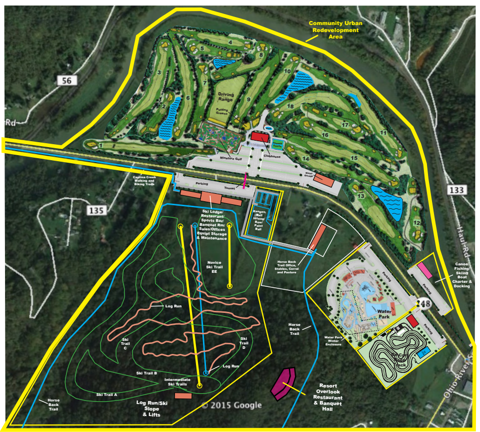
2.0 POWHATAN POINT RIVERFRONT RESORT PROJECT DESCRIPTION

2.1 GENERAL SITE FEATURES

The proposed development of the Powhatan Point Riverfront Resort (Project) in downtown Powhatan Point. Powhatan Point is rural applaichian community that directly fronts the Ohio River along the scenic Route 7 of the Ohio Valley (***http://en.wikipedia.org/wiki/Powhatan_Point%2C_Ohio***).

2.2 POWHATAN POINT REVITALIZATION LONG TERM PLAN

The Powhatan Point Riverfront Resort is the initial element of a larger overall Revitalization Development Program (see ***Figure 1 and 2)*** being initiated by the PPRA. It represents four basic elements including ***(a) Riverfront Resort/Cultural Arts Center; (b) Murray Renaissance Village; (c) Recreational Area; and (d) Route 7 Highway Reconstruction***. It focuses on making the community a destination site (shown ***Figure 3***) for the northeast that is centrally located within 3-6 hour driving distance to 10 major metropolitian cities and population of 25 million. As such, it serves a broader number market segments then any other resort as a vacation get-away/timeshare, riverport, cultural arts center, entertainment recreation area and a shopping mall.



The Powhatan Point Resort Recreational Area offers recreational facilities for a 18 hole golf course, miniature golf/ driving/ putting green range, tennis courts, ski/log run slope, ball/bow/ paint ball ranges, horse back riding stable and trails, captina creek/ Rte 148 biking /walking trails, charter fishing boat, water park, and go-cart track, that will create an attractive destination driven recreation patronage. The clubhouse/ski lodge/overlook restaurant would also provide food/banquet/conference/retail sales and special event offerings. The riverfront resort hotel/extended stay rooms and downtown cultural arts district/museum sites complement the recreational facilities.

Medical Center, Clinic and Assisted Living Complex provides an integrated generic medical facility that serves: emergency-out patient surgical care; family-specialist medical treatment doctor offices; pharmacy; short term medical-delivery-rehabilitation rooms and support facilities; and longer term assisted living rooms and facilities.

The Murray Renaissance Center utilizes the unproductive slate dump as ready community real estate, that offers an extension of the downtown center with mixed land use benefits for Retail, Office and Condo complex. Construction would be done in a multi-story structure in a village like setting with historic architecture facades. Each of these village block segments would provide retail on ground level, office and condos floors above building facilities. The shopping retail can be both specialities stores or typical franchise product stores found in the Ohio Valley or Highlands malls that would serve the local and regional needs of the area. The ability to configure the structure for office or condominium needs provides flexibility to marketing the space for the most viable user.

Built upon existing dump sites provides the community with low cost incentive for the developers and significant property tax revenue. The river road/walkways/bikeways would extend from downtown to enhance the river streetscape park, that could also include a boardwalk overlook river view at the building levels.

Infrastructure Improvements support the redevelopment with new utilities (power/communication/sewer/water) hidden below ground, new street widening/surfaces, new waster water treatment center, water filtration plant, new parks, community recreation center/indoor pool/basketball/volley ball courts, and residential streets/sidewalks/utilities/bus service.

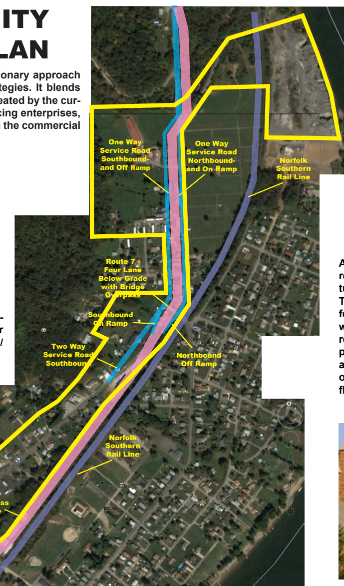
Critical to the federal government's "smart growth" policy and funding opportunities is development of quality of life environments where individuals (primarily young and senior adult couples) can live, work, shop and play without commuting). As our seniors retire, many are downsizing to condominiums offering the esthetics of a coastline, mountains, river front or resort community, that also has access to local shopping to meet their needs (ie. the getaway to Florida, Maine, Vermont, etc.). This approach exploits that trend and Powhatan's location, river and resort attributes as a destination community.

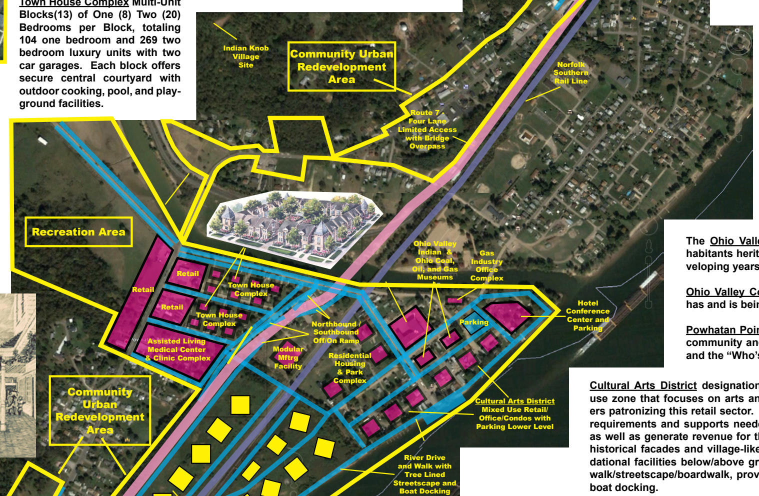
POWHATAN POINT COMMUNITY URBAN REDEVELOPMENT PLAN

The Powhatan Point Community Urban Development Plan (CURP) describes the visionary approach for creating a sustainable destination community based upon "Smart Growth" strategies. It blends commercial exploitation of its strengths and builds on the short-term opportunities created by the current the gas/plastics/energy sector. Long-term the Plan transitions to revenue producing enterprises, that offers its residents a richly endowed community with ideal services, isolated from the commercial segments. The redevelopment areas shown cover all areas of the community.

Powhatan Community Center renovates/modifies the old school facality to accommodate: (1) hotel conference center; (2) fitness/rehab center w/multi-use gym/indoor swimming pool, sauna/tanning spa; (3) fine and performing arts center/auditorium/ stage/theater; (4) PPRA offices; and (5) Powhatan Point Historical Society Museum.

Town House Complex Multi-Unit Blocks(13) of One (8) Two (20) Bedrooms per Block, totaling 104 one bedroom and 269 two bedroom luxury units with two car garages. Each block offers secure central courtyard with outdoor cooking, pool, and playground facilities.





Route 7 Highway reconstruction is a minimum intrusive approach that would expand current roadway to four lanes with limited access and realign its route along rail line which offers maximum access to N. Main Street/Resort/Murray Renaissance. The road would be raised above flood stage via earth works, bridges and use of the old slate dump site. The roadway entering Powhatan from north will be segregated from adjacent service roads and lowered below grade to facilitate overpass at upper Main Street. Multiple exits and on ramps support safe egress to and from the highway along the corridor.

A Riverfront Resort and Cultural Arts District would represent the downtown area involving 13 structures supporting hotels, condos, retail, and office. The combination of 400 hotel rooms and with conference room/exhibit space and 720 rental condos will attract broad constituency for conferences, recreation and business. Historical facade design promotes historical theme and reinforces the cultural arts identity. The building would be constructed over a parking garage to facilitate parking and meet flood plane concerns.

The Ohio Valley Indian Museum serves to identify Powhatan's native habitants heritage and reflect their migration and treatment in those developing years.

Ohio Valley Coal, Oil & Gas Museum recognizes the contribution that has and is being made by the Ohio Valley mineral resources industry.

Powhatan Point Historic Society Museum showcases the history of the community and historic legacy of the community, its educated classes, and the "Who's Who" that evolved from the generations of families.

Cultural Arts District designation would establish a Smart Growth-Quality of Life mixed use zone that focuses on arts and cultural retail as destination theme to attract consumers patronizing this retail sector. Office and Condominiums augment construction funding requirements and supports needed office space and condominium housing for this area, as well as generate revenue for the community. The building design would be done with historical facades and village-like multiple structures, employing parking garage as foundational facilities below/above grade to counter threat to flooding. Attractive pedestrian walk/streetscape/boardwalk, provide overlooks of the river road, walkways, bikeways and boat docking.

2.3 MARKET INFORMATION

2.3.1 Description of Market

The following itemizes current market conditions and needs that support development of an Ohio River Resort:

- The Ohio Valley is undergoing the United States largest gas fracking boom - a 20 year expansion that will be centered around the Powhatan Point area: 100 gas fracking drill sites being initiated in the next 8 years - 3 started this year within 15 miles, 25 permits authorized. Each drill site creates 150 on-site/support jobs, or need for 15,000 new employees over the next 8 years.
- Powhatan Point centrally located in northeast accessible to all major cities within 4-7 hour drive for weekend trip.
- Additional 1,500 housing units are needed to meet short term gas fracking housing demand for out-of-state employees/families under a rental program (2 bedroom, fully furnished, triple net/maintenance/service included).
- Retail representing 15% of project sqft complements housing demand to service drilling employees and long term transition to resort speciality/cultural arts stores.
- Office space representing 15% of project sqft complements housing demand and supports gas fracking service companies, incubator/research companies offering a low-cost/attractive environment location for high-end employees.
- Transition Plan to resort strategy is fundamental objective when gas boom drilling ceases in 15-20 years, to absorb expanded housing/retail/office facilities and assure investment has long-term financial outcome.o Project development exploits short-term oil boom and long-term demand as immediate revenue generator, that finances build costs, while implementing a long-term resort strategy that sustains and magnifies ROI.

2.3.2 Customer Trends/Market Size/Growth/Competition

Current gas industry demand market needs are immediate and warrant high end extended stay rental/leasing housing which can evolve into resort/boutique/tourism market. *Project market strategy and development plan meets short/long term facility and revenue needs for housing/retail/office space for fracking companies such as XTO, Gulfport Energy, Appalachian Resins, Markwest, Antero Partners and dozens of other related support industries. The preferred rental/lease approach increases revenue generation agrees with the transiting gas fracking employee needs and as long-term get-away time share vacation use, or sale as an exit transition for the investor.*

Figure 3. Central Destination of Powhatan Point to Major NE Metropolitan Centers

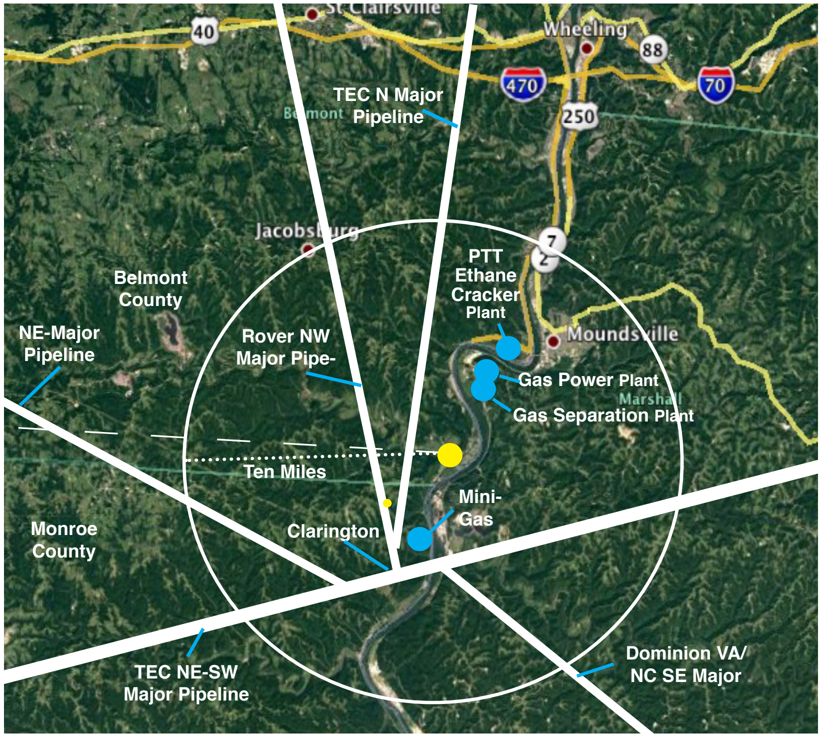


Figure 4. Powhatan Point Location and Area Major Gas Intersection Pipeline, Power Plant and Mini-Cracker Projects

<u>Establishing the long term resort destination strategy</u> *includes exploiting the historical legacy.identity/theme, location on the Ohio River as a port of call, for steamboats and large cabin cruisers, which are becoming popular on the Ohio River, with possibility to home port a sternwheeler at Powhatan Point running circuit between Pittsburgh, Cincinnati, Louisville to St. Louis. Destination site (see **Figure 3 and 4**) is easily accessible by car from the surrounding public of 15 million, that only need a tiny fraction to absorb hotel/apartment facilities. Historic theme, museums, cultural arts retail,entertainment and recreation amenities augment the scenic site of the mountain-riverfront environment that attract the city dweller looking for an unique experience for get-away weekend/week vacation. The project further reaches out to business technical conferences/seminar planners seeking sites offering quality accommodations, scenic settings, Bransom, MO - style entertainment, and cultural arts/unique shopping benefits. Long term effort to attract theater entertainment enterprises to augment the cutural theme and destination attraction.*

In summary, the marketing strategy broadens its client base, with differing interests, by offering a diverse amenity selection. This is enhanced by constructing facilities that serve multiple clientele needs involving added 1,500 new jobs, which may change over time without effecting the facilities.

- ***Gas Booms occurring in North Dakota, Pennsylvania, and North East Ohio validate demand with 400-1000% increase for housing and services in those areas.***
- ***Current Hotel/Housing demand of 90-100% occupancy in surrounding areas of St. Clairsville, Wheeling, and New Martinsville at rates as high as $110-140/day for franchise hotel rooms, resulting in five new hotels being built in last two years with more planned and renovation of a number of old office buildings into apartment rentals.***
- ***Home rentals at all-time record of $2,500/mo; 20 new RV parks being developed throughout area at rental rates of $300/mo.***
- ***With exception of three low quality hotels within 7 mile area, none exist closer than 15 miles. Housing availability non-existent within 15 miles.***
- ***Development of a resort site, based upon the Branson, MO model, is ideally located between metropolitan centers and the scenic area of the Ohio Valley mountains and Ohio River. Combining location with resort housing, recreation, cultural arts, and conference center creates an attractive destination.***

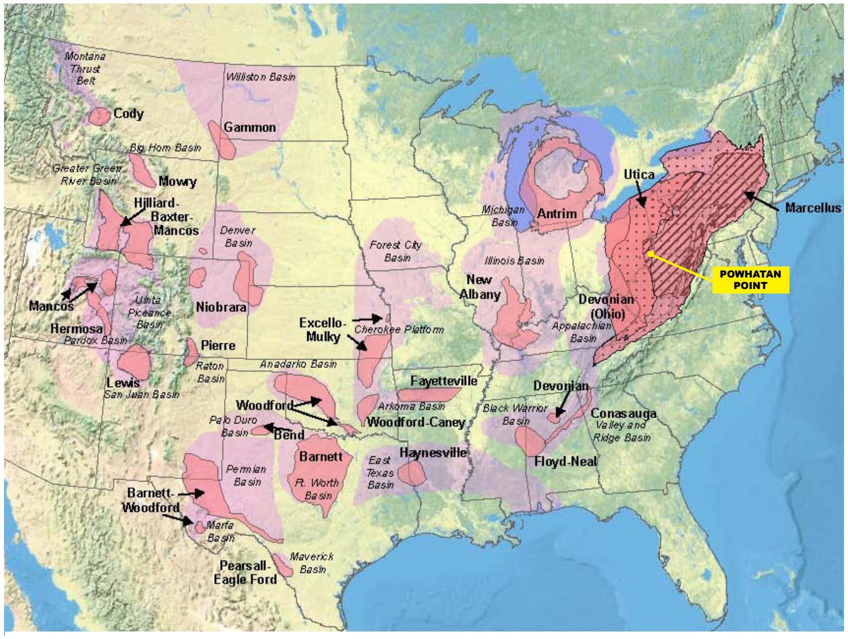


Figure 5. US Shale Gas Deposits - Largest Surrounding Powhatan Point

Hydraulic Fracturing: Critical for Energy Production, Jobs, and Economic Growth, *Heritage Foundation; By Nicolas Loris Fracking: Aug 24, 2012.*

Critical for Economic Growth

Natural gas is already a critical part of America's energy portfolio and consequently a critical part of the country's economic growth. Not only does natural gas provide over 25 percent of electricity generation, natural gas, and other gases extracted from natural gas provide a feedstock for fertilizers, chemicals and pharmaceuticals, waste treatment, food processing, fueling industrial boilers, and much more. Although natural gas prices in the United States have historically been volatile, the abundance of shale gas brings the possibility of low, stable prices. North America has approximately 4.2 quadrillion (4,244 trillion) cubic feet of recoverable natural gas that would supply 175 years worth of natural gas at current consumption rates. Further, the National Petroleum Council estimates that fracking will allow 60-80 percent of all domestically drilled wells during the next 10 years to remain viable.

The abundance of natural gas makes the United States an attractive place to do business, especially for energy-intensive industries. In what could be a growing trend, Royal Dutch Shell recently announced plans to build a petrochemical plant in western Pennsylvania and cited the proximity to natural gas production as the reason for the location. The $2 billion plant will create 10,000 construction jobs and thousands of permanent jobs for Beaver County, Pennsylvania. A new KPMG analysis of the U.S. chemical industry emphasizes that "with a new and abundant source of low-cost feedstock, the US market has transformed to become one of the most advantageous markets for chemical production in the world."Shuttered steel towns like Youngstown, Ohio, are seeing a re-emergence of manufacturing employment opportunities. In Youngstown, V&M Star, the pipe and tube producer, is building a factory to manufacture seamless pipes for hydraulic fracturing that will employ 350 people.

Figure 6. US Shale Regional Exploration Market

2.3.1 Gas Projects

Powwhatan Point straddles the border of Belmont County (http://en.wikipedia.org/wiki/Belmont_County,_Ohio) and Monroe County (http://en.wikipedia.org/wiki/Monroe_County,_Ohio), where the economies are growing dramatically from the gas industry after a decade of downturn from the loss of steel/chemical/steel/aluminum/coal-power industry. This is further reflected in ***Figure 5, 6 and 7***, showing the huge Marcellus/Utica shale deposits of the northeast in which Powhatan Point is at the center. It has a future of diversification and should continue on this path for the next +25 years. The vast majority of the growth has occurred to the north and east of Belmont County and north of the I70 corridor in both Ohio, Pennsylvania, and West Virginia. Over the past 3 years the gas industry has begun moving south with expected 150 well permits in next 2 years, due to initial gas well success. A dramatic increase of $30B for construction of several major pipelines, several mini-cracker facilities, and a new gas fired power plant, within 3 miles of Powhatan Point (see ***Figure 4***).

These gas projects, which are centered within the Marcellus/Utica Slae Plays (see ***Figure 5***), are occurring over the next four years, in spite of current reduced oil and gas prices. This is primarily due to the high production results per well, which are the highest in the country. The Utica Shale thickness of 400 feet allow for multi-layered drilling (100' layers), that once water/gas pipelines are established to the drill site will offer drilling/production activities over a 20-30 year period. It wil require over 20,000 workers/engineers/management personnel, with the majority being brought in from around the country, without readily available housing. The site area, which surrounds Powhatan Point, places the hotel complex in an ideal location to meet these housing needs.

Figure 7. US Shale Regional Exploration Trends and Project Impact

Counties Enjoying Shale Boom, *The Wheeling Register - Intellinger; L. Ringler, January 29, 2012*
Rents in Monroe County have rocketed to $1,500 to $2,000 a month. Visitors to Carroll County can probably get a motel room three years from now. New car and truck sales in those two counties, plus Belmont, Jefferson and Harrison counties, rose 19.8 percent in 2011 from 2010, outpacing the 12.6 percent gain statewide. Jobless rates are improving faster than many other counties around the state. The thread tying the local counties together is the natural gas drilling industry. Despite some skepticism and worries, the economic impact from leases worth millions of dollars to landowners and spending by experienced drilling workers coming from outside the area already is beefing up business and county coffers, along with providing jobs in areas that have been experiencing high unemployment. "This is just in its infancy," said Glenn Enslen, director of economic development for Carroll County. "I'm visited weekly by folks who talk about results similar to the boom in North Dakota. They have a half-percent unemployment rate there, and the population of (that) county has doubled in three years." Carroll County's unemployment rate fell to 8.5 percent in November from 11.2 percent in November 2010 - and is on track to fall more. Enslen said Texas-based Select Energy Services is gearing up to hire 200 workers to repair drilling equipment, haul water and provide other services to drillers.
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Counties Enjoying Shale Boom
The result is a boom for motels, restaurants and other businesses. "Our motels are full. You can probably get a reservation in three years," Enslen said, adding the jobs are expected to be long-term. Other counties have done even better. Jefferson County's jobless rate fell from 12.7 percent to 9.3 percent in the same period. The local counties outperformed other Ohio counties with traditionally strong economies. Cuyahoga County posted a 19.8 percent drop in the number of unemployed, with a rate of 7.3 percent, while Franklin County's number of unemployed improved 15.2 percent to a rate of 6.7 percent. Experienced workers from Texas, Oklahoma and other energy-rich states make up a significant number of the new residents. The rush is creating a shortage of motel rooms, apartments, even campsites, as well as driving up rents. Sam Moore, owner of Swiss Lands Realty Inc in Woodsfield, said places that have rented for $300 to $350 a month are going for $1,500 to $2,000. Land and home sales haven't dramatically increased, however, because owners can make more money through gas leases on land or by renting their house, Moore said. The exception has been cases where people buy a house with the intention of renting it to gas workers.

Richard Kiko Jr., chief executive officer of Kiko Auctioneers & Realtors in Carroll County, expects home buyers to emerge as the shale rush matures. "The first wave is a lot of out-of-state workers who live out of hotels and rentals. The second phase will be people hired for long-term jobs, a lot of engineering and monitoring," he said. With predictions of 100 wells being drilled a year, Kiko sees mid-priced houses in the $50,000 to $150,000 range as being in the most demand as workers advance from motels to rentals, then to permanent housing. He said he's not concerned about overly rosy drilling projections, largely due to a housing shortage. "We're lucky in northeast Ohio because we have a reduction in supply because of no construction in recent years, then you add this demand, and we'll have a double effect," he said. "Even if they drill 50 wells a year, that's more jobs." More jobs means more spending on vehicles and other items that generate sales tax revenue for counties.

Harrison County and Carroll County saw their sales tax receipts increase at 8.7 percent and 8.6 percent, respectively, which surpassed the statewide increase of 8.4 percent when comparing October 2011 to October 2010. Monroe County did even better, posting a 12.2 percent boost in sales tax receipts. "We've seen years where we had a carryover from year to year of less than $20,000. We'd have to go to the bank and borrow to make payroll at the end of the year. This year, we have over a $300,000 carryover," Monroe County Auditor Pandora Neuhart said. New and used vehicle sales fueled much of the sale tax gains. New vehicle registrations in title offices of the five counties hit 3,808 in 2011 from 3,179 in 2010, a 19.8 percent increase. New vehicle sales in Monroe County surged 37 percent for the period to 259, while Carroll County saw a 30.3 percent gain to 580. Stronger sales will prompt Mike Knowlton to add a mechanic at his Knowlton Ford Mercury in Woodsfield. "People in the county are starting to get money from land leases. People are buying trucks and things they normally wouldn't have bought," he said. "There's more optimism. We feel we're on the front end of this. We think it'll get better."

2.4 PROJECT OVERVIEW

The Powhatan Point Riverfront Resort Project Plan illustrated below, *represents the initial $64M development for the downtown riverfront properties as reflected in the long term revitalization planning. This prospectus describes the construction and rehabilitation of the:* **(a) RP-1 Powhatan Cultural Center (Rehab); (b) RP-2 Riverfront Resort Hotel Building 2/Common; (c) RP-3 Riverfront Resort Hotel Building 3/Common; and (d) RP-11 Modular Manufacturing Facility.** *It offers the community a game-changing development, while providing its property owners and investors a significant financial, esthetic, and functional benefit. More specifically, it exploits the current gas boom housing demand to meet initial hotel/housing occupancy requirements and maximize short-term ROI, which further establishes a foundation for a long-term resort revenue generator. The* ***Powhatan Point Revitalization Association (PPRA)*** *has initiated the feasibility research, concept development, and financial analysis to assess implementation and planning for the short and long term project goals. The Project is a phased redevelopment plan of the downtown waterfront district guided by applying mixed land use with performing arts, hotel/conference center, retail, office and luxury apartments under a central historic and cultural arts theme. Combined with scenic and recreational attributes the development would create an attractive destination site.*

The downtown resort theme integrates a complementary set of elements including:

(a) river front design that provides river drive/biking/walking streetscape with cruise/sternwheeler docking wharf, boat docks, boardwalks, and distinctive river front landscape;
(b) retail focus on cultural arts, speciality stores and eateries offering unique identity and product creates a broader attraction of the regional public;
(c) professional office that focuses on fracking support industry, incubator research, software development and consulting companies seeking attractive working environment/living conditions for its employees;
(d) luxury apartments integrated into the downtown complex with river views, balconies, high quality design/amenities with work, shop and play environment;
(e) destination enclave offering unique character and charm, year-round recreation, serenity, an indian legacy and get-away life-style, that attracts those vacation families, the business seminar/tech conference attendee, a time-share user, a retiree, the young single/couple new dweller, and senior down-sized couple;
(f) development financing commits to only Phase 1 construction process, with options for Phase 2 and 3, applying an initial 50/50 equity/loan plan that is complemented by land bank investments, federal/state/local government subsidies that magnifies amortization ROI; and
(g) modular/iterative unit construction plan with production facility on-site, that reduces build plan costs and schedule to six months per building.

The ***Powhatan Point Riverfront Resort Project represents much more to the investor, government organization, and community:***

(a) investors are expected to benefit from <u>15% annual profit margins with a ten year loan payoff</u>;
(b) <u>low-risk, phased build plan</u> that iterates facility design utilizing modular building block construction; and proceeds as sales occur;
(c) <u>satisfies immediate housing needs</u> while creating a unique northeast destination site that offers short and long term benefits;
(d) adds <u>750-1,500 jobs with combination of service, construction, manufacturing (MMF), and professional/business organizations</u>;
(e) provides <u>potential purchasing power</u> of 1,000 quests/renters per day, that represents <u>$10M a year to local businesses;</u> and
(f) <u>increases tax revenue by $10M/year</u> for the state/county/local government based upon $300M development.

2.4.1 Long Term Development

The long term expansion plans shown in ***Figure 2***, include more downtown riverfront mixed use structures identical to those being proposed in this Project. Unlike RP-2 and RP-3, the expanded structures will focus on two bedroom lease units to service both the gas industry/get-away vacation/time-share/tourism market requiring extended room demand. This is includes added office/retail/food/entertainment/cutural arts facilities (see ***Figure 1 and 2).***

The Murray Renaissance Center mixed use shopping/office/housing village concept (see ***Figure 2***) redevelops unused coal tailings land creating revenue generating businesses for the community with a live/work/shop quality-of-life environment. It also provides shopping access/appeal for the Belmont/Monroe County region, drawing-in retail purchasing power, while enhancing opportunities to participate in the adjacent cultural/entertainment/recreational/restaurant venues. Additional plans for a hotel/conference center, office complex, medical arts/clinic/assisted living complex, dedicated museums/historic indian village site reconstruction, recreational and entertainment facilities will further interest early investors.

The 12 acre site(s), illustrated in ***Figure 1***, is located in the downtown district of the Powhatan Point, that directly fronts the Ohio River. It is located (see ***Figure 2, 3 and 4***) approximately 15 miles south of the Wheeling, WV, and the Interstate 70 corridor. The nearest local airport is Wheeling and closest International Airports are Pittsburgh, PA located 60 miles northeast or 125 miles to Columbus, OH of the site.To access the site location traveling east/west or north/south.are the major arteries of the interstate 70 and scenic State Route 7, illustrated in ***Figure 4***,. Powhatan Point also uniiquely lies directlly on the Ohio River offering a third accessible waterway route, which serves a growing river cruise industry. Parallel WV State Route 2 highway, which connects to Route 7 through bridges north 5 miles and 16 miles south, provide easy access to new WV mini-cracker plants and gas power plants and related pipeline construction/production projectsincreasing housing demands Access to the site in general seems very accommodating and does not pose any impact as far as traffic flow to the site.

2.4.2 Site Zoning

Zoning for a hotel is classified as R4 Zoning as shown in Zoning Map, ***Figure 6***, and further described in the following requirements that also meets height (65 feet above flood plain) and parking (1,010 vs 750) requirements. The actual site plan described in the ***Powhatan Point Riverfront Resort Project Prospectus,*** which is in severe distress (see ***Figure 7***) offers an economic redevelopment opportunity.

R4 District Zoning Requirements

The following uses are permitted in the No. 4 District:

a) Banks,post office, schools, libraries and churchs.
b) Municipal buildings, professional offices and retail stores.
c) Home occupantss, barber and beauty shops.
d) Homes for the aged, indigent or orphans.
e) Hospitals, convalescent and nursing homes, but not establishments for the care of contagious diseases, epileptic, drug or liquor patients criminals.
f) Hotels, restaurants, theaters,dairy bars, cafes and taverns.
g) Bowling alleys, pool rooms and skating rinks.
h) Auto sales, repair garages, used car lots and gasoline service stations.
i) Clubs, lodges and tourist homes.
j) Cleaning and pressing, furniture, repair, cabinet making, pattern shops, plumbing and heating shops and printing shops.

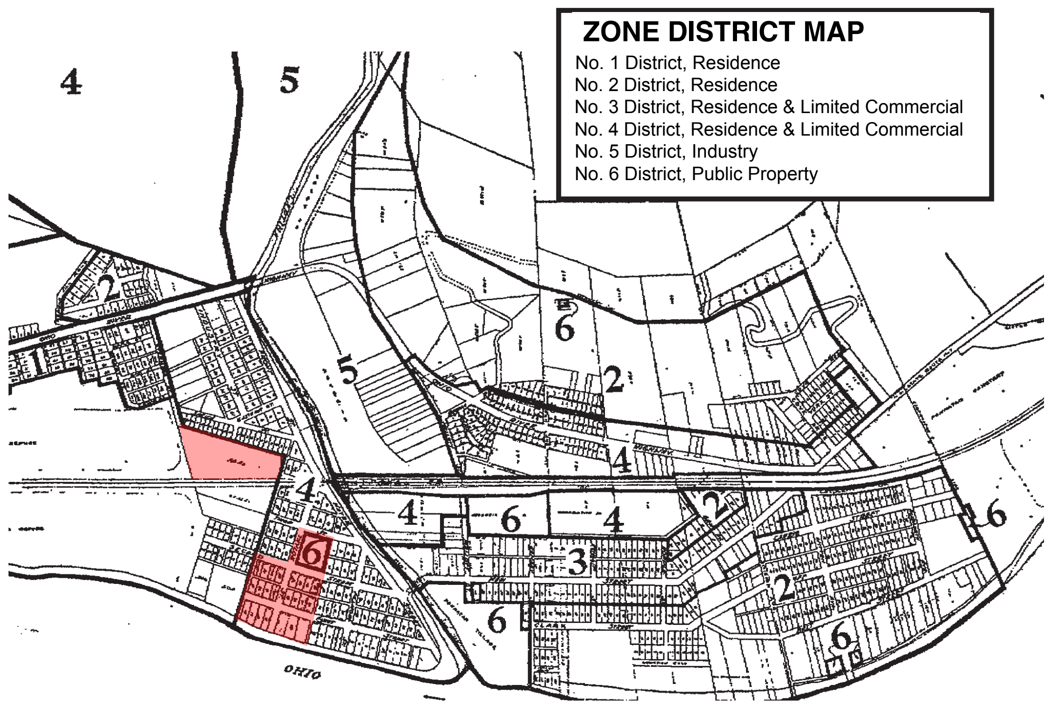


Figure 6. Powhatan Point Zoning Map

PROPERTY PORTFOLIO - CURRENT DOWNTOWN SCENE

Development is focused upon the <u>downtown district which represents a segregated peninsula</u> (see ***Figure 1/2***) contained by the waters of the Ohio River, Captina Creek, Old Mine Slate Dumps, and N/S Rail Line, which effectively isolates the area from the community. This <u>area is further identified as blighted, a target for redevelopment and related tax credits with property owners seeking an economic solution.</u> Reversing the current area state of deterioration caused by area economic downturns and flood plane problems into a <u>revitalized community will stimulate government subsidies</u> from federal/state/county officials who all desire new jobs, revenue generation and a place maker identity.

Riverfront properties even in <u>distressed circumstances offers benefits for an enterprising venture</u>. It also makes it attractive to landowners who want a means to recoup any value from their current investment. For some having riverfront residences, enticements of equity and riverfront unit may be required. Bottom line, redevelopment can easily revitalize the current downtown riverfront and attract landowner involvement. The Times Leader article reinforces the development appeal for a riverfront resort approach in Ohio. Current relationship with the "Ohio Valley River Development Commission" further assists our efforts to revitalize riverfront communities.

THE TIMES LEADER - *Tuesday, June 26, 2012 - A7*

Ohio cities focus on rivers as key to land development

DAYTON, Ohio (AP) – Ohio cities focusing on new large-scale downtown development are looking to their rivers as a base for much of that development, and planners say a key decision facing cities is how best to tie their rivers to such projects.

Developers and planners say the question that cities including Dayton, Toledo, Cincinnati, Columbus and Cleveland have to answer is not whether to use their riverfronts but how to best link them to city centers to attract new residents and businesses and strengthen the economic base, the Dayton Daily News reported (http://bit.ly/L5dr92).

Michael Ervin, who has been leading efforts to develop Dayton's riverfront as chairman of the Downtown Dayton Partnership, said rivers have always been critical to the state's economy. But now planners are "trying to connect the river to the rest of the city by creating a great sense of place, where people will want to live, work, play and learn," he said.

Ervin said a vibrant downtown is essential for a strong regional economy "because that's where workers of the future want to live."

Cities throughout Ohio and elsewhere are working on transforming downtown areas along rivers once primarily used for barge traffic and waste disposal.

"In the Midwest, especially, riverfronts used to be the back doors of cities because they were industrial," said David Ginsburg, chief executive of Downtown Cincinnati Inc., which was instrumental in The Banks project in Cincinnati. "What you're seeing now is cities reclaiming their riverfronts."

The mixed-use development along the Ohio River already is a central attraction in Cincinnati. The nearly completed Phase 1A includes a 300-unit luxury apartment complex and 96,000 square feet of retail and restaurant space, which is expected to generate $91 million a year in economic impact, according to the University of Cincinnati Economic Center. When fully completed, the initial phase is expected to draw $276 million a year in economic impact.

The 11-acre, $40 million Scioto Mile city park along the Scioto riverfront in Columbus, and the nearby Columbus Commons park opened last summer and represent a $65 million investment.

A $31 million baseball stadium that opened in 2002 in downtown Toledo near the west bank of the Maumee River is considered as the catalyst for revitalization there. Developers have announced plans to turn an old plant along the Maumee into a $16 million complex with a new YMCA, health clinics and apartments.

A new casino in downtown Cleveland, which already is bringing cash and visitors to that city, eventually will expand to include a building along the Cuyahoga River.

Dayton hopes to attract residents to its urban core with a plan to create better recreational spaces along the Great Miami River.

Tricia Casey, who lives in downtown Dayton is the kind of resident planners hope will lure retailers, restaurateurs and nightclub operators to return.

"I like the convenience of being downtown," said Casey, who believes the river could be a major draw there.

The Downtown Dayton Partnership has raised nearly $4 million for the RiverScape River Run, which would tear down the low dam across the river and replace it with boulder-like structures to create separate passageways for canoes and kayaks.

It's expected to be completed in 2014

Ervin said there are many similar-size cities around the country that have seen a significant return on waterfront investments.

Figure 7. Current Downtown Properties Status

3.0 RP-1 POWHATAN CULTURAL CENTER PROJECT PLAN

3.1 RP-1 PROJECT OVERVIEW

The Powhatan Cultural Center Project RP-1 (***Figure 8 and 9***) offers the community, its surrounding property owners and investors a significant financial, esthetic, and functional benefit. More specifically, it represents the rehabilitation of the Powhatan High and Elementary School Facility at 125 Second Street into a vital 55,000 sqft taxable asset that will employ 50+ individuals, supporting: (a) an attractive 53 suite luxury hotel (b) a family restaurant; (c) a wellness center for fitness training and physical rehabilitation with an indoor pool; (d) a child care center with pre/after school program supported by complimentary youth/senior centers; (e) a fine arts program with a combination performing arts center and cinema; (f) a shared sports gym/exhibit hall; (g) Powhatan Point Museum; (h) Ohio Valley Native American Museum; (i) Ohio Valley Coal/Oil/Gas Museum; (j) a complete makeover of the current exterior property and perimeter streetscape; and (k) 3,000 sqft of leased space for Professional Offices/Retail Shops/Businesses.

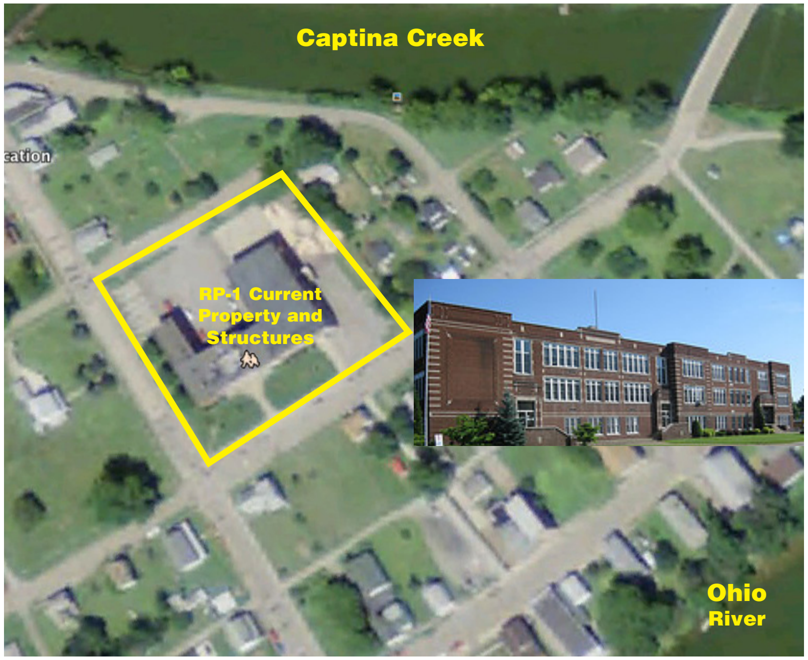


Figure 8. Powhatan Cultural Center RP-1 Project

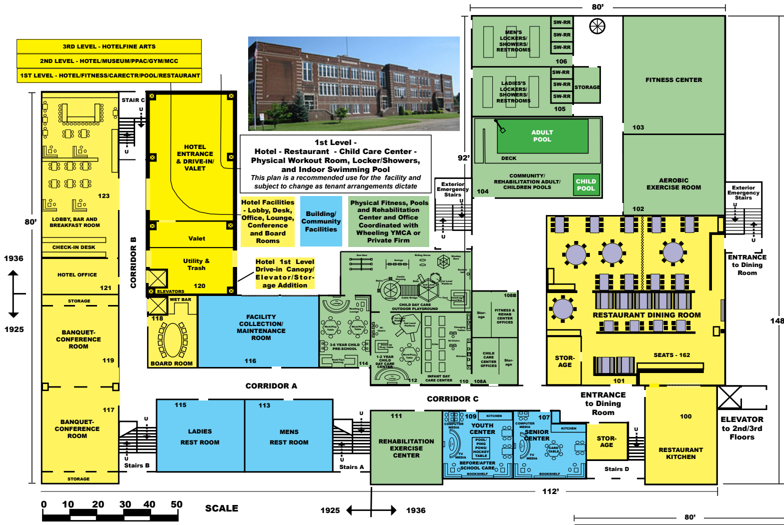
3.2 RP-1 PROJECT PLAN SCHEDULE/COSTS/REVENUE

The Powhatan Cultural Center facility is a historic structure under state approval and being processed under national registration. It is currently owned by the PPRA and with a three month engineering/permit process can be immediately begin rehabilitation. The PPRA has completed the feasibility research, concept development, and financial analysis to assure implementation. Title transfer to ***Powhatan Point Riverfront Resort, Inc*** will be established to support financing and overall management. Elements of the project will be completed in first six months, including the restaurant, day care, performing arts center, retail/office and fitness center. A portion of the hotel may be completed in first 12 months with full operation by the 18 months.

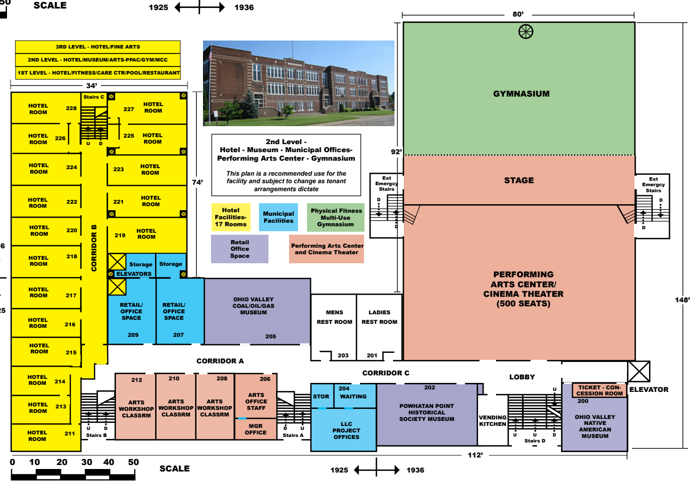
3.3 RP-1 PROJECT UPGRADES/HOTEL ENHANCEMENTS

The structure is a flood resistant masonry design, that when combined with enhanced flood protection fully complies with FEMA requirements. When related to the waterfront plans, the building represents a place-making landmark with historic preservation tax credits and qualify for energy/handicap/arts grants. The PPRA is co-developing the property with RP-2/3/Common efforts to add 53 more luxury hotel rooms, and unique services (performing arts center, fitness/rehabilitation center, child day-care with pre-after school program, museums and office spaces). Fundamental upgrades being planned involve (a) handicap access with elevator, auditorium, pool, three level access, restaurant and rest room provisions; (b) new heating/cooling system; (c) electrical/lighting system; (d) asbestos mitigation; (e) flood protection for the building; and (f) parking/landscape/streetscape makeover.

Figure 9. Powhatan Cultural Center RP-1 Project Facility Plan

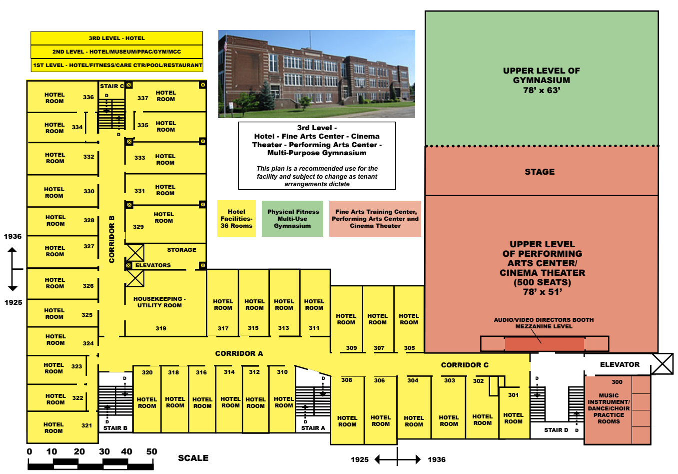


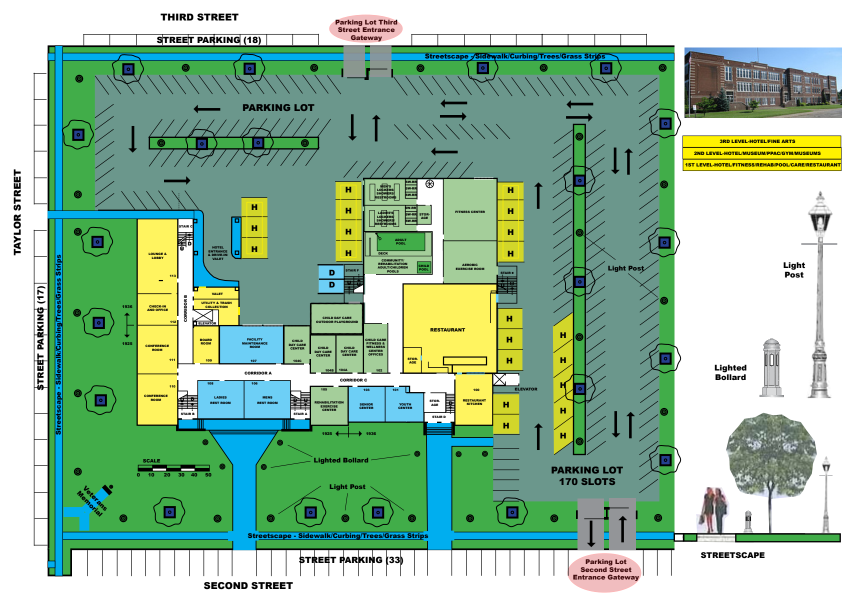
First Floor Plan



Second Floor Plan

Third Floor Plan





Exterior Grounds Plan

4.0 RP-2/3/COMMON PROJECT DESCRIPTION

As described in the ***Powhatan Point Riverfront Resort RP-1/2/3/Common/MMF Structure Layout (Figure 10),*** the project is the startup catalyst development of the Powhatan Point Riverfront to construct two retail/hotel use eight story structures that surrounds a community square with amphitheater and place making Indian sculptures that identify with the Powhatan Point heritage. The development is at the center of the riverfront makeover offering an inviting access via River Road and pedestrian walkways along the waterway, that with a sternwheeler wharf creates a destination community, providing hospitality and cultural arts retail services. Each structure, consists of: (a) two levels of parking/utilities/delivery; (b) main level for retail/office,; (c) four levels of one/two bedroom luxury hotel suites; and (d) a roof level fitness/pool/conference room/restaurant/bar.

Levels 3-7 will apply off-site manufacturing module building blocks (224 units), which are delivered to the site as a fully assembled unit requiring minimum integration through stacking and utility interconnects. Under factory assembly-dual line common design module production process, the project is expected to reduce costs below $80/sqft, at a three day/unit production rate, with a two day on-site integration effort. The main lobby/retail/office area (120 x 240 - 28,800 sqft), serves as foundation elements for each building's 4-7 hotel levels of 1 bedroom/utility (96) and 2 bedroom (16) suites. The roof (level 8) will be a partial transparent design constructed on-site over the installed modules and a center atrium offering natural light to the building interior. The combined RP-1/2/3 structures offer 56,000 sqft of retail/office space and 176 one bedroom and 32 two bedroom hotel luxury suites to service a small fraction of the hotel demand required for the on-going gas boom development.

The RP-2/3/Common Project integrates a complementary set of elements including:

(a) *combined hotel suites (32 two bedrooms & 176 one bedrooms), conference rooms, business media room, exercise, swimming pool, washing/drying facilities, cafe eatery, and bar, with river/mountain views, balconies, and quality amenities;*
(b) *12,000 sqft retail focus on general product stores and eateries serves as built-in tenant resource;*
(c) *professional office space - 12,000 sqft;*
(d) *parking space for 1,000 vehicles, with utilities facilities, waste collection, and delivery access;*
(e) *central utilities with platinum green energy and conservation rating, with built-in waste water treatment;*
(f) *development financing applying a recommended 50/50 equity/loan plan that is complemented by land bank investments, federal/state/local government subsidies; and*
(g) *green design/modular/iterative unit construction plan, that reduces build plan erection/integration costs and schedule to less than a year per building.*

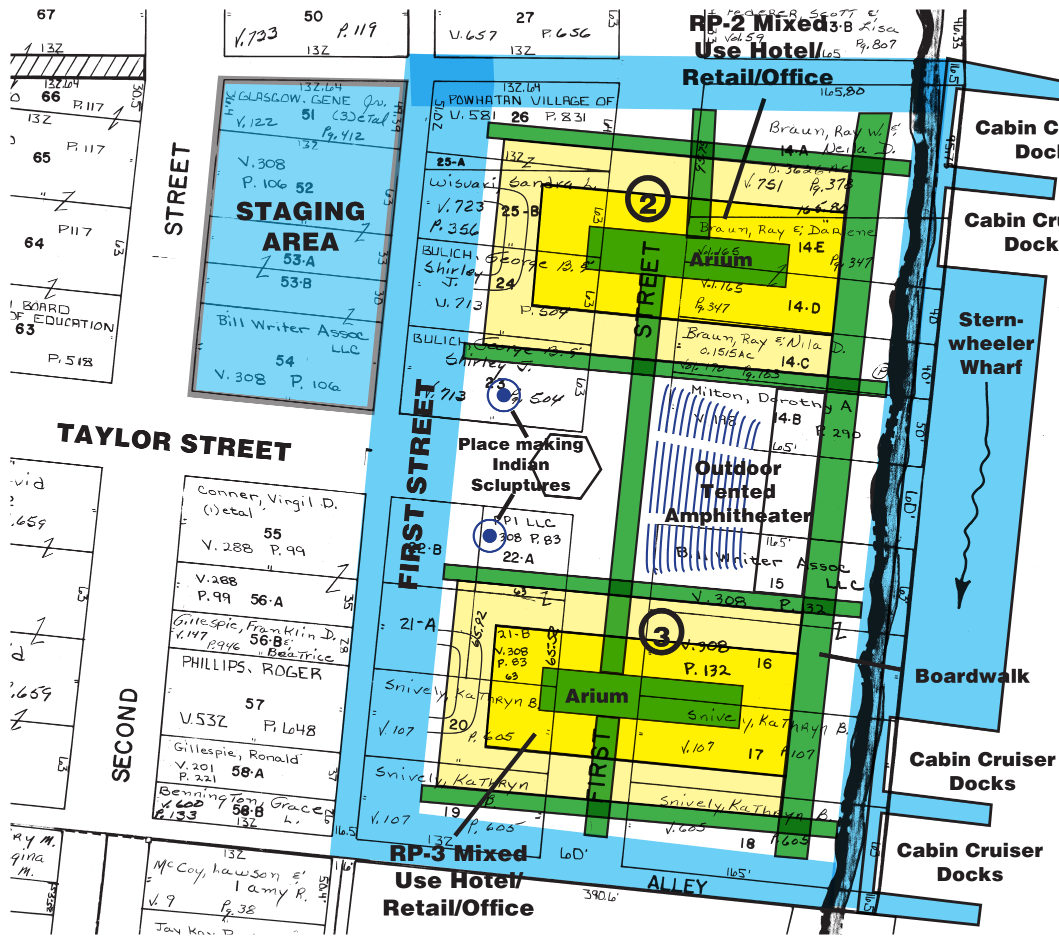


Figure 10. RP-1/2/3 Mixed Use Project Site Plan

4.1 RP-2/3/COMMON AREA PARKING LEVELS

Two levels of secured metered parking serves to meet below flood plane requirements, parking, utilities and delivery access, while functioning as foundation elements for each structure. Each facility supports a 28,800 footprint, that can accommodate up to 325 vehicles on two levels. Additional space is provided for delivery, waste pickup and utilities. Common utilities, sealed against flood condition, covering 2,000 sqft covering two levels (20 ft height requirements), services the entire building with central heating and cooling, electrical/communication distribution, waste water treatment, and trash recycling. Limited purchased storage is offered to long-term tenants for bicycles, car racks, small work items, etc.

River water is utilized as heat exchanger for heating and cooling energy efficiency, that is further improved upon through central distributed hot/cold water air handlers, solar/lighting/heated air redistribution/removal and local space environmental control systems. Given the gas boom surrounding us, gas energy is fully utilized where heating needs are required. Special on-site waste water/sewerage treatment plant (similar to cruise ship treatment plant), and purple water recycling reduces sewage impact on the municipal plant and conserves water. With additional conservation materials involving gas, solar, recycled insulation materials, natural lighting, and environmental controls, the project is seeking to achieve a platinum conservation rating that will generate financial subsidy benefits. Consideration is being made to install small hydro - electrical water turbines into the wharf to utilize river water flow as a renewable electrical energy source for the facilities.

4.2 RP-2/3 MAIN LOBBY/RETAIL LEVEL 3

The main lobby/retail level 3 represents entry-level to the facility, as illustrated in ***Figure 11***, host a variety of retail and office space, covering 28,800 sqft with 4,000 sqft of common/atrium space. Entry points from all four slides of the structure with specific access to the boardwalk fronting the river, offers easy pedestrian means to the building. Preference is made for retail food establishments in spaces facing the river to create café-like venues for the Boardwalk. Hotel lobby and professional office space is provided for at the lobby-level to service housing and professional needs. The high ceiling (20ft) and atrium walk-through creates a functional and aesthetic scenario at the building entry level.. A vehicle drive-up ramp from First Street provides passenger drop-off for direct access at lobby level. An additional drop-off area at elevator lift is provided to quests entering on Parking Level 2.
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4.3 RP-2/3 HOTEL SUITES LEVEL 4 THRU 7

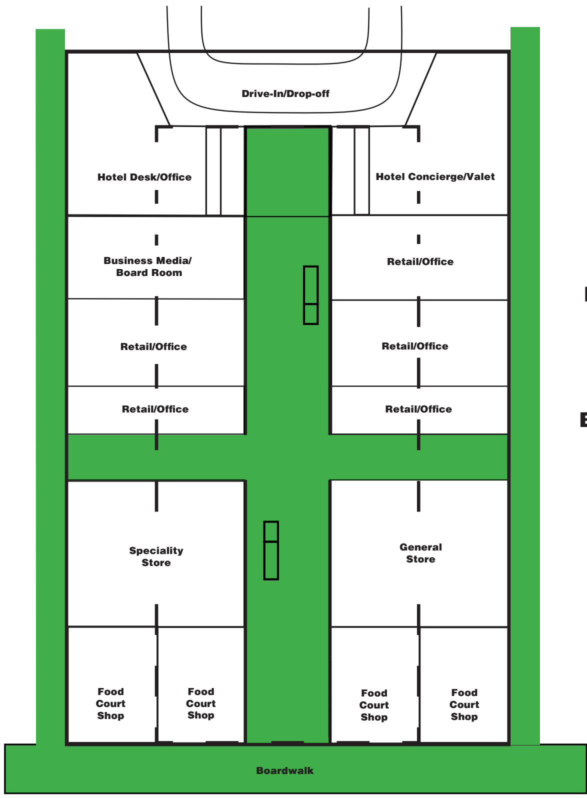
Hotel levels 4 through 7 represents a combination of 1/2 bedroom luxury hotel suites (as illustrated in ***Figure 11*** with mix of one king or two queen beds). Each level supports 26 rooms, including: (a) 4 hospitality two bedroom suites and 22 one bedroom suites (15 x 30 feet/450 sqft) with 6 configured for handicap; Each floor provisions a large housekeeping area (15 x 30ft/ 900 sqft) including the collocation of elevator for room services. Each housekeeping unit will house linen/cleaning capabilities, storage of supplies and other guest accommodation support. A combined vending/maintenance room (15 x 30 feet/ 800 sqft) provides added customer vending/ice/information service support at each level including a separate maintenance storage for tooling/spare/replacement furnishings, bedding and appliances.

Each suite provisions a kitchenette with a refrigerator, microwave, range, sink and shared dining/living room area and a flat screen TV in each room, wireless phone/internet, and limited stock of cooking/eating utensils.. All units are delivered fully assembled to the build site and integrated on-site in a stackable/adjacent interconnection. Management for both hotel operations is done by central hotel management and hospitality staff. The combined two structure hotel is expected to be rated as a four-star facility, offering 208 rooms of a mix of accommodations including hospitality and luxury suites that offer river/creek water views, while also managing/provisioning security and maintenance of all building parking/retail/office/roof lease spaces.

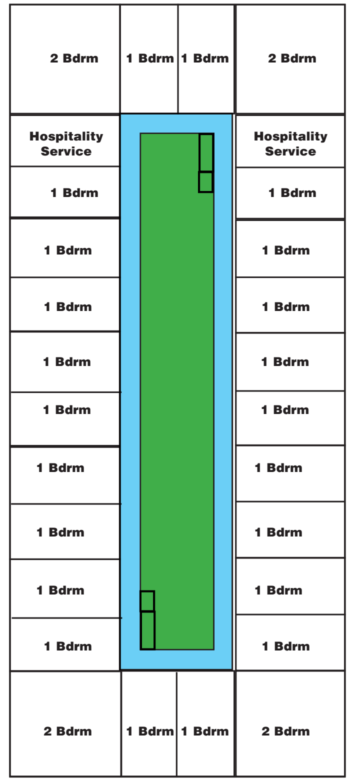
4.4 RP-2/3 ROOF

The roof provides a restaurant, sports bar, fitness center, pool and conference rooms. This serves both the tenants and public to meet entertainment and well being needs. A transparent roof provides an open view, natural light environment that is transferred through the building via the center atrium access. Towers penetrate roof line for architecture enhancement and elevator/stairway functionality. The 32 x 20 foot pool functions as both a added hotel/public function while supplementing as a fire hose/sprinkler water source backup.

RP-2/3 Hotel/Retail/Office Structure Layout

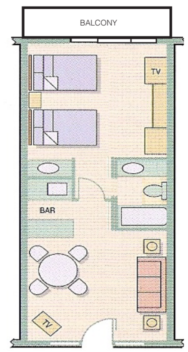


Entry Level 3 - Boardwalk Access Retail/Hotel/Food Court/Office (120 x 240 - 28,800 sqft)

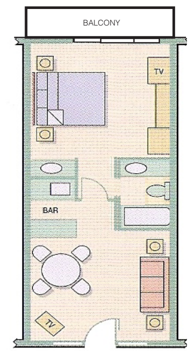


Hotel Level 4-7 Each offers 4 (16) Two Bed-room Suites 22 (88) One Bedroom Suites (900/425 sqft each); Total - 104 suites

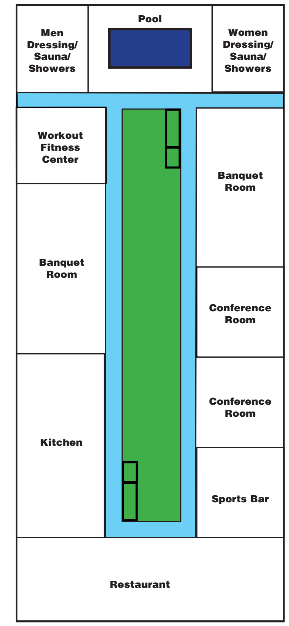
Typical One/Two Bedroom Luxury Suite Layout (900/425 sqft each)



Double Queen Suite



King Suite



Roof Level 8 - Atruim Restaurant/Conference/ Bar/Banquet/Fitness/Pool/ Sauna/Shower Rooms

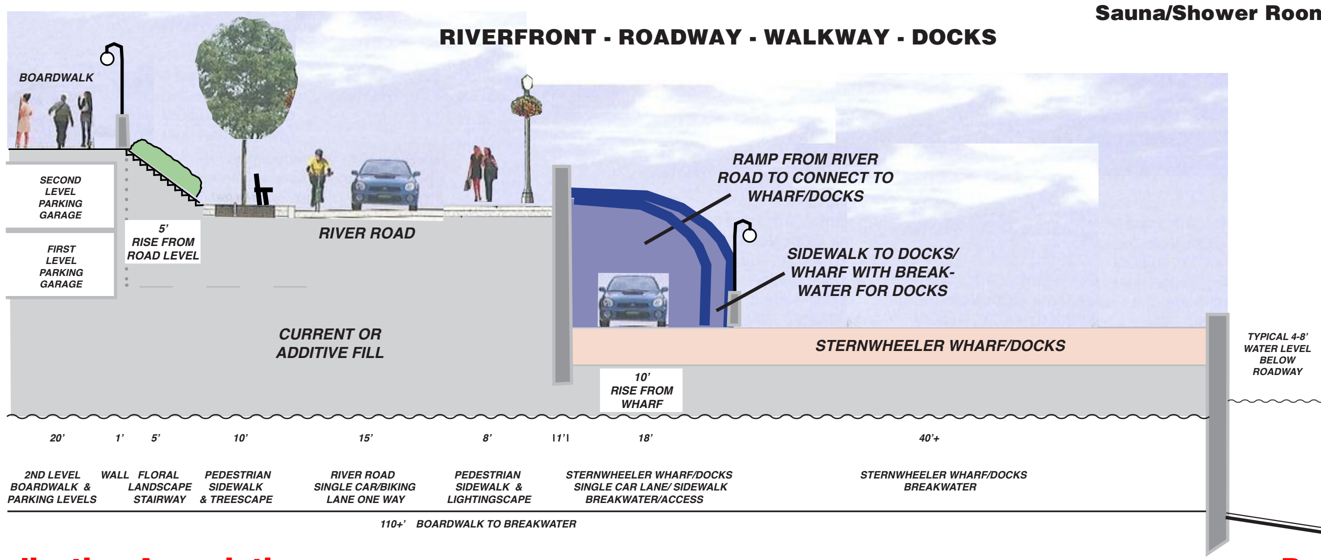


Figure 11. RP-2/3 Mixed Use Project Site Plan Structure Layout

4.5 ARCHITECTURE

The proposed building architecture facades (see ***Figure 12***) and interiors reflect ***Indian Artwork/French and Queen Anne Colonial designs***, to reinforce Powhatan Point's settlement periods of the Ohio Valley. The architecture also establishes a distinct look for the area and establishes an architecture theme for the resort.

Foundation of the structure is concrete representing two levels of parking, central utilities flood proof room and delivery/waste removal truck access/docking. Level three serves as concrete structure to support the four levels of hotel suites and roof facilities. Levels 4-7 is ***constructed with stackable ready to occupy 1-2 bedroom suite module***s as an integrated floor/ceiling design with electrical/lighting/cooling/heating/plumbing embedded, window/door installed, wall/carpet decor completed, furniture/bedding, appliances, and bathroom fixtures to reduce on-site work efforts. Interior and exterior facades are provided also with the module and seamed together with utility hookups as units are integrated. ***Light Gauge Steel (LGS) and Radiant Heating/Cooling (RH/C)*** minimize weight and provide additional vertical strength to permit stackable module integration to heights of six stories (RP-1 two levels and RP-2/3 five levels w/roof). RH/C supports high efficiency central A/C, while eliminating air handlers for each module, further reducing costs and related structure noise.

Figure 12. RP-2/3 Riverfront Project Structure Architecture.

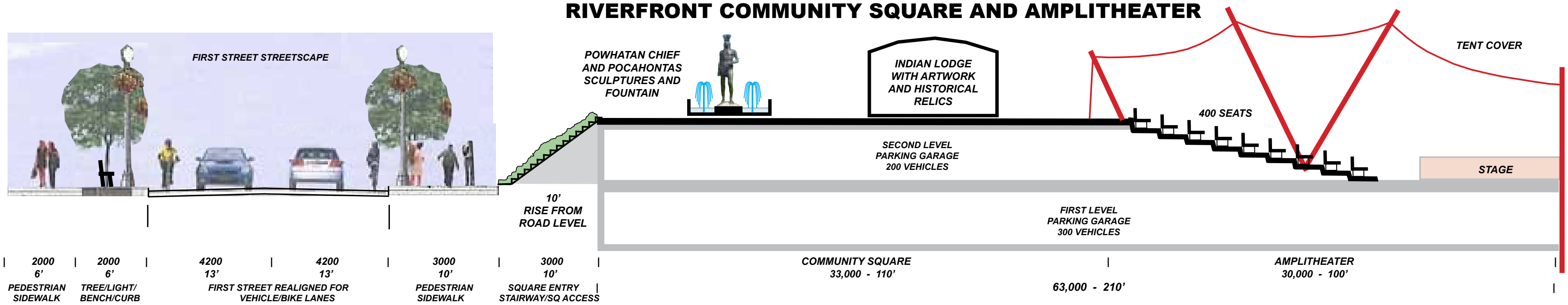


Figure 13. Riverfront Community Square and Amphitheater Site Plan.

Platinum Rating for energy efficiency is achieved through: (a) centrally integrated utilities; (b) central supported high efficiency RH/C, complimented by insulated material construction; (c) clean renewable energy implementation (solar and river water heat exchanges provisioned); (d) on-site water recovery/waste water treatment; and (e) purple water reuse for flushing, landscape irrigation, and radiant heated exterior walks/streets during winter months.

4.6 COMMON ELEMENTS - COMMUNITY SQUARE/SCULPTURES/AMPHITHEATER/STERNWHEELER WHARF

The Common Elements are constructed between RP-2/3 to establish the destination site on Riverfront, illustrated in ***Figure 13***, which will enhance tenant occupancy for the housing/retail units. It further provides the community with an attractive central place making site, that identifies with the historical Native American legacy of the town which is reflected in the Indian sculptures/Indian lodge/tent paintings/displays. This is augmented by the 400 seat amphitheater designed with a tent enclosure and Indian artwork, offering entertainment, while augmenting the cultural arts theme.

The Sternwheeler Wharf provides access to the Ohio River cruise lines and transiting cabin cruisers. As a destination river hub the wharf facilitates utilities, fuel hookups, and passenger egress to the project area. Centralized between the Pittsburgh and Cincinnati river corridor, a sternwheeler can create a three day run to either city from a Powhatan Point home port. This reinforces the destination community strategy and related hotel occupancy goals. When considering gambling on-board the cruise line, and the adjacent Wheeling Island Casino/Dog track, and recreational/local attractions gives tourist a broad mix for regional interests.

Parking below the Community Square supports 300 cars in two levels (P1 for 200 vehicles and P2 for 100 vehicles). This augments adjacent parking garages under RP-2 and RP-3 project structures offering parking for amphitheater and cruise line tour attendees. P2 level shares space with amphitheater construction to create punch bowl effect for stepped seating. Staircase and elevator lifts to the square level is facilitated to meet pedestrian access from the parking levels.

4.7 ACCESS

Building access is provided for the pedestrian, auto, and delivery/operation maintenance, as illustrated in ***Figure 11.*** Pedestrians can gain access thru walkway entry points leading directly into the hotel main levels facing downtown along First Street, or direct walkway from Water Street-river front, or the adjoining common elements. Autos are provided a drive-up/drop-off main entry to the lobby, or may enter via direct street entry to garage levels. Pedestrian/delivery elevators, emergency stairs and retail escalators are throughout and at all levels of the facility to assure easy pedestrian access (supports handicap concerns). The center atrium facilitates an open space environment and direct sunlight to the building center and interior walkways to corporate housing/hotel rooms.

4.8 FEMA FLOOD PLANE IMPACT ON THE RP-1/2/3 PROJECT

The downtown district has suffered over the years from annual flood threats due to its river front location being in a Flood Plane. Under FEMA (Federal Emergency Management Agency) occupancy requirements for flood plane redevelopment, non-residential construction may be flood proofed below the Base Flood Elevation (BFE) --The elevation of surface water resulting from a flood that has a 1 percent chance of equaling or exceeding that level in any given year. FEMA further dictates that any watertight barrier against the exterior walls (see ***Figure 14***), must also meet the structural components capable of resisting hydrostatic and hydrodynamic loads and effects of buoyancy. To assure the structure is watertight foundation perimeter walls must be substantially impermeable to the passage of water. Should the building flood barrier be exceeded, the facility must also withstand direct and prolonged contact (72 hours +) with floodwaters without sustaining significant damage requiring more than low-cost cosmetic repair.

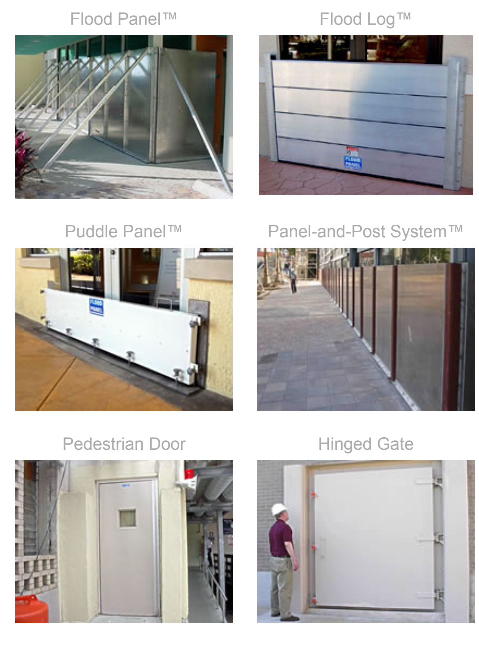


Figure 14. FEMA Approved Barriers.

Although the RP-1 Powhatan Cultural Center is grand-fathered, it has demonstrated in ten flood events over its near 90 year life, the primary masonry high flood resistant materials construction on the first floor were easily cleaned, disinfected, and restored in a week's time to become operational. However, expansion and renovation to the building will exceed 40% of its assessed value, which would impose current FEMA requirements. Plans for the school facility will be fully compliant with FEMA flood requirements to meet occupancy criteria. The first level of flood proofing/prevention involves provisioning of an external foundation wall flood barrier, covering all potential water entry points up to the BFE (approximately six feet of the first level). The current foundational exterior walls are expected to meet Basic Flood Elevation (BFE) hydro-static pressure requirements, under the protective barrier including exterior window modifications, flood doors and other various openings, as well as back flow prevention for sewer and drain lines. The exterior and interior masonry structure on the first level will have a water-sealing application to counter water absorption and ease clean-up afterwards. The second level of flood proofing is the enhancement of the current high flood resistant material construction of the first floor. All renovated areas on first floor will be provided with sewer/water/electrical line ground fault isolators, flood resistant materials/equipment, or low cost replaceable-renewable- removable materials/equipment to satisfy FEMA regulations.

To meet the RP-2/3 challenges, parking garage facilities are be provided as foundational elements for the RP-2/3 redevelopment to satisfy FEMA regulations (BFE-6' P2), while also serving as a functional parking need for all tenants/workers/visitors. All parking facilities/electrical/piping/elevator shafts will apply flood resistant materials, including separate utility areas that will be constructed as sealed/flood door compartments to meet FEMA flood plane occupancy requirements.

5.0 MODULE MANUFACTURING FACILITY

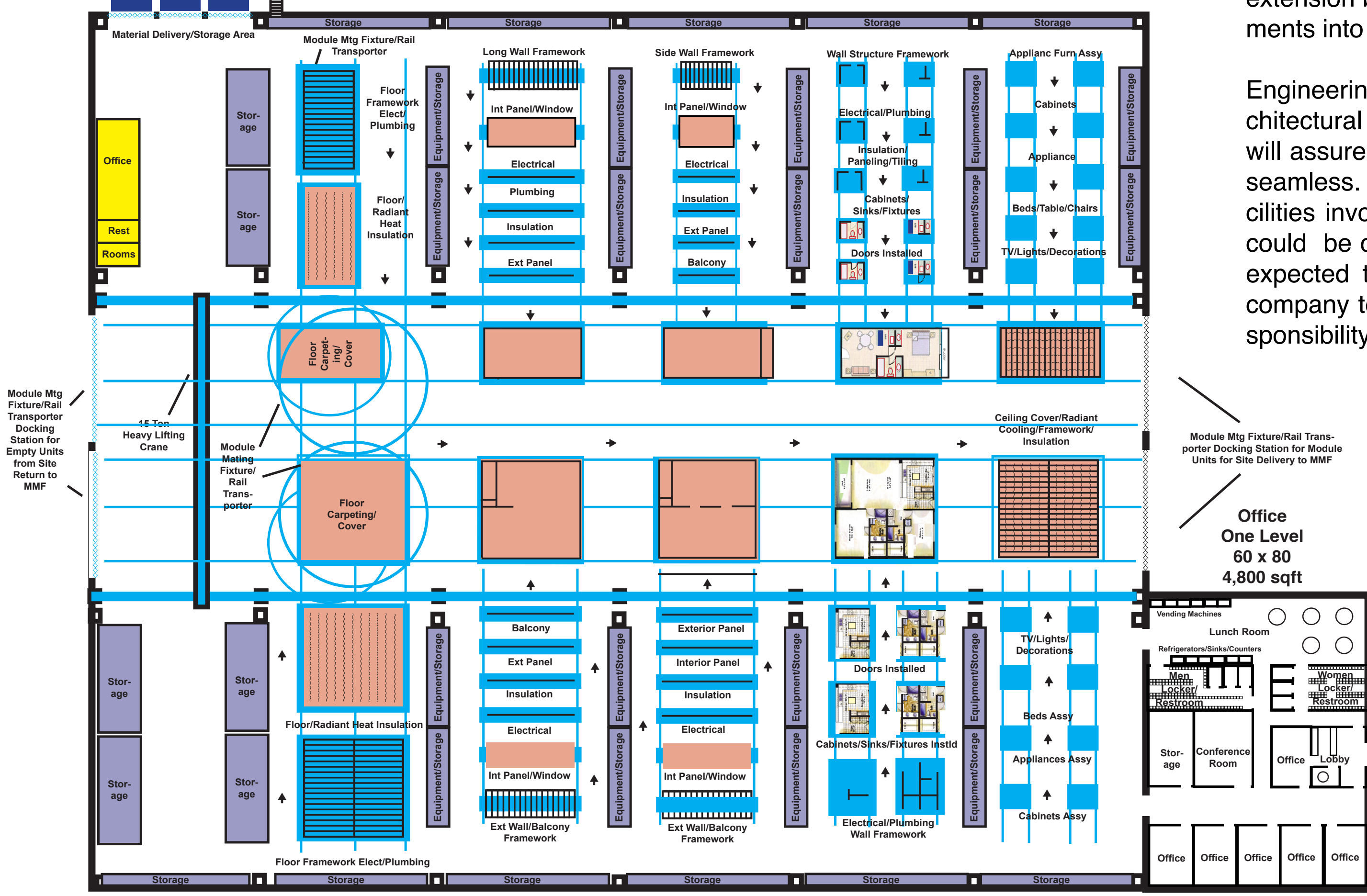
The **Module Manufacturing Facility (illustrated in Figure 10)** is an independent operation financed under the resort project, representing 300' x 260' (78,000 sqft) building with 4,800 sqft of office, located adjacent to the downtown area (see ***Figure 1***). The **Module Manufacturing Facility** is an independent operation financed under the resort project, representing 300' x 260' (78,000 sqft) building with 4,800 sqft of office, located adjacent to the downtown area . The MMF will produce the RP-2 thru RP-9 stackable modular hotel room units. These self-contained units are designed and assembled with complete decore and amenities installed in the same fashion that modular homes are being constructed. This limits on-site installation to interconnecting the module unit to facility central infrastructure connections for electrical, gas, plumbing, and communication. The production facility will run one 15' x 30' module line and one 30' x 30' in-line module assembly line, in which the latter can also be realigned to run a 15' x 30' module assembly support, to produce a typical module at a rate of 3-4 units a week for a estimated cost of <$65/ sqft (one bdrm 450sqft x $50 = $29,250/unit and $58,500 for 900 sqft two bedroom suite. <u>RP-2/3 estimates are based on $110/sqft rate, offering significant margins against the modular approach which could reduce construction costs by +20% ($8M+ cost savings for hotel room build)</u>.

Assembly Process is implemented using a moving production line where modules are constructed on fixture/rail transporters that move through assembly stages. Once the modules are completed the transporters are rolled on to transport trailers that are delivered to the construction site and returned thereafter to use on next build. A 15 ton crane is provided within the facility with extension booms to lift transporters and module segments into place on the transport jigs for assembly.

Engineering support between the PPRA Project Architectural Team and the MMF management group will assure integration of the module and RP-2/3 are seamless. At 3-4 units per week for hotel room facilities involving 208 resort suites and RP-1 8 units, could be completed in 18 months The MMF is also expected to partner with a modular manufacturing company to staff and manage to factory with P/L responsibility and shared profit revenue arrangement.

Additional revenue for the follow-on resort project Phase II and III development is planned. The MMF management partner would be permitted to market and produce modular units for local/regional needs, which will further reduce overhead costs associated with the resort project and share in the profit-making to offset costs.

Truck Delivery Docks



Facility/Office

Total: 82.800 sqft

Factory - 260 x 300 78,000 sqft

Office - 60 x 80 4,800 sqft

Figure 15. MMF Assembly Process Layout.

6.0 PROJECT COST/REVENUE ANALYSIS

The **Powhatan Point Riverfront Resort Project** is a broad development program, that is focused on the Riverfront Resort Mixed Use RP-1/2/3 Projects including Community Square, Amphitheater, and Sternwheeler Wharf efforts, as well as the RP-11 Modular Integration Facility. The **Summary Financial Statement, *Table 1*** describes the projected overall costs/annual profit/amortization at 15 years for RP-1/2/3/11.

Table 1. Project Summary Financial Statement

Project Build Operational Period	Costs	Annual Profit Avg w/Loan	Annual Profit Avg w/o Loan	Amortization at 15yr + Net Profit
Year 2016-2032				
RP-1 Powhatan Cultural Center	$8.3M	$2.1M	$3.5M	$66.9M
RP-2 Riverfront Hotel Complex*	$27.2M	$1.4M	$7.4M	$59.7M
RP-3 Riverfront Hotel Complex*	$27.2M	$1.4M	$7.4M	$59.7M
RP-11 Modular Manuftg Facility	$8.2M	$2.7M	$4.8M	$29.5M
Total:	$70.9M	$6.8M	$23.1M	$215.7M

*(Common Square/Amphitheater/Wharf Costs Shared in RP-2/3)

The Powhatan Point Riverfront Resort Mixed Use RP-1/2/3/ 11 Project is estimated to incur a combined $64.0 million. Financing was based upon an investor group providing a 20% equity investment ($14M) and a 80% loan - service debt plan ($56M). The Project estimated annual profit revenue ($4M - $7M), is expected to provide investors an amortization value w/ net profits of $216M (3x build costs and 15x investment) return at the fifteen year period and completion of loan obligations.

A more detailed project description and pro forma analysis is provided in the attached annex as reference material. These represent best estimates utilizing current cost mean values and anticipated rental demand rates, with potential increases over time that are offsetting and controllable to maintain profit margins. The **Riverfront Drive, Community Square, Amphitheater, and Sternwheeler Wharf** development is a shared cost as part of the RP-2/3 Mixed Use Riverfront Project. These developments are beneficial to the mixed use project marketing, community values, overall historical/cultural theme, and destination strategy with sternwheeler home port facilities. The costs are partially compensated by the PPRA tax incentives, grants, subsidies, and land bank contributions.

Risks have been minimized by applying conservative estimates while reducing build costs through common iterative structures, and utilization of building block techniques with a module manufacturing design. Secondarily, the project building units RP-2 and RP-3 construction process can be further phased conditioned upon pre-occupancy sales to assure revenue goals are met. Development staffing is project hired and serially applied with associated learning curve retainers to avoid labor impact. Each phase and related project elements would be completed in a sequential fashion to assure progress is achieved before proceeding ahead with the next element aspect (completing engineering/study efforts.

Investment, Financing and Subsidies addresses the funding means for the development, that is dependent on outcome of the earlier engineering and study work. Once final engineering details/permits approved funding means are established, land bank/acquisitions, and subcontracts issued,work can proceed. The loan could be serviced by the investor group under a guaranteed 4.5% annual interest process, or an alternative arrangement with private/state/federal government/ loan institutes on low-cost redevelopment loan.

The PPRA would contribute Management Support, Tax Increment Financing (TIF), also know as Payment In Lieu of Taxes (PILOT), Property Owner Land Bank Assembly, and potential redevelopment grants/tax credits, and other government subsidies available to the project. These investments, amounting to as much as $5M+, are made incremental during the development schedule and increase the annual profitability and amortization values of the project. The PPRA would apply these investments as shared equity with investment group and related profits derived by the project. Build costs represent conservative criteria ($110/sqft) that can be significantly improved upon (<$80/sqft) using an iterative modular building design. A building block construction plan with stackable modules and transported to the site for integration from the project's modular manufacturing factory is expected to reduce costs/build times by 30-40%.

6.1 RP-1/2/3 RIVERFRONT PROJECT PROPERTY OWNER IMPACT

RP-1/2/3 development is focused upon a downtown riverfront segment, as illustrated in ***Figure 2***, representing the PPRA (RP-1) and 25 individual lots owned by 10 owners, ***(see Table 2)*** contained by the waters of the Ohio River, railway and three alleyways. The area was selected as the initial project effort because it is centered around a downtown square and amphitheater place making, as well as the corner stone riverfront implementation of the river walk/drive and sternwheeler wharf. Landowners are being asked to participate in the Land Bank Assembly process that has many incentives to invest as described in ***Table 2***, resulting in significant financial benefits. Options are also provided to sell their properties directly. All efforts offer an incentive approach to acquire properties. Owners are all known and are prepared to transfer their properties, four of which are members of the PPRA.

Table 2. Land Bank Assembly Projected Financials

Property Owner	Lots	Lot Sqft	Estimated Buy Value	Land Bank Cash Incentive	Land Bank Multiple(M) Value/Sqft	Land Bank Value (sqft*M)	Land Bank Owner %	Potential Annual Dividend	Ph I 10 Yr Dividend Summary	Ph I $100M Value -10% Equity @ 2030	Ph II 10 Yr Dividend Summary	Ph II $135M Value -10% Equity @ 2035	Dividend + Amortized Value FY2020-2035
PPRA RP-1	9	119,635	$ 350,000	$ 175,000	6	$ 717,810	30.00%	$ 240,024	$ 2,400,241	$ 3,000,301	$ 3,750,376	$ 4,050,406	**$ 13,201,324**
Ray/Darlene Braun	4	34,650	$ 300,000	$ 150,000	9	$ 311,850	13.03%	$ 104,278	$ 1,042,776	$ 1,303,470	$ 1,629,338	$ 1,759,685	**$ 5,735,268**
Dorothy Milton	1	8,250	$ 125,000	$ 62,500	9	$ 74,250	3.10%	$ 24,828	$ 248,280	$ 310,350	$ 387,938	$ 418,973	**$ 1,365,540**
Bill Writer Assoc LLC	2	20,916	$ 125,000	$ 62,500	9	$ 188,244	7.87%	$ 62,946	$ 629,458	$ 786,822	$ 983,527	$ 1,062,210	**$ 3,462,017**
Bill Writer Assoc LLC	4	25,137	$ 40,000	$ 20,000	6	$ 150,822	6.30%	$ 50,432	$ 504,324	$ 630,406	$ 788,007	$ 851,047	**$ 2,773,784**
Kathryn B. Snively	2	20,916	$ 65,000	$ 32,500	9	$ 188,244	7.87%	$ 62,946	$ 629,458	$ 786,822	$ 983,527	$ 1,062,210	**$ 3,462,017**
Kathryn B. Snively	2	16,632	$ 105,000	$ 52,500	6	$ 99,792	4.17%	$ 33,369	$ 333,688	$ 417,110	$ 521,388	$ 563,099	**$ 1,835,286**
Village of Powhatan	1	8,448	$ 30,000	$ 15,000	6	$ 50,688	2.12%	$ 16,949	$ 169,492	$ 211,866	$ 264,832	$ 286,019	**$ 932,209**
Sandra Wisvari	1	7,920	$ 75,000	$ 37,500	6	$ 47,520	1.99%	$ 15,890	$ 158,899	$ 198,624	$ 248,280	$ 268,142	**$ 873,946**
George/Shirley Bulic	2	16,632	$ 75,000	$ 37,500	6	$ 99,792	4.17%	$ 33,369	$ 333,688	$ 417,110	$ 521,388	$ 563,099	**$ 1,835,286**
PPI LLC	4	16,632	$ 95,000	$ 47,500	6	$ 99,792	4.17%	$ 33,369	$ 333,688	$ 417,110	$ 521,388	$ 563,099	**$ 1,835,286**
Wanda Glasgow	1	5,280	$ 70,000	$ 35,000	6	$ 31,680	1.32%	$ 10,593	$ 105,933	$ 132,416	$ 165,520	$ 178,762	**$ 582,630**
VFW RP-11	1	165,988	$ 175,000	$ 87,500	2	$ 331,976	13.88%	$ 111,007	$ 1,110,074	$ 1,387,593	$ 1,734,491	$ 1,873,250	**$ 6,105,408**
Total	**25**	**467,036**	**$1,630,000**	**$815,000**	**VAR**	**$2,392,460**	**100%**	**$ 800,000**	**$ 8,000,000**	**$ 10,000,000**	**$ 12,500,000**	**$ 13,500,000**	**$ 44,000,000**

Land Bank Assembly Chart Definition

Land Bank Cash Incentive (LBCI) - It represents cash paid up front to each land bank investor, as incentive for their land contribution to the project. Optionally, property owners may elect to sell their property. The ratio of land bank to direct sale may reflect a 50-50 outcome.

Estimated Buy Value - for owners preferring to sell their properties; the estimated offer price is based upon current market sales that could change. Recognize the project focus is on the land and does not value buildings which it must demolition incurring cost to redevelop land.

Land Bank Value/Sqft - Land Bank Value factor is based upon $9 per sqft for riverfront property versus $6/sqft for property set-back from the riverfront and $3 for off site factory area. This multiple (3/6/9) is applied to the sqft for lots defined.

Land Bank Value (LBV) - Based upon the Land Bank Value Factor x respective lot(s) Sqft, the Land Bank Value represents the dollar amount invested into the project by the owner for their respective lots.

7.0 PROJECT DEVELOPMENT SEQUENTIAL BUILD SCHEDULE

7.1 PROJECT MILESTONE SCHEDULE

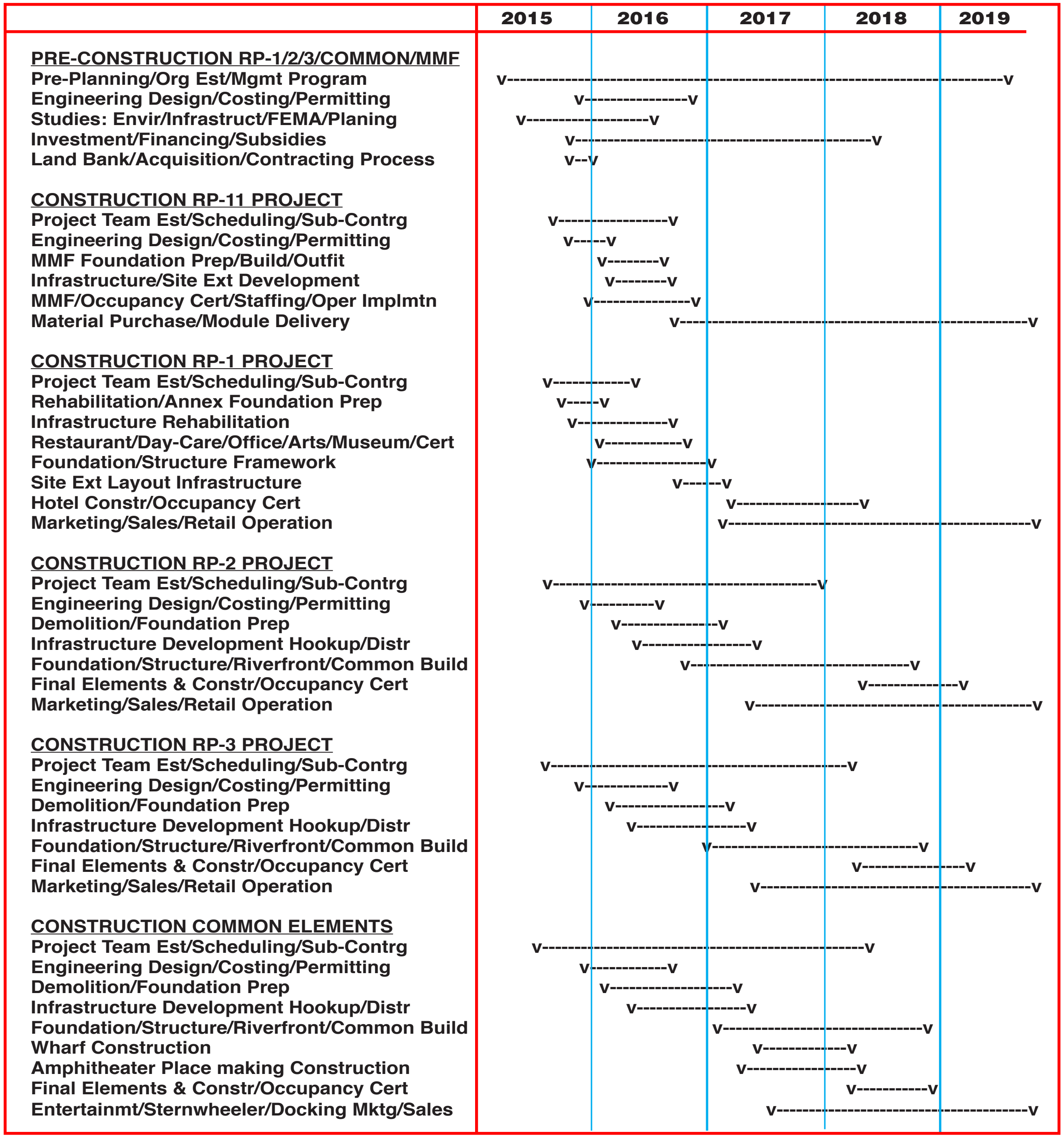
The **Powhatan Point Riverfront Mixed Use RP-1/2/3/ Common/MMF Project is a foundational development program involving the redevelopment of school facility two 8 story structures and community common elements.** As described in the **Project Schedule,** ***Figure 11,*** the development is divided into three basic stand-alone elements: ***(a) RP-1 Powhatan Cultural Center; (b) RP-2/3/Common Riverfront t Resort; and (c) RP-11 Modular Manufacturing Factory***. <u>Each will be developed with separate engineering/construction teams to limit risks and or schedule</u> impact, under fixed bid applications. To oversee each project will be the ***Powhatan Point Riverfront Resort, Inc Management Team*** that manages the pre-construction efforts.

Each project will be implemented in parallel using separate project/engineering/construction teams with site prep, infrastructure and foundational/parking levels construction. In addition RP-1 Project will initiate immediately rehabilitation efforts to make operational many of the retail services and office facilities, with expectation to be operational in 18 months. RP-11 will also be initiated immediately with goal of being operational in 4th quarter of 2016. Milestone planning serves as start/end dates to assure development goals are met. Milestones also include marketing/sales goals to validate occupancy objectives.

7.2 PRE-CONSTRUCTION

As described in the ***Powhatan Point Riverfront Resort RP-1/2/3/Common/MMF Milestone Schedule (Fig. 16)*** the initial stage is a ***Pre-construction Phase***, involving pre-planning, engineering, costing, studies, investment-financing, and acquisition-contracting. This start-up operation establishes the organizational structure and management team and pre-planning processes. The <u>Engineering Design/Costing</u> will develop detail design plans with bill of materials that will costed out to support financing requirements and sub-contracting planning. The <u>Studies</u> involves several impact assessments on: demand/marketing, environmental, watershed, riverfront, hazardous waste, demolition/removal, site prep, Army Engineering Corps riverfront/Ohio River, FEMA Flood Plan, infrastructure, storm water drainage, road realignment and permit approval.

Figure 16. Powhatan Point Riverfront Resort RP-1/2/3/Common/MMF Project Schedule



7.3 REHABILITATION OF THE RP-1 POWHATAN CULTURAL CENTER PROJECT

The Powhatan Cultural Center, as illustrated in ***Figure 4***, preserves what has always been the center piece for the downtown district and its role in the planned education and cultural theme. PPRA's ownership of the facility permits immediate transition to the Inc, and initiates immediate facility engineering development and rehabilitation of the electrical, plumbing, A/C and handicap access. The development of the restaurant, day care, fitness, museums and performing arts facilities are expected to be operational as early as six months and hotel by 18 months. Operational staff for the hotel and operational efforts will be identified early on and used to assist in the development of the operational elements, as well as advanced marketing to set stage for immediate revenue generation. Hotel facilities represent the largest undertaking beyond infrastructure, flood barrier and exterior ground makeover. It includes refitting classrooms for multiple hotel suites and construction of expanded annex to southern wing to support 10 more hotel suites, two elevators and level 1 drop-off entry for quests. Stackable modules (15 x 30 one bedroom suite) will be applied to the second/third levels, with added roof and brick facades matching existing building look.

7.4 CONSTRUCTION OF THE RP-11 MODULAR MANUFACTURING FACILITY PROJECT

The MMF ***(shown in Fig. 17/18)*** is purposefully being developed to reduce RP-1/2/3 construction costs using stackable modular hotel suite elements and provide a factory asset to produce follow-on module units for RP-4/5/6/7/8/9. This capability is expected to reduce our hotel suite build costs from $110/sqft to $80/sqft, a projected cost savings of $6M+, off setting the MMF costs of $5.8M. The MMF investment is expected to also serve follow-on resort development and surrounding area housing boom. Engineering support will be provided by the dedicated Resort Design Team and Inc Project Engineering Contractor, to assure integration of the module and resort structure are seamless. The MMF will be constructed on a unused lot area, shown in subsequent figures adjacent to rail line and downtown district for easy trailer transport access to RP-1/2/3 build sites.

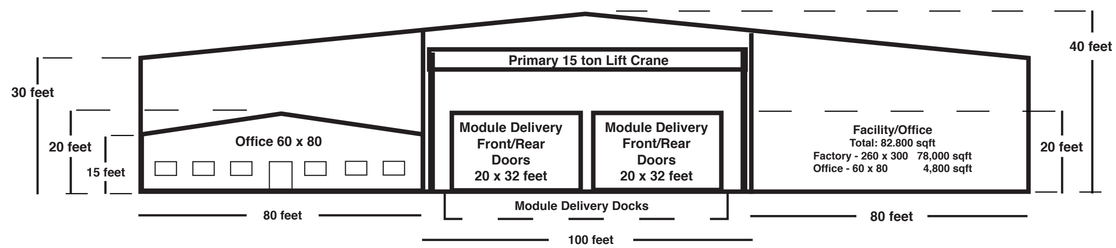


Figure 17. MMF End View Design

The modular assembly process, illustrated in subsequent figure, supports complete ready to occupy integration of each one/two bedroom hotel suite. At four units per week to meet the 218 suites (RP-1/2/3), it is expected to deliver all in 18 months. The Module Manufacturing Facility has been configured to optionally produce 15 x 30/30 x 30 modules on both lines to increase output where necessary. This investment enhances follow-on resort project development and reduce overhead costs and overall schedule.

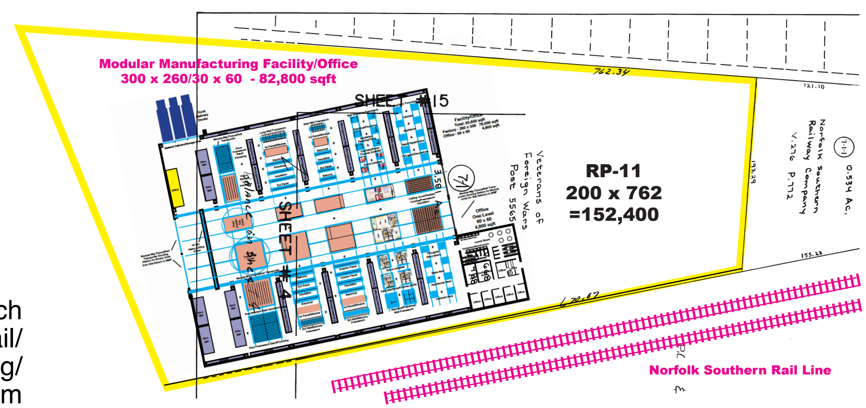


Figure 18. MMF Site Layout

7.5 CONSTRUCTION OF THE RP-2/3 PROJECT

RP-2/3 is the startup development of the Powhatan Point Riverfront Resort efforts, in which two eight story structures supporting 208 hotel suits and 28,000 sqft for main lobby/retail/office requirements, Each structure (***see Fig. 10***), consists of: (a) two levels of parking/utilities/delivery; (b) main level for hotel lobby/retail/office; (c) four levels of one/two bedroom hotel suites; and (d) a roof level with fitness/pool/conference room/restaurant/bar spaces A center atrium provides natural light to interior of the building. Dual emergency stairways and elevators provide access between parking and roof levels.

Preliminary demolition/infrastructure/foundation work would be first stage construction elements, conducted simultaneously for RP-2/3/Common elements. Subsequently, units would be done sequential with the RP-2 being first phase followed by RP-3 project elements. Parking levels 1/2 are concrete structures that fully complies with the FEMA//BFE requirements, while also serving as a foundation base for the structure, a parking for 350 vehicles; flood barrier room for central A/C, electrical, waste water treatment, communications, delivery and waste pickup.

Levels 3 will extend parking the garage concrete structure to support weight of 4-8 levels and roof respectfully. It also serves as the main building entrance for the hotel lobby/retail/office spaces from boardwalk, adjacent community square area and drive-in passenger entrance.

8.0 PROJECT MANAGEMENT

8.1 OVERVIEW/EXPERIENCE/BACKGROUND OF MANAGEMENT ORGANIZATION.

The Powhatan Point Riverfront Resort Inc Management Team (illustrated in *Figure 19*) represents a joint venture with three sectors of expertise and responsibility. The groups administering the sectors are: (1) Government/ Local Organizations/OVRDC/PPRA Elements ; (2) Investor Equity Partners; and (3) Powhatan Point Riverfront Resort, Inc. Each performs a critical aspect of the overall development and shares in the decision-making with the others to enhance responsible actions and shared risks. The Powhatan Point Riverfront Resort, Inc will retain majority ownership and jointly share in its operation.

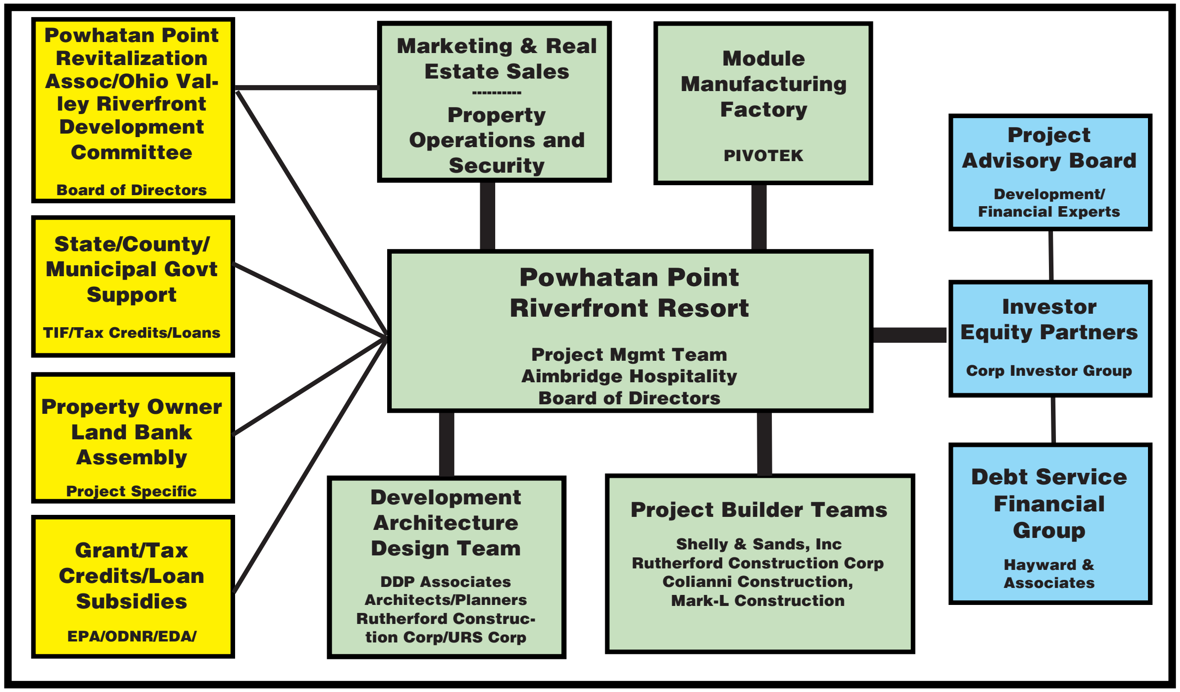


Figure 19. Powhatan Point Riverfront Resort Project Management.

8.1.1 GOVERNMENT/LOCAL ORGANIZATION, POWHATAN POINT REVITALIZATION ASSOCIATION (PPRA), LAND BANK, AND GRANT-TAX-CREDITS-LOAN SUBSIDIES

The Support Group includes several entities including: (1) the Powhatan Point Revitalization Association; (2) State/County/Municipal Government; (3)Property Owner Land Bank Assembly; and (4) Grant/Tax Credits/Loan Subsidy efforts.

8.1.1.1 Powhatan Point Revitalization Association (PPRA) and Ohio Valley Riverfront Development Committee (OVRDC) have teamed up as non-profit organizations to coordinate county/state/federal tax incentives, grants and loan subsidies. The PPRA/OVRDC has served as a catalyst and face of the project, establishing overall plan, design and management team to initiate and maintain the project development. This includes developing relationships with the government agencies and property owners to maximize equity investment for the community and the investor partners. The PPRA/OVRDC will assist as subcontractor to the Resort Inc, in administering property operations and security of the Phase I facilities, including marketing and sales agent to attain full occupancy and meet revenue projections. Key individual representatives are: Michael Stora - PPRA President; Danny Popp - Architect Team Manager/OVRDC President; Kevin Hager - Equity Partner Liaison; and related group representatives; developers, architecture, legal, construction contractors, retail management, marketing and sales skills.

8.1.1.2 State/County/Municipal Government Support is established through various government/private organizations offering both financial and political support to the project in the form of tax credits, loans subsidies, and political influence to solve specific government issues. A Tax Increment Financing (TIF) exemption is also an equity investment by the town government, in which tax revenue is reimbursed to the project for infrastructure expenses. These include roads, utilities, docks and streetscape. The TIF exemptions valued at $1.8M, complemented by potential grants, tax credits and subsidies are expected to exceed $3M, and represent 10% shareholder stake in the project. Job development and tax revenues (employee payroll/sales/property/hotel taxes) will also be a needed benefit from the project. The government representatives include: Small Business Development Centers (SBDC); Ohio Mid-Eastern Government Association(OMEGA); Jobs Ohio, Heritage Ohio, Belmont County Port Authority; Town Council; Ohio Development Services Agency; Ohio Historic Preservation Office; and many others.

8.1.1.3 Property Owner Land Bank Assembly Is a critical element to the project, in which property owners are solicited by the Powhatan Point Riverfront Resort Inc, to acquire their respective land on which the project will be built. The land bank assembly approach, described in ***Figure A-2***, is incentive-based, where the owners are offered an equity value in the project for their land (combined equity value of $2.5M at $5-7/sqft + cash incentive - combined $250K). Owners having riverfront residential property, are offered a higher rate of $7/sqft over other set-back owners at $5/sqft. The Land Bank choice represent equity investments that build community support, allow property owners to share in the rewards, and reduce up front costs. Renters and owners displaced are also offered relocation expenses to encourage response efforts. These costs were accounted for in the financial analysis provided. Summary land bank equity investment if fully accepted is projected to be $2.455 million, or a equity shareholder of 9.82%, which could produce $3M ($1.5M for each structure) in long-term dividends of $300K annually to the land bank assembly owners. Alternatively owners may choose to sell their respective properties in lieu of land bank investment at a estimated at current market property value, that if all sold would incur approximately a $1M acquisition cost.

8.1.1.4 Grant/Tax Credits/Loan Subsidies. The PPRA/OVRDC/SBDC/Government Agencies will utilize every avenue available to them to acquire grant funding, tax credits, and loan subsidies based upon the resort redevelopment efforts, use of green technology, infrastructure improvements, historical relevance, tourism and job expansion. Agencies offering these financial rewards are numerous and administered by federal, state, local and private institutions. The basic goal for these activities could amount to $1-5 million to the project. Dedicated staff will be hired to support the efforts under PPRA administration. Financial awards will be treated as equity investment for the respective organization under the project, as well as retaining an equity position in the amortized property value.

8.2 INVESTOR EQUITY/LOAN PARTNERS

The Investor Equity/Loan Partners provide the foundation for implementing the Powhatan Point Riverfront Resort Project representing three basic elements: (1) Equity Investors; (2) Debt Service Financing; and (3) Potential Government Loan Assistance Summary funding is paramount to any efforts being considered, as is the security of that investment. The contributions of these elements is further described in ***Table 2. Project Equity/Loan Funding Partners and Distribution,*** which relies on both equity and loan funding to complete the $64.1M RP-1/2/3/11/Common Powhatan Point Project. Investor Partners may choose to finance debt service or rely on separate financial institutes (state assisted funding arrangements). The Investor Equity Partners group would establish an Advisory Board to actively participate in the oversight/critical decision-making of the Inc actions. The Project Inc is expected to negotiate final terms for which the financing will be implemented and related allocation, including legal and contractual activities. The current pro forma financial analysis is based upon a 20/80 equity/debt financing of $12.83M/$51.3M. Due to options of the investors financing the debt service or having financial institution doing it, no costs have been included for closing, bridge financing or broker fees.

8.2.1 Equity Investors

Equity Investors are the responsible body that provides both at-risk and preferred low risk financing, and also serve as the shareholder ownership of the project. The current financial analysis is based upon 20% equity and 80% loan obligations with assumptions that the equity investment of $13M would be done under a preferred stock plan with a fixed annual dividend of 1.5%. With potential to finance the majority of the $64M as loan obligations, there has been an aggressive effort to solicit a hospitality developer equity investor with related development and operational management experience to meet the development management assistance. There has been four financing entities identified, including: ***(a) consolidated group of the PPRA/OVRDC; (b) Municipal Government; (c) Land Bank owners; (d) Developer Investment Partner; (e) Brokers/General Partner; (f) Consultants/Management suport; and (g) Government Assistance (***state/federal government agencies: Omega/Jobs-Ohio/ODSA/EDA)***.***

8.2.2 Debt Service Financial Group

Debt Service Financial Group represents the financial group providing the loan which is planned to be $51.3M under 80% consideration, with options to $57M.. The group may be either represented as an investor partner assuming debt service, or by financial institutions, or others as determined by the Investor Partners under Equity Investor management. The loan provisions are currently estimated on a 10 year payment plan with 4.5% interest charge, although current financial rates are near 3.5%, which the potential state/federal resources may reduce further. This reduces our risk to cover more service debt. Additional fees have not been taken into account, which the 3.5% service fees may cover. The goal being sought is pay down of the debt in the shortest period from the planned 10 year payment process, especially during the initial years. Projected profits could be used instead of distribution to the equity investors.

8.2.3 Project Advisory Board

The investor partners will be further counseled by its Project Advisory Board to assure responsible actions are taken. The Equity Investor will select these individuals based upon expertise and resort development, construction, financial, government affairs, and contracts. Their role is to oversee the project on behalf of the Investor Partners and provide expert advice to the Powhatan Point Riverfront Resort Inc.

8.3 POWHATAN POINT RIVERFRONT RESORT INC

The **Powhatan Point Riverfront Resort Inc represents four functional elements: (1) Board of Directors; (2) Management Team; (3) Development Design Team; (4) Module Manufacturing Facility Development Team; (4) Subcontractor Build Team; (5) Marketing and Real Estate Sales; and (6) Property Operations, Marketing and Security**. These elements are responsible for implementing the project.

8.3.1 Board of Directors

Board of Directors are the responsible body that oversees, decides and authorizes all actions taken to implement the project. Seven Directors are selected as representatives of all involved elements with the project to assure a voice and communication is established between them. It includes: (a) PPRA - two members; (b) Investor Partners representatives - two members,; (c) engineering/construction representative; (d) debt service financial representative; and (e) experienced resort developer representative. Three non-voting liaison members would participate in the dialogue of the board, representing specific interest of the Investor Partners Advisory Board, state and local government.

8.3.2 Project Management Team

Project Management Team is a hired development management team staffed initially with 20+ individuals responsible for overall development management, legal and financial processes, land acquisition, environmental assessment, architecture design, construction, marketing/sales, and government/community liaison. Some of these individuals will be extensions of the PPRA involved in the design and government/community liaison, marketing and sales, project operations and security, while the others will be senior personnel supported by skilled staff to meet project implementation and construction efforts.

8.3.3 Development Team

The design team is established under System Integration Tchnologies (SIT), President, Michael Stora, and DDP & Associates (DDP), Senior Architect, Danny Popp, who have spent significant efforts over the past three years to study and define Powhatan Point development. Mike was raised in Powhatan Point, past fortune 500 business developer, CEO of SIT, and 20 year experience in economic development. He was founder and current Presiident of the PPRA. Danny Popp grew up in the Ohio Valley - Shadyside community, is Powhatan Point's flood plane administrator, and the Chairman of the Ohio Valley River Redevelopment Committee (OVRDC). Combining these roles with architecture experience, he brings familiarity with the community/region and direct guidance/influence with those respective local/state government agencies, These individuals have spent significant effort to assess the attributes, strengths, weaknesses, loccation, gas industry impact, opportunities, that derived a development plan based upon on a comprehensive feasibility analysis, design approach, financial analysis, establishmment of equity/debt funding sources, and relationships with contracted build and management companies.

Companies being coordinated with include George J Kontogiannis Planner/Architects, the URS Corporation, experience in mixed-use development and past working relationships. Shelly and Sands, a major engoineering/ construction and asphalt/concrete supplier, is expected to handle infrastructure, excavation, foundation, road, wharf, and streetscape efforts for all structures, Ohio-West Virginia Excavating Co. may assist in that same work. Rutherford Construction would support the MMF turnkey development, working with Olympia Steel Building Systems and a planned management firm (PIVOTEK) responsible for the advanced modular approach. Mark-L Construction is being tasked to redevelop the school facility. Aimbridge Hospitality is being approached to organize, recruit staff and manage the resort. DDP and SIT will coordinate relationships with those companies to assure efficient construction and integration to minimize costs. Applying common modules and iteration of those buildings furthers that objective. Each project will establish an independent engineering and construction staff headed by a Project Manager/General Contractor to coordinate their activities, The Resort Development Team will establish design requirements, review planning, milestone schedules and critical decision-making activities. This oversight includes advising and directing certain actions to the independent teams, including making final decisions where conflicts arise.

8.3.4 Construction Approach

Construction Teams are independent construction firms or construction groups under a general contractor. Each is coordinated by a Project Manager who reports and serves on the Development Architectural Design Team and selected based upon experience, past performance, capabilities and price. Although RP-1 and RP-11 will be managed by a single project construction manager with sub group support, RP-2/3/Common projects will be subdivided into three operational construction efforts: (a) concrete foundation/road/sidewalk/curbs/docks/wharf construction; (b) infrastructure sewer/water/storm drainage/flood control/electrical/communications/ waste water treatment/sternwheeler hotel module/wharf/dock utility hookups and fuel distribution; and (c) Level 3-8 structure, retail/office facilities, stackable hotel suites/walk-arounds, roof facilities, and exterior facades/boardwalk/entries. All activities require daily coordination with design team to assure integration occurs seamless. By duplicating and sequentially building RP-2 and RP-3, and follow-on builds (RP-4/5/6/7/8 every effort is made to learn from our first implementation and minimize repeating problems.

8.3.5 Marketing and Real Estate Sales

Marketing and Real Estate Sales responsibilities are assigned to resort management/service companies.by the Powhatan Point Riverfront Resort, will coordinate with resort management marketing team and real estate staff to initiate sales activities for leasing the facilities upon construction completion. The goal being to occupy completely the facility, immediately upon construction and ongoing thereafter. This includes outreach to local and regional real estate agencies. The marketing approach will focus on transitional gas workers while also attracting time-share and long-term residents under rental only agreements. Retail and office tenants will be sought to occupy non-apartment space with focus on cultural art specialty shops, restaurants, and incubator technology firms supporting the gas fracking industry or general technology markets. Hotels will be advertised as part of the overall resort theme with emphasis on business conferences and getaway vacation destination.

8.3.6 Property Operations, Marketing and Security

Property Operations, Marketing and Security will be provided by the PPRA under subcontract from the Powhatan Point Riverfront Resort Inc. In that capacity, the PPRA will administer facility operations utilizing hired and contracted staff to manage tenant contracting,collections/accounting, taxes, utilities, building maintenance, parking management, cleaning services, road and waterfront streetscape maintenance, riverfront docking, and potential sternwheeler support. In addition, internal security will be provided to supplement in a simple police force, with roving patrols, camera and sensor monitoring 24/7. Maintenance would entail building structures, utilities operation, road, streetscape and docking facilities, involving maintenance/security staff, equipment and supplies. This is projected to amount be 7% of annual revenue ($560k - staff of 15 personnel plus expenses), which will be offset from docking/utility/maintenance fees.

9.0 ORGANIZATIONAL CHALLENGES, PLAN ISSUES, AND KEY VACANCIES

9.1 ORGANIZATIONAL CHALLENGES

The organizational structure proposed in ***Section 7***, describes the administrative functions of the project, including relationships with selected financing, design and build team companies that have been put in place for immediate development response. Preliminary organizational tasks to be completed are the:

- ***(a) develop draft Powhatan Point Riverfront Resort Inc, Letter of Intent for Stakeholders, Articles of Incorporation define and project staff responsibilities;***
- ***(b) identify Inc staff, Investor Partners and Project Advisory Team structure for immediate implementation;***
- ***(c) define construction team requirements by project, capabilities and responsibilities; and***
- ***(d) name the Resort Inc Board of Directors that supports stakeholders interests.***

9.2 PLAN IMPLEMENTATION ISSUES

The <u>Resort Project has been sufficiently planned to warrant an initial decision by interested parties to proceed ahead with more detail analysis and formal dialogue with affected parties</u>. The Parties are expected to self-finance any short-term start-term expenses involving subsequent meetings and dialogue resulting in a formal Terms Agreement and Funding Process with Equity Investor, to:

- ***(a) registering and establishing organizational responsibilities for the Powhatan Point Riverfront Resort Inc;***
- ***(b) establish LOI/Terms Agreement with investor/financial partners for initiating the pre-construction financing processes;***
- ***(c) finalize financial institutional support, funding levels, processes and initiate RP-2/3 pre-construction/RP-1 rehabilitation/RP-11 construction disbursement;***
- ***(d) conducting contractual undertakings for land acquisition and lease arrangements with potential business/corporate tenants;***
- ***(e) identify infrastructure assessments and environmental impact studies;***
- ***(f) performing engineering design and build team organization/development implementation.***

9.3 KEY POSITIONS AND VACANCIES

<u>The need for qualified Resort Inc Board Members and Management staff are critical vacancy issues</u>. Initial expectations are establishing an interim governing group that can bring in more knowledgeable/dedicated staff. The preliminary board member structure is: (1) plan manager, Michael Stora serving as PPRA representative and interim CEO of the Inc to assure plan transition; (2) OVRDC representative, Danny Popp and Inc General Contractor/Project Architect; (3) Investor Partners -two board representatives; (4) legal representative; (5) Design Team liaison representative; (6) financial analyst: and (7) government liaison representative. The Resort will seek subcontractor developer/technical/financial/legal/marketing support in lieu of hired staff. Selection of these subcontractors are being refined <u>over the next 3 months</u>. The independent engineering and construction subcontractors bring experience and technical know-how, while LCC staff being identified will oversee their work and assure objectives are met and controls/decision-making processes are followed. Equity Investor has similar task in defining representatives to sit on the Inc Board and their Project Advisory Board.

9.4 TIMING TO SOLVE CONCERNS

<u>Solving problems begins with reducing costs, schedule and risks</u>. Current proposed development strategy emphasizes:

- ***(a) reducing costs through modular construction using immediate available off-site manufacturing assembly line process; duplicating building design/construction; mixed use to assure revenue generation from multiply uses; and common operation management/security staff;***
- ***(b) conservative estimating and scheduling offers significant margins to complete ahead of schedule under cost;***
- ***(c) phased development that progresses with lessons learned and fulfillment of occupancy goals;***
- ***(d) coordinated and layered oversight to assure quality firms that meet obligations; and***
- ***(e) Project approach that meets cultural/historic theme that reinforces destination strategy and supports follow-on development efforts.***

<u>Development timing must reflect results immediately, getting jobs, and benefits directly to community</u>. The Project, when fully operational in 24 months, is expected to begin immediately employing 300+ construction individuals and later permanent positions to meet hotel/retail/office/factory/support requirements, and tax revenue greatly beneficial to residents. Front-end marketing and sales efforts are designed to meet 50% commitments before project begins with goal of full occupancy at completion.

10.0 OPERATIONS

10.1 KEY MILESTONES ACHIEVED TO DATE

Key milestones achieved include strengths and weaknesses study of the community; development of a revitalization approach; development of design and construction plan; basic pro Forma analysis; feasibility analysis, government tax incentives defined; preliminary organization structure; formulated an engineering and construction team partnership; and land bank assembly planning. PPRA/OVRDC completed this formal business plan and facility plan. Summary financial analysis was included, as shown in supplementary reference material. Investors and developers were consulted to implement the planning set forth.

10.2 KEY MILESTONES TO BE ACHIEVED

Gain acceptance from investors - three separate dialogs occurred to develop financial institutional arrangements with: (a) financial institutions to determine financing requirements and funding availability; (b) developers/engineering firms to determine equity investment to develop resort; and (c) establish relationships/assistance with state/federal government agencies - ODSA/Jobs-Ohio/Omega/APEG, to assist in financing the proposed plan. Draft a Terms Agreement and project finance process and move to complete those arrangements. Define environmental impact study requirements; initiate government interfacing to acquire tax incentives; grants; and subsidies have been reviewed. Initiate preliminary engineering efforts for RP-1/2/3/Common/MMF and review with developers to determine feasibility/costs/schedule/construction requirements and remove risk. Review with the Federal Economic Development Agency to reinforce investor interests and potential assistance. Completing Equity and Loan Terms Plan is critical aspects for the project.

10.3 PROVIDE TEN YEAR PRO FORMA FINANCIAL ANALYSIS

The **Annex A document** provides cost and revenue projections for each of the RP-1/2/3/Common/RP-11 Project efforts. The Community Common Elements (square/amphitheater/wharf/docking facilities/riverfront boardwalk/streetscape are shared costs between the two RP-2/3 Structures, while the RP-11 MMF project to develop modular build capability to support cost reductions to RP-1/2/3 and follow-on resort expansion and regional housing boom to achieve independent ROI benefits. These detailed projections provide representative build costs and related projected revenue by space allocation, respective revenue with equity/loan financing, overhead costs, government tax projections, annual profits and overall amortization values for 10/20 years. As projected loan financing and TIF allocations are completed in a ten year period with expected annual profit generations of $3M ($1.5M for each structure), and amortized property values of $100M ($50M for each structure) at the end of the 10 year period. The annual profit revenue doubles the investment made by the investors, as well as 2x its original property investment.

10.4 KEY ASSUMPTIONS WHICH DRIVE THE PROFIT (INCLUDE PROJECTED COST, LEASE REVENUE, DISTRIBUTION PLAN AND SALES CYCLE) / SHOW SALES PROSPECTS

Annex A also projects annual profits based upon conservative revenue assumptions and a lease strategy for retail, office, hotel and corporate housing units to maximize return on the investment. We have further exploited the current gas fracking exploration boom that is just beginning to impact the area by addressing both housing and office requirements. Offering 5,000 sqft office space further augments jobs and need for relocated staff. This expected demand creates upwards to 1,500 residential units over the next five years which are currently nonexistent in the area. The Riverfront Resort offers immediate solution to the housing and office need, which piggybacks on the long-term resort destination theme - get away vacation timeshare housing strategies, and further assures full occupancy at high margin rates.

Cost control and reduction techniques further enhance profit-making, with particular emphasis on modular construction and facility design replication. These are expected to reduce current projected costs by as much as 30%, which will significantly enhance annual profits and potential pay down of the loan which in turn realizes higher amortization values. Green technology, central RH/C, energy conservation/efficiency, and water conservation implementation does add costs on the front end, however offers considerable utility savings in later years and significant tax/grant subsidies short term to offset those costs..

Combination of parallel and sequential build processes are being implemented to learn from iterative processes, reduce costs and risks respectively. Phased development is conditioned upon construction team availability and modular build process follow-on builds based upon occupancy fulfillment of earlier phases, which reduces risk and capital expenditure unless revenue generation goals are met.

10.5 USE OF STRATEGIC PARTNERS AND PROCESS

To mitigate risks for investors, three basic elements are being applied: (a) conservative estimates of costs/cost reduction modular build strategy/fixed price contracting; (b) aggressive marketing/sales program; and (3) shared responsibilities, independent build teams, layered oversight and decision-making as part of the project Powhatan Point Riverfront Resort Inc.

The PPRA/OVRDC has formulated subcontract teams that have proven track records/staffs including: (a) strategic management team (Seachrist, Kennon & Marling, A.C; Project Advisory Board; OVRDC; (b) Design Team (DDP Associates Architects/Planners; George J Kontogiannis URS Corp; (c) Project Builder Teams (Powhatan Construction Inc. Ohio-West Virginia Excavating, Olympia Steel Buildings, Mark-L Construction Services, Corna/Kokosing Construction Co, Colianni Construction,, M&J Construction); (d) marketing and sales management (Harvey Goodman, Weichart Real Estate). The team will focus on maximizing delivery/ cost objectives,quality assurance, under an iterative production process that maximizes efficiencies.

The Modular Manufacturing Facility expands that role into a local off-site assembly line approach which produces standardized modules that are trucked to build site and integrated into framework build process to limit learning curves, stick-build inefficiencies and improve integration efficiencies. Advanced use of Light Grade Steel (LGS) to reduce overall weight and support stackable ability with high efficient Radiant Heating/Cooling (RH/C), fully integrated exterior/interior facades and quick connect centralized/inter module utility interfacing.

10.6 COMPUTER TECHNOLOGY IMPLEMENTATION

Computer technology will be fully employed to develop/manage pre-construction engineering design, financial and schedule analysis and staff coordination to assure consistent quality results. It further permits full disclosure and transparency to all stakeholders in real time of the milestone progress, decision-making results, cost incurments, and sales activities. MIS also collects, manages and archives data for technical/management review that assists in process awareness/decision-making/lessons learned. All an important function to achieving goals set, reducing costs/risks and profitability.

11.0 FINANCING

11.1 TOTAL DOLLARS REQUIRED /DOLLARS REQUESTED BY ROUND / USE OF PROCEEDS

The Powhatan Point Riverfront Project is projected to incur $64.13M to achieve the goals previously set forth. These costs are distributed over Projects: ***(a)* RP-1 Powhatan Cultural Center; (b) RP-2/3/Common Riverfront Resort; and (c) Modular Manufacturing Factory**. These projected costs, profits and project ROI amortizations are further distributed per the ***Summary Financial Statement, Table 1***, and more detailed ***Summary Project Cost/Revenue Distribution, Table 2***.

Table 2. Summary Pro Forma Financial 10-20 Year Plan for Riverfront Resort RP-1/2/3/11/Common.

Equity/Loan Investments:	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022-27	Year 2028-32	Sum 2016-2032	Next 10 Year
RP-1 Summary Equity/Loan/Land Bank/TIF/Grant Investments:	$ 4,847,800	$ 4,591,700	$ 410,000	$ 210,000	$ 110,000	$ 110,000	$ 660,000	$ -	$ 10,939,500	$ -
RP-2 Summary Equity/Loan/Land Bank/TIF/Grant Investments:	$ 5,100,000	$ 14,800,000	$ 8,800,000	$ 1,250,000	$ 1,050,000	$ 750,000	$ 4,500,000	$ 2,000,000	$ 38,250,000	$ 4,000,000
RP-3 Summary Equity/Loan/Land Bank/TIF/Grant Investments:	$ 5,100,000	$ 14,800,000	$ 8,800,000	$ 1,250,000	$ 1,050,000	$ 750,000	$ 4,500,000	$ 2,000,000	$ 38,250,000	$ 4,000,000
RP-11 Summary Equity/Loan/Land Bank/TIF/Grant Investments:	$ 5,105,700	$ 3,388,700	$ 300,000	$ 200,000	$ 300,000	$ 300,000	$ 200,000	$ -	$ 9,794,400	$ -
Project Summary Equity/Loan Investments:	$ 20,153,500	$ 37,580,400	$ 18,310,000	$ 2,910,000	$ 2,510,000	$ 1,910,000	$ 9,860,000	$ 4,000,000	$ 97,233,900	$ 8,000,000

RP-1:RP-11 Equity/Cost/Revenue Element	Build Sqft	Cost Variable	Projected Costs	Proj Revenue/Yr	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022-27	Year 2028-32	Sum 2016-2032	Next 10 Year
RP-1 Project Summary Equity-Revenue Less Estimated Build Costs/Expenses Total:	91,500	VAR	$ 8,348,500	$ 4,537,756	$ (2,491,500)	$ (2,698,400)	$ 2,214,780	$ 2,560,266	$ 2,948,511	$ 3,700,441	$ 25,724,386	$ 23,627,369	$ 56,185,852	$ 79,624,255
RP-2 Project Summary Equity-Revenue Less Estimated Build Costs/Expenses Total:	276,900	Var	$ 27,200,000	$ 15,017,023	$ 170,000	$ 880,000	$ 1,601,135	$ 15,789,863	$ 16,788,811	$ 17,329,725	$ 104,177,642	$ 106,571,844	$ 263,309,020	$ 202,956,705
RP-3 Project Summary Equity-Revenue Less Estimated Build Costs/Expenses Total:	276,900	Var	$ 27,200,000	$ 15,017,023	$ 170,000	$ 880,000	$ 1,601,135	$ 15,789,863	$ 16,788,811	$ 17,329,725	$ 104,177,642	$ 106,571,844	$ 263,309,020	$ 202,956,705
RP-11 Project Summary Equity-Revenue Less Estimated Build Costs/Expenses Total:	479,600	Var	$ 8,194,400	$ 4,300,000	$ 165,300	$ 3,314,700	$ 2,400,000	$ 3,360,000	$ 4,900,000	$ 5,040,000	$ 30,080,000	$ 30,700,000	$ 79,960,000	$ 67,000,000
Project Summary Equity/Loan Investments:	1,124,900	Var	$ 70,942,900	$ 38,871,801	$ (1,986,200)	$ 2,376,300	$ 7,817,050	$ 37,499,991	$ 41,426,132	$ 43,399,892	$ 264,159,670	$ 267,471,057	$ 662,763,892	$ 552,537,665

Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022-27	Year 2028-32	Sum 2016-2032	Next 10 Year
RP-1 Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ (250,000)	$ (500,000)	$ (1,761,387)	$ (1,349,657)	$ (1,438,488)	$ (1,628,426)	$ (9,620,609)	$ (9,060,843)	$ (24,359,410)	$ (21,906,889)
RP-2 Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ -	$ (500,000)	$ (1,000,000)	$ (14,459,824)	$ (15,458,217)	$ (15,914,423)	$ (95,682,039)	$ (98,168,164)	$ (240,786,667)	$ (182,387,344)
RP-3 Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ -	$ (500,000)	$ (1,000,000)	$ (14,459,824)	$ (15,458,217)	$ (15,914,423)	$ (95,682,039)	$ (98,168,164)	$ (240,786,667)	$ (182,387,344)
RP-11 Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ -	$ (994,410)	$ (1,471,111)	$ (1,764,107)	$ (2,231,361)	$ (2,273,725)	$ (13,122,496)	$ (15,315,705)	$ (37,172,915)	$ (35,290,920)
Project Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ (250,000)	$ (2,494,410)	$ (5,232,498)	$ (32,033,411)	$ (34,586,284)	$ (35,730,997)	$ (214,107,184)	$ (220,712,876)	$ (543,105,660)	$ (421,972,498)

Net Profit/Retained Earnings and Project Capitalization Value:	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022-27	Year 2028-32	Sum 2016-2032	Next 10 Year
RP-1 Annual Net Profit: less Payroll/Personal-Real Est/CAT Taxes:	$ -	$ -	$ 453,393	$ 1,210,609	$ 1,510,023	$ 2,072,016	$ 16,103,777	$ 14,566,525	$ 31,826,442	$ 57,717,366
RP-2 Annual Net Income: less Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ 170,000	$ 380,000	$ 601,135	$ 1,330,039	$ 1,330,593	$ 1,415,302	$ 8,495,603	$ 8,403,680	$ 22,522,352	$ 20,569,361
RP-3 Annual Net Income: less Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ 170,000	$ 380,000	$ 601,135	$ 1,330,039	$ 1,330,593	$ 1,415,302	$ 8,495,603	$ 8,403,680	$ 22,522,352	$ 20,569,361
RP-11 Annual Net Profit: less Payroll/Personal-Real Est/CAT Taxes:	$ -	$ 2,320,290	$ 928,889	$ 1,595,893	$ 2,668,639	$ 2,766,275	$ 16,957,504	$ 15,384,295	$ 42,787,085	$ 31,709,080
Project Summary Net Profit/Retained Earnings and Project Capitalization Value:	$ 340,000	$ 3,080,290	$ 2,584,552	$ 5,466,580	$ 6,839,848	$ 7,668,895	$ 50,052,487	$ 46,758,181	$ 119,658,232	$ 130,565,167

Property Amortization Project Element	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022-27	Year 2028-32	Sum 2016-2032	Next 10 Year
RP-1 Property Amortization(w/3% Incrs)+Retained Earnings+Investments:	$ 4,847,800	$ 9,722,685	$ 10,416,416	$ 11,435,222	$ 12,585,135	$ 14,151,587	$ 25,599,126	$ 35,555,633	$ 66,896,075	$ 106,711,642
RP-2 Property Amortization(w/3% Incrs)+Retained Earnings+Investments-Dividends:	$ 5,100,000	$ 20,497,000	$ 30,175,910	$ 32,931,494	$ 35,825,412	$ 38,948,735	$ 48,892,275	$ 59,657,319	$ 59,657,319	$ 62,357,732
RP-3 Property Amortization(w/3% Incrs)+Retained Earnings+Investments-Dividends:	$ 5,100,000	$ 20,497,000	$ 30,175,910	$ 32,931,494	$ 35,825,412	$ 38,948,735	$ 48,892,275	$ 59,657,319	$ 59,657,319	$ 62,357,732
RP-11 Property Amortization(w/3% Incrs)+Retained Earnings+Investments:	$ 5,105,700	$ 8,494,400	$ 9,049,232	$ 9,496,126	$ 10,816,162	$ 12,240,239	$ 22,850,334	$ 29,482,063	$ 29,482,063	$ 35,378,476
Project Summary Amortization w/Profit/Deprec/3% Annual Growth:	$ 20,153,500	$ 59,211,085	$ 79,817,468	$ 86,794,337	$ 95,052,121	$ 104,289,296	$ 146,234,009	$ 184,352,334	$ 215,692,775	$ 266,805,582

Government Summary Revenue Project Element	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022-27	Year 2028-32	Sum 2016-2032	Next 10 Year
RP-1 Government AnnualTax Revenue for State/County/Municipality/ School District Total:	$ -	$ -	$ 210,822	$ 628,725	$ 767,233	$ 1,021,921	$ 8,156,399	$ 7,658,097	$ 17,050,385	$ 26,907,891
Government AnnualTax Revenue for State/County/Municipality/ School District Total:	$ -	$ -	$ -	$ 1,773,945	$ 1,892,991	$ 1,980,401	$ 11,922,342	$ 13,924,232	$ 30,623,636	$ 29,010,063
Government AnnualTax Revenue for State/County/Municipality/ School District Total:	$ -	$ -	$ -	$ 1,773,945	$ 1,892,991	$ 1,980,401	$ 11,922,342	$ 13,924,232	$ 30,623,636	$ 29,010,063
RP-11 Government Annual Tax Revenue for State/County/Municipality/ School District Total:	$ -	$ -	$ 335,383	$ 412,379	$ 924,512	$ 968,572	$ 7,804,944	$ 6,519,689	$ 16,965,478	$ 18,397,084
Project Government Annual Tax Revenue Summary:	$ -	$ -	$ 546,205	$ 4,588,994	$ 5,477,727	$ 5,951,295	$ 39,806,027	$ 42,026,250	$ 95,263,135	$ 103,325,101

Six incremental semi-annual rounds of financing have been identified including:

(1) ***Project equity/loan/TIF for $15M in early 2015 and mid 2015 to implement all projects pre-construction development; RP-1 rehabilitation; and RP-11 build;***
(2) ***Project equity/loan/subsidies/grant for $18M in late 2015 and early 2016 to implement RP-1/2/3/11/Common/ Project ground breaking development; and***
(3) ***Project final equity/loan/grant for $24M in late 2016 and early 2017 to implement final development and construction of RP-1/2/3/Common projects.***

The current requirement is focused on Project equity/loan allocation of $70M (total for all six rounds). Distribution of the financing is conditional to the Project Inc Board of Directors authorization and major milestone completions of the pre-construction phase study/engineering/subcontracting cost analysis, construction progress and projected cost/revenue objectives. Continuous monitoring of the development progress by the investor/financial partners will be achieved through Resort Inc Board Member representation and Project Advisory Team coordination.

11.2 FUNDRAISING PLAN AND ACTIVITIES TO DATE, INCLUDING AVAILABLE CAPITAL ALREADY RAISED/ CASH OR CASH EQUIVALENTS AVAILABLE)

Primary activities to acquire government equity/loan/tax credits/subsidies investment is being made by the PPRA, that could provide incentives amounting to $3;.5M. In addition, efforts have been initiated to convince land owners to transfer properties to the Inc as a Land Bank Assembly investment of $2M. These projections are based upon overall development and respective abilities to influence landowners and government representatives to provide respective investment allocations. Once the terms agreement is finalized and initial development processes are started, more formal dialogue can occur to determine real investment expectations. It should be noted that these investments contribute only to amortization values for the development, that will enhance ROI and do not modify or affect proposed equity-loan requirements. To date all capital investment has been expended to purchase develop preliminary planning, tax-land bank incentive plan, strategic team coordination, cost and revenue analysis, conceptual construction design, staff research, and investor search.

11.3 ADDITIONAL DOLLARS REQUIRED TO BREAK-EVEN AND TIMING OF NEED

No additional funding needs is expected beyond the proposed development Equity-Loan Financing described herein. However, should earlier analysis determine problems exist requiring greater unplanned work/costs. Should those costs exceed current financial planning, we expect to counter with additional cost controls, additional loan obligations, and if necessary changing the construction plan. Detail designs, conservative estimating and layered oversight provides some assurance that we can get ahead of problems, react responsively to resolve the matter. Projected revenue can also be increased through price escalations where conservative pricing was applied

11.4 INVESTOR EXIT STRATEGY

Three suggested exit strategies are feasible for equity investors and loan obligations, assuming profit expectations are met, which limits our choices if they do not occur. They include: ***(a) current loan obligations being transferred to another financial institute, or paid down sooner then the current year plan from profit making; (b) current equity positions sold to other investors, or Inc purchasing equity shares from profit making; and (c) sale of some assets by the Inc to payoff obligations/equity investors (i.e. the Riverfront Resort Hotel operations, the MMF, or Powhatan Cultural Center Hotel/Restaurant/Fitness/Day-Care operational elements).***

These options are broad and variable in potential ROI that can effect decision to exit any relationship. However the choice, current project expectations indicate the ***efforts being planned have significant profitability for any investor, with potential to double every second year, which may convince our investors to stay the course.***

ANNEX A

PROJECT PERSPECTIVE
AND
BASIC PRO FORMA ANALYSIS
10-20 YEAR PLAN

Table A-1. Summary Riverfront Resort Project Cost/Revenue 10-20 Year Basic Pro Forma Analysis.

Equity/Loan Investments:	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022-27	Year 2028-32	Sum 2016-2032	Next 10 Year
RP-1 Summary Equity/Loan/Land Bank/TIF/Grant Investments:	$ 4,847,800	$ 4,591,700	$ 410,000	$ 210,000	$ 110,000	$ 110,000	$ 660,000	$ -	$ 10,939,500	$ -
RP-2 Summary Equity/Loan/Land Bank/TIF/Grant Investments:	$ 5,100,000	$ 14,800,000	$ 8,800,000	$ 1,250,000	$ 1,050,000	$ 750,000	$ 4,500,000	$ 2,000,000	$ 38,250,000	$ 4,000,000
RP-3 Summary Equity/Loan/Land Bank/TIF/Grant Investments:	$ 5,100,000	$ 14,800,000	$ 8,800,000	$ 1,250,000	$ 1,050,000	$ 750,000	$ 4,500,000	$ 2,000,000	$ 38,250,000	$ 4,000,000
RP-11 Summary Equity/Loan/Land Bank/TIF/Grant Investments:	$ 5,105,700	$ 3,388,700	$ 300,000	$ 200,000	$ 300,000	$ 300,000	$ 200,000	$ -	$ 9,794,400	$ -
Project Summary Equity/Loan Investments:	$ 20,153,500	$ 37,580,400	$ 18,310,000	$ 2,910,000	$ 2,510,000	$ 1,910,000	$ 9,860,000	$ 4,000,000	$ 97,233,900	$ 8,000,000

RP-1:RP-11 Equity/Cost/Revenue Element	Build Sqft	Cost Variable	Projected Costs	Proj Revenue/Yr	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022-27	Year 2028-32	Sum 2016-2032	Next 10 Year
RP-1 Project Summary Equity-Revenue Less Estimated Build Costs/Expenses Total:	91,500	VAR	$ 8,348,500	$ 4,537,756	$ (2,491,500)	$ (2,698,400)	$ 2,214,780	$ 2,560,266	$ 2,948,511	$ 3,700,441	$ 25,724,386	$ 23,627,369	$ 56,185,852	$ 79,624,255
RP-2 Project Summary Equity-Revenue Less Estimated Build Costs/Expenses Total:	276,900	Var	$ 27,200,000	$ 15,017,023	$ 170,000	$ 880,000	$ 1,601,135	$ 15,789,863	$ 16,788,811	$ 17,329,725	$ 104,177,642	$ 106,571,844	$ 263,309,020	$ 202,956,705
RP-3 Project Summary Equity-Revenue Less Estimated Build Costs/Expenses Total:	276,900	Var	$ 27,200,000	$ 15,017,023	$ 170,000	$ 880,000	$ 1,601,135	$ 15,789,863	$ 16,788,811	$ 17,329,725	$ 104,177,642	$ 106,571,844	$ 263,309,020	$ 202,956,705
RP-11 Project Summary Equity-Revenue Less Estimated Build Costs/Expenses Total:	479,600	Var	$ 8,194,400	$ 4,300,000	$ 165,300	$ 3,314,700	$ 2,400,000	$ 3,360,000	$ 4,900,000	$ 5,040,000	$ 30,080,000	$ 30,700,000	$ 79,960,000	$ 67,000,000
Project Summary Equity/Loan Investments:	1,124,900	Var	$ 70,942,900	$ 38,871,801	$ (1,986,200)	$ 2,376,300	$ 7,817,050	$ 37,499,991	$ 41,426,132	$ 43,399,892	$ 264,159,670	$ 267,471,057	$ 662,763,892	$ 552,537,665

Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022-27	Year 2028-32	Sum 2016-2032	Next 10 Year
RP-1 Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ (250,000)	$ (500,000)	$ (1,761,387)	$ (1,349,657)	$ (1,438,488)	$ (1,628,426)	$ (9,620,609)	$ (9,060,843)	$ (24,359,410)	$ (21,906,889)
RP-2 Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ -	$ (500,000)	$ (1,000,000)	$ (14,459,824)	$ (15,458,217)	$ (15,914,423)	$ (95,682,039)	$ (98,168,164)	$ (240,786,667)	$ (182,387,344)
RP-3 Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ -	$ (500,000)	$ (1,000,000)	$ (14,459,824)	$ (15,458,217)	$ (15,914,423)	$ (95,682,039)	$ (98,168,164)	$ (240,786,667)	$ (182,387,344)
RP-11 Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ -	$ (994,410)	$ (1,471,111)	$ (1,764,107)	$ (2,231,361)	$ (2,273,725)	$ (13,122,496)	$ (15,315,705)	$ (37,172,915)	$ (35,290,920)
Project Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ (250,000)	$ (2,494,410)	$ (5,232,498)	$ (32,033,411)	$ (34,586,284)	$ (35,730,997)	$ (214,107,184)	$ (220,712,876)	$ (543,105,660)	$ (421,972,498)

Net Profit/Retained Earnings and Project Capitalization Value:	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022-27	Year 2028-32	Sum 2016-2032	Next 10 Year
RP-1 Annual Net Profit: less Payroll/Personal-Real Est/CAT Taxes:	$ -	$ -	$ 453,393	$ 1,210,609	$ 1,510,023	$ 2,072,016	$ 16,103,777	$ 14,566,525	$ 31,826,442	$ 57,717,366
RP-2 Annual Net Income: less Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ 170,000	$ 380,000	$ 601,135	$ 1,330,039	$ 1,330,593	$ 1,415,302	$ 8,495,603	$ 8,403,680	$ 22,522,352	$ 20,569,361
RP-3 Annual Net Income: less Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ 170,000	$ 380,000	$ 601,135	$ 1,330,039	$ 1,330,593	$ 1,415,302	$ 8,495,603	$ 8,403,680	$ 22,522,352	$ 20,569,361
RP-11 Annual Net Profit: less Payroll/Personal-Real Est/CAT Taxes:	$ -	$ 2,320,290	$ 928,889	$ 1,595,893	$ 2,668,639	$ 2,766,275	$ 16,957,504	$ 15,384,295	$ 42,787,085	$ 31,709,080
Project Summary Net Profit/Retained Earnings and Project Capitalization Value:	$ 340,000	$ 3,080,290	$ 2,584,552	$ 5,466,580	$ 6,839,848	$ 7,668,895	$ 50,052,487	$ 46,758,181	$ 119,658,232	$ 130,565,167

Property Amortization Project Element	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022-27	Year 2028-32	Sum 2016-2032	Next 10 Year
RP-1 Property Amortization(w/3% Incrs)+Retained Earnings+Investments:	$ 4,847,800	$ 9,722,685	$ 10,416,416	$ 11,435,222	$ 12,585,135	$ 14,151,587	$ 25,599,126	$ 35,555,633	$ 66,896,075	$ 106,711,642
RP-2 Property Amortization(w/3% Incrs)+Retained Earnings+Investments-Dividends:	$ 5,100,000	$ 20,497,000	$ 30,175,910	$ 32,931,494	$ 35,825,412	$ 38,948,735	$ 48,892,275	$ 59,657,319	$ 59,657,319	$ 62,357,732
RP-3 Property Amortization(w/3% Incrs)+Retained Earnings+Investments-Dividends:	$ 5,100,000	$ 20,497,000	$ 30,175,910	$ 32,931,494	$ 35,825,412	$ 38,948,735	$ 48,892,275	$ 59,657,319	$ 59,657,319	$ 62,357,732

Table A-3. Subtotal Summary Riverfront Resort Project Cost/Revenue 15-25 Year Basic Pro Forma Analysis.

Equity/Loan Investments:	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022-27	Year 2028-32	Sum 2016-2032	Next 10 Year
RP-1 Summary Equity/Loan/Land Bank/TIF/Grant Investments:	$ 4,847,800	$ 4,591,700	$ 410,000	$ 210,000	$ 110,000	$ 110,000	$ 660,000	$ -	$ 10,939,500	$ -
RP-2 Summary Equity/Loan/Land Bank/TIF/Grant Investments:	$ 5,100,000	$ 14,800,000	$ 8,800,000	$ 1,250,000	$ 1,050,000	$ 750,000	$ 4,500,000	$ 2,000,000	$ 38,250,000	$ 4,000,000
RP-3 Summary Equity/Loan/Land Bank/TIF/Grant Investments:	$ 5,100,000	$ 14,800,000	$ 8,800,000	$ 1,250,000	$ 1,050,000	$ 750,000	$ 4,500,000	$ 2,000,000	$ 38,250,000	$ 4,000,000
RP-11 Summary Equity/Loan/Land Bank/TIF/Grant Investments:	$ 5,105,700	$ 3,388,700	$ 300,000	$ 200,000	$ 300,000	$ 300,000	$ 200,000	$ -	$ 9,794,400	$ -
Project Summary Equity/Loan Investments:	$ 20,153,500	$ 37,580,400	$ 18,310,000	$ 2,910,000	$ 2,510,000	$ 1,910,000	$ 9,860,000	$ 4,000,000	$ 97,233,900	$ 8,000,000

RP-1:RP-11 Equity/Cost/Revenue Element	Build Sqft	Cost Variable	Projected Costs	Proj Revenue/Yr	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022-27	Year 2028-32	Sum 2016-2032	Next 10 Year
RP-1 Project Summary Equity-Revenue Less Estimated Build Costs/Expenses Total:	91,500	VAR	$ 8,348,500	$ 4,537,756	$ (2,491,500)	$ (2,698,400)	$ 2,214,780	$ 2,560,266	$ 2,948,511	$ 3,700,441	$ 25,724,386	$ 23,627,369	$ 56,185,852	$ 79,624,255
RP-2 Project Summary Equity-Revenue Less Estimated Build Costs/Expenses Total:	276,900	Var	$ 27,200,000	$ 15,017,023	$ 170,000	$ 880,000	$ 1,601,135	$ 15,789,863	$ 16,788,811	$ 17,329,725	$ 104,177,642	$ 106,571,844	$ 263,309,020	$ 202,956,705
RP-3 Project Summary Equity-Revenue Less Estimated Build Costs/Expenses Total:	276,900	Var	$ 27,200,000	$ 15,017,023	$ 170,000	$ 880,000	$ 1,601,135	$ 15,789,863	$ 16,788,811	$ 17,329,725	$ 104,177,642	$ 106,571,844	$ 263,309,020	$ 202,956,705
RP-11 Project Summary Equity-Revenue Less Estimated Build Costs/Expenses Total:	479,600	Var	$ 8,194,400	$ 4,300,000	$ 165,300	$ 3,314,700	$ 2,400,000	$ 3,360,000	$ 4,900,000	$ 5,040,000	$ 30,080,000	$ 30,700,000	$ 79,960,000	$ 67,000,000
Project Summary Equity/Loan Investments:	1,124,900	Var	$ 70,942,900	$ 38,871,801	$ (1,986,200)	$ 2,376,300	$ 7,817,050	$ 37,499,991	$ 41,426,132	$ 43,399,892	$ 264,159,670	$ 267,471,057	$ 662,763,892	$ 552,537,665

Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022-27	Year 2028-32	Sum 2016-2032	Next 10 Year
RP-1 Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ (250,000)	$ (500,000)	$ (1,761,387)	$ (1,349,657)	$ (1,438,488)	$ (1,628,426)	$ (9,620,609)	$ (9,060,843)	$ (24,359,410)	$ (21,906,889)
RP-2 Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ -	$ (500,000)	$ (1,000,000)	$ (14,459,824)	$ (15,458,217)	$ (15,914,423)	$ (95,682,039)	$ (98,168,164)	$ (240,786,667)	$ (182,387,344)
RP-3 Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ -	$ (500,000)	$ (1,000,000)	$ (14,459,824)	$ (15,458,217)	$ (15,914,423)	$ (95,682,039)	$ (98,168,164)	$ (240,786,667)	$ (182,387,344)
RP-11 Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ -	$ (994,410)	$ (1,471,111)	$ (1,764,107)	$ (2,231,361)	$ (2,273,725)	$ (13,122,496)	$ (15,315,705)	$ (37,172,915)	$ (35,290,920)
Project Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ (250,000)	$ (2,494,410)	$ (5,232,498)	$ (32,033,411)	$ (34,586,284)	$ (35,730,997)	$ (214,107,184)	$ (220,712,876)	$ (543,105,660)	$ (421,972,498)

Net Profit/Retained Earnings and Project Capitalization Value:	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022-27	Year 2028-32	Sum 2016-2032	Next 10 Year
RP-1 Annual Net Profit: less Payroll/Personal-Real Est/CAT Taxes:	$ -	$ -	$ 453,393	$ 1,210,609	$ 1,510,023	$ 2,072,016	$ 16,103,777	$ 14,566,525	$ 31,826,442	$ 57,717,366
RP-2 Annual Net Income: less Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ 170,000	$ 380,000	$ 601,135	$ 1,330,039	$ 1,330,593	$ 1,415,302	$ 8,495,603	$ 8,403,680	$ 22,522,352	$ 20,569,361
RP-3 Annual Net Income: less Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:	$ 170,000	$ 380,000	$ 601,135	$ 1,330,039	$ 1,330,593	$ 1,415,302	$ 8,495,603	$ 8,403,680	$ 22,522,352	$ 20,569,361
RP-11 Annual Net Profit: less Payroll/Personal-Real Est/CAT Taxes:	$ -	$ 2,320,290	$ 928,889	$ 1,595,893	$ 2,668,639	$ 2,766,275	$ 16,957,504	$ 15,384,295	$ 42,787,085	$ 31,709,080
Project Summary Net Profit/Retained Earnings and Project Capitalization Value:	$ 340,000	$ 3,080,290	$ 2,584,552	$ 5,466,580	$ 6,839,848	$ 7,668,895	$ 50,052,487	$ 46,758,181	$ 119,658,232	$ 130,565,167

Property Amortization Project Element	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022-27	Year 2028-32	Sum 2016-2032	Next 10 Year
RP-1 Property Amortization(w/3% Incrs)+Retained Earnings+Investments:	$ 4,847,800	$ 9,722,685	$ 10,416,416	$ 11,435,222	$ 12,585,135	$ 14,151,587	$ 25,599,126	$ 35,555,633	$ 66,896,075	$ 106,711,642
RP-2 Property Amortization(w/3% Incrs)+Retained Earnings+Investments-Dividends:	$ 5,100,000	$ 20,497,000	$ 30,175,910	$ 32,931,494	$ 35,825,412	$ 38,948,735	$ 48,892,275	$ 59,657,319	$ 59,657,319	$ 62,357,732
RP-3 Property Amortization(w/3% Incrs)+Retained Earnings+Investments-Dividends:	$ 5,100,000	$ 20,497,000	$ 30,175,910	$ 32,931,494	$ 35,825,412	$ 38,948,735	$ 48,892,275	$ 59,657,319	$ 59,657,319	$ 62,357,732
RP-11 Property Amortization(w/3% Incrs)+Retained Earnings+Investments:	$ 5,105,700	$ 8,494,400	$ 9,049,232	$ 9,496,126	$ 10,816,162	$ 12,240,239	$ 22,850,334	$ 29,482,063	$ 29,482,063	$ 35,378,476
Project Summary Amortization w/Profit/Deprec/3% Annual Growth:	$ 20,153,500	$ 59,211,085	$ 79,817,468	$ 86,794,337	$ 95,052,121	$ 104,289,296	$ 146,234,009	$ 184,352,334	$ 215,692,775	$ 266,805,582

Government Summary Revenue Project Element	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022-27	Year 2028-32	Sum 2016-2032	Next 10 Year
RP-1 Government AnnualTax Revenue for State/County/Municipality/ School District Total:	$ -	$ -	$ 210,822	$ 628,725	$ 767,233	$ 1,021,921	$ 8,156,399	$ 7,658,097	$ 17,050,385	$ 26,907,891
Government AnnualTax Revenue for State/County/Municipality/ School District Total:	$ -	$ -	$ -	$ 1,773,945	$ 1,892,991	$ 1,980,401	$ 11,922,342	$ 13,924,232	$ 30,623,636	$ 29,010,063
Government AnnualTax Revenue for State/County/Municipality/ School District Total:	$ -	$ -	$ -	$ 1,773,945	$ 1,892,991	$ 1,980,401	$ 11,922,342	$ 13,924,232	$ 30,623,636	$ 29,010,063
RP-11 Government Annual Tax Revenue for State/County/Municipality/ School District Total:	$ -	$ -	$ 335,383	$ 412,379	$ 924,512	$ 968,572	$ 7,804,944	$ 6,519,689	$ 16,965,478	$ 18,397,084
Project Government Annual Tax Revenue Summary:	$ -	$ -	$ 546,205	$ 4,588,994	$ 5,477,727	$ 5,951,295	$ 39,806,027	$ 42,026,250	$ 95,263,135	$ 103,325,101

Figure A-1. Powhatan Cultural Arts Center Project RP-1.

- Powhatan Cultural Arts Ctr Business Plan
- Powhatan Cultural Arts Ctr Plan

PPRA Has Purchased the Powhatan School from Switzerland School District.

PPRA Initiates Plans - See Facility Description

Seeking Investors - See Business Plan

Tenant Commitments Are Being Solicited.

Goal: **To Preserve and Reuse the Powhatan School as a Community-Centered Facility offering:**

(1) 53 room Luxury Hotel - Conference Center Facilities;
(2) Family Restaurant with Banquet Room seating for 100;
(3) Cinema Theater, Fine and Performing Arts center;
(4) Physical fitness/rehabilitation services;
(5) Pre-School, Child and Senior Care
(6) Youth Center for Pre- and After School Program
(7) Professional Offices, Retail Space and PPRA/PTO Office;
(8) Powhatan Historical Society Museum; and
(9) Powhatan Antique and Crafts Mall.

Tenant Space Availability

Hotel, Conference Rooms and Restaurant
53 Luxury Rooms, 2 Banquet/Conference and Board Room 1,800 - 1,200 sqft spaces

Fine Arts Classroom, Labs, Dance, Music Rooms (6) 800 sqft spaces

Auditorium/Stage (10,000 sqft/500 seats) for Performing Arts Center - Cinema Theater

Fitness Center, Pool, Aerobic Room, Lockers/ Showers and Gymnasium (10,000 sqft)

Rehabilitation Center, Office, Rehab Pool, and Trainer Room (3,000 sqft)

Tenants Being Sought

Hotel and Restaurant Management

Institute and/or Private Art School Organization, Special Education Institutes, Dance Studios, Music/Art Instructors, Drama Academy/ Playwrights/Choreographers, and Entertainment Event Planner

Fitness Center Management
Rehabilitation Center Management
Child Care Center Management
Professional Businesses

Historical Society and Museum Curators

Table A-4. Basic Pro Forma Financial 10-20 Year Plan for Powhatan Cultural Arts Center/Hotel Revitalization Project RP-1.

Equity/Loan Investments:					Year 2016 Investment	Year 2017 Investment	Year 2018 Investment	Year 2019 Investment	Year 2020 Investment	Year 2021 Investment	Year 2022-27 Investment	Year 2028-32 Investment	Sum 2016-2032 (15yrs)	Next 10 Year Investment
Equity Investment (20% of Project Build Costs - $6,553,500= $1,310,700):					$ 995,000	$ 315,700	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,310,700	$ -
PPRA Equity Investment (Land Bank-$1M; TIF-$99,725/yr; Grants/Subsidies $650K):					$ 1,000,000	$ 450,000	$ 410,000	$ 210,000	$ 110,000	$ 110,000	$ 660,000	$ -	$ 2,950,000	$ -
Loan Funds (80% of Project Build Costs of $8,348,500 = $6,678,800):					$ 2,852,800	$ 3,826,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 6,678,800	$ -
RP-1 Summary Equity/Loan/Land Bank/TIF/Grant Investments:					$ 4,847,800	$ 4,591,700	$ 410,000	$ 210,000	$ 110,000	$ 110,000	$ 660,000	$ -	$ 10,939,500	$ -
RP-1 Admin/Engr/Prep/Infrastructr/ Common Cost Element	Build Sqft	Cost Variable	Projected Costs	Projected Revenue/Yr	Year 2016 Build Cost	Year 2017 Build Cost	Year 2018 Revenue/Cost	Year 2019 Revenue/Cost	Year 2020 Revenue/Cost	Year 2021 Revenue/Cost	Year 2022-27 Revenue/Cost	Year 2028-32 Revenue/Cost	Sum 2016-2032 Revenue/Cost	Next 10 Year Costs
Mgmt/Legal/Contractual			$ 250,000	$ -	$ (50,000)	$ (50,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ (100,000)	$ -
Studies/Engr/Permits/Gen Contr//Inspectations			$ 300,000	$ -	$ (200,000)	$ (100,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ (300,000)	$ -
Lasnd Bank Acquisition/Closing/Hazard Materials assessment			$ 145,000	$ -	$ (145,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (145,000)	$ -
Flood Control			$ 250,000	$ -	$ (50,000)	$ (200,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ (250,000)	$ -
Streetscape/Roads			$ 1,500,000	$ -	$ (250,000)	$ (1,250,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ (1,500,000)	$ -
Management Reserve Contingency Funds			$ 750,000		$ (250,000)	$ (500,000)		$ -	$ -	$ -	$ -	$ -	$ (750,000)	$ -
RP-1 Admin/EngrInfra Subtotal:	0	$ -	$ 3,195,000	$ -	$ (945,000)	$ (2,100,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ (3,045,000)	$ -
RP-1 Operational Cost Element	Build Sqft	Cost/ sqft	Projected Costs	Projected Revenue/Yr	Year 2016 Build Cost	Year 2017 Build Cost	Year 2018 Revenue/Cost	Year 2019 Revenue/Cost	Year 2020 Revenue/Cost	Year 2021 Revenue/Cost	Year 2022-27 Revenue/Cost	Year 2028-32 Revenue/Cost	Sum 2016-2032 Revenue/Cost	Next 10 Year Revenue/Cost
Parking Lot 160 Cars Build Costs/Revenue $1-3/60%:	30,000	$ 10	$ 300,000	$ 113,880	$ (150,000)	$ (150,000)	$ 75,920	$ 75,920	$ 113,880	$ 113,880	$ 911,040	$ 949,000	$ 1,939,640	$ 2,327,568
Facility/Parking Lot Upgrade Costs:	Var	$ 10	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (350,000)
Parking Exp P/T Admin/Maint Staff ($30-35K w/Overhead);	-		$ -	$ -	$ -	$ (30,000)	$ (30,000)	$ (34,000)	$ (35,000)	$ (35,000)	$ 911,040	$ 949,000	$ 1,696,040	$ 10,932,480
RP-1 Parking Subtotal:	30,000	$ 10	$ 300,000	$ 113,880	$ (150,000)	$ (180,000)	$ 45,920	$ 41,920	$ 78,880	$ 78,880	$ 1,822,080	$ 1,898,000	$ 3,635,680	$ 12,910,048
RP-1 Operational Cost Element	Build Sqft	Cost/ sqft	Projected Build Costs	Projected Revenue/Yr	Year 2016 Build Cost	Year 2017 Build Cost	Year 2018 Revenue/Cost	Year 2019 Revenue/Cost	Year 2020 Revenue/Cost	Year 2021 Revenue/Cost	Year 2022-27 Revenue/Cost	Year 2028-32 Revenue/Cost	Sum 2016-2032 Revenue/Cost	Next 10 Year Revenue/Cost
Restaurant/Banquet/Catering: Rest- 165 indiv x $15 x 365; Banquet - 6 x $200/mo; Catering -$2,500/mo; Room Service - $25 x 45 rms	5,000	$ 25	$ 125,000	$ 1,567,500	$ (45,000)	$ (80,000)	$ 1,425,000	$1,567,500.0	$1,724,250.0	$1,896,675	$12,518,055	$11,380,050	$30,386,530	$ 36,463,836
Restaurant Expenses: 10-15 F- P/T Chef/Serv Staff ($12(4)/$25K(4)/ $35K(2)w/Ovrhd=Sum $285K);Product-$400k/mo;Util/Ovrhd $125k/mo		$ -	$ -	$ -	$ -	$ -	$ (865,300)	($951,830.0)	($1,047,013.0)	($763,013)	($5,035,886)	($4,578,078)	($13,241,120)	$ (15,889,344)
Fitness Build/Revenue: Memberships (90-140 x $30/mo); Room/Gym Rental (6 x 50/wk x 35 wk); Hotel Use Fee-$4K/mo; Trainer-$2.5K/mo	8,000	$ 20	$ 160,000	$ 176,000	$ (50,000)	$ (90,000)	$ 160,000	$176,000.0	$193,600.0	$222,640	$1,469,424	$1,335,840	$3,417,504	$ 4,101,005
Fitness Expenses: F-P/T Admin/Serv Staff ($12K(2-4)-35K(1) w/Ovrhd); Utilities/Maintenance-$12k/mo		$ -	$ -	$ -	$ -	$ -	$ (91,000)	($100,100.0)	($110,110.0)	($121,121)	($799,399)	($726,726)	($1,948,456)	$ (2,338,147)
Child/Sr Care/Learning Ctr Build/Revenue: Child-(30-60 indiv x $600/mo x 12mo); Sr Care-(5-10 x 250/mo); Before/After Care-(15-25 x 50/mo)	4,000	$ 40	$ 160,000	$ (108,900)	$ (50,000)	$ (90,000)	$ (99,000)	($108,900.0)	($119,790.0)	($131,769)	($869,675)	($790,614)	($2,259,748)	$ (2,711,698)
Care Ctr Expenses: F-P/T Admin/Serv Staff ($12K(2-4)/$30K(3) w/Ovrhd);Matls-$1K/mo; Utilities/Maintenance-$4k/mo		$ -	$ -	$ -	$ -	$ -	$ (174,000)	($191,400.0)	($210,540.0)	($231,594)	($1,528,520)	($1,389,564)	($3,725,618)	$ (4,470,742)
Performing Arts/Auditorium Use Build/Revenue: Theater/Entertainmt/ Rental (Arts Class-35x$40/mo; Theater-300-400x$5/mo; Entertainment-350-600x$15/mo; Rental/Crafts Fair-$500/mo; Auction-$500/mo	6,000	$ 25	$ 150,000	$ 132,858	$ (90,000)	$ 109,800	$ 120,780	$132,858.0	$146,143.8	$160,758	$1,061,004	$964,549	$2,605,893	$ 3,127,072
Performing Arts Ctr Expenses: F-P/T Admin/Serv Staff ($12K(3-4)/ $36K(1) w/Ovrhd);Matls-$1K/mo; Utilities/Maintenance-$2k/mo		$ -	$ -	$ -	$ -	$ -	$ (96,000)	($105,600.0)	($116,160.0)	($127,776)	($843,322)	($766,656)	($2,055,514)	$ (2,466,616)
Retail/Office Lease/Exhibit Space ($10/sqft w/$3/sqft for triple net-utilities/taxes; Exhibit Space-10,000 sqft x $2 sqft/event x 40	3,000	$ 7	$ 21,000	$ 497,250	$ (15,000)	$ 221,000	$ 331,500	$497,250.0	$646,425.0	$775,710.0	$5,119,686	$4,654,260	$12,230,831	$ 14,676,997
Museums/PPRA/LLC Offices: Visitation Fees (300-750*3/mo*12); Gift Shop-$100-250/mo; Donations/Grants $10K/yr	3,500	$ 15	$ 52,500	$ 31,218	$ (46,500)	$ 25,800	$ 28,380	$31,218.0	$34,339.8	$37,774	$249,307	$226,643	$586,961	$ 704,353
Museums Expenses: P/T Admin/Maint Staff ($12-24K w/Overhead); Utilities/Maint - $1k/mo		$ -	$ -	$ -	$ -	$ -	$ (24,000)	($26,400.0)	($29,040.0)	($30,000)	($198,000)	($180,000)	($487,440)	$ (584,928)
Hotel Lobby/Breakfast-Social Rm/Annex/Elev/Housekpg/Rooms: Bar/Food-($600/mo x 12); Rooms-($125-145/day x 53 x 365 x 80%)	32,000	$ 75	$ 2,400,000	$ 2,127,950	$ (600,000)	$ (1,800,000)	$ 1,934,500	$2,127,950.0	$2,340,745.0	$2,574,820	$16,993,809	$15,448,917	$39,620,740	$ 47,544,888
Hotel Expenses: 10-15 F- P/T Mgmt/Serv Staff ($12(4)/$25K(4)/ $35K(2)w/Ovrhd=Sum $218K/yr);Matls-$10k/mo;Util/Ovrhd-$12k/mo		$ -	$ -	$ -	$ -	$ -	$ (482,000)	($530,200.0)	($583,220.0)	($641,542)	($4,234,177)	($3,849,252)	($10,320,391)	$ (12,384,469)
Roof/H&C/Elect/Plumbing/ADA-Bathrooms-Elevator Upgrade:	-	$ -	$ 1,785,000	$ -	$ (500,000)	$ 1,285,000	$ -	$0.0	$0.0	$0	$0	$0	$785,000	$ 942,000
Facility Operations Estimated Build Costs/Revenue/Expenses Subtotal:	61,500	VAR	$ 4,853,500	$ 4,423,876	$ (1,396,500)	$ (418,400)	$ 2,168,860	$ 2,518,346	$ 2,869,631	$3,621,561	$23,902,306	$21,729,369	$55,595,172	$ 66,714,207
RP-1 Project Summary Equity-Revenue Less Estimated Build Costs/Expenses Total:	91,500	VAR	$ 8,348,500	$ 4,537,756	$ (2,491,500)	$ (2,698,400)	$ 2,214,780	$ 2,560,266	$ 2,948,511	$3,700,441	$25,724,386	$23,627,369	$56,185,852	$ 79,624,255
Summary Operating/Loan Payments/Payroll-Ohio CAT Taxes Costs														
Loan Obligations Payments (Balance - $6,678,800/15 year plan/3.5% interest rate): $572,947/yr					$ -	$ -	$ (572,947)	$ (572,947)	$ (572,947)	$ (572,947)	$ (3,437,682)	$ (2,864,735)	$ (8,594,205)	$ -
Annual Undistr Oper Costs: Admin/Mgmt/Mktg/Insur/Employee Taxes (25% of Revenue):					$ -	$ -	$ (542,215)	$ (629,587)	$ (717,408)	$ (905,390)	$ (5,975,576)	$ (5,432,342)	$ (14,202,518)	$ (20,014,262)
Payroll Tax ($1M x 0.75% = $7.5K):					$ -	$ -	$ (7,500)	$ (7,500)	$ (7,500)	$ (7,500)	$ (7,500)	$ (37,500)	$ (75,000)	$ (90,000)
Property Tax ($6.079M x 35% = $2.127M x 6.25% = $132,967/yr):					$ -	$ -	$ (132,967)	$ (132,967)	$ (132,967)	$ (132,967)	$ (132,967)	$ (664,835)	$ (1,329,670)	$ (1,595,604)
Annual State Commercial Activity Tax - CAT (0.26% of gross revenue):					$ -	$ -	$ (5,758)	$ (6,657)	$ (7,666)	$ (9,621)	$ (66,883)	$ (61,431)	$ (158,017)	$ (207,023)
Startup Costs					$ (250,000)	$ (500,000)	$ (500,000)	$ -	$ -	$ -	$ -	$ -	$ (1,250,000)	$ (21,906,889)
RP-1 Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:					$ (250,000)	$ (500,000)	$ (1,761,387)	$ (1,349,657)	$ (1,438,488)	$ (1,628,426)	$ (9,620,609)	$ (9,060,843)	$ (24,359,410)	$ (21,906,889)
RP-1 Annual Net Profit: less Payroll/Personal-Real Est/CAT Taxes:					$ -	$ -	$ 453,393	$ 1,210,609	$ 1,510,023	$ 2,072,016	$ 16,103,777	$ 14,566,525	$ 31,826,442	$ 57,717,366
Tax Credits/Depreciation Adjustment:														
Tax Credits ($1-2.5M):					$ -	$ -	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 500,000	$ -	$ 1,500,000	$ -
Personal ($10,000/yr) and Real Property ($6M/30yrs=$200K/yr) Depreciation:					$ -	$ -	$ 210,000	$ 210,000	$ 210,000	$ 210,000	$ 210,000	$ 1,050,000	$ 2,100,000	$ 2,100,000
RP-1 Annual Summary Tax Credits/Deprec Subtotal:					$ -	$ -	$ 460,000	$ 460,000	$ 460,000	$ 460,000	$ 710,000	$ 1,050,000	$ 3,600,000	$ 2,100,000
Net Profit/Retained Earnings and Project Capitalization Value:														
Net Income Before Income Taxes (less deprec/tax credits):					$ -	$ -	$ -	$ 750,609	$ 1,050,023	$ 1,612,016	$ 15,393,777	$ 13,516,525	$ 28,226,442	$ 55,617,366
Annual Federal Income Taxes (34% less deprec/tax credits):					$ -	$ -	$ -	$ (255,207)	$ (357,008)	$ (548,085)	$ (5,233,884)	$ (4,595,619)	$ (9,596,990)	$ (18,909,904)
Preferred Stock or Bonds Guaranteed Dividend on Investment ($1,310,700 x 1.5% = $19,660/yr x 10 yrs):					$ -	$ -	$ (19,660)	$ (19,660)	$ (19,660)	$ (19,660)	$ (117,960)	$ -	$ (176,940)	$ -
Annual Retained Earnings (less income taxes/Stock-Bond Dividend):					$ -	$ -	$ (19,660)	$ 475,742	$ 673,355	$ 1,044,271	$ 10,041,933	$ 8,920,907	$ 18,452,512	$ 36,707,461
RP-1 Property Amortization(w/3% Incrs)+Retained Earnings+Investments:					$ 4,847,800	$ 9,722,685	$ 10,416,416	$ 11,435,222	$ 12,585,135	$ 14,151,587	$ 25,599,126	$ 35,555,633	$ 66,896,075	$ 106,711,642
Government Tax Revenue for State/County/Municipality/ School District:														
Annual Sales Tax (Gross Revenue x 7.25%):					$ -	$ -	$ 160,572	$ 185,619	$ 213,767	$ 268,282	$ 1,865,018	$ 1,712,984	$ 4,406,242	$ 5,287,490
Annual Resort/Rm Tax(Resort Rev/1.5%/$30K+Rm Tax/6%; Occup Rms53x85%=42x$125x6%/yr=$116K):					$ -	$ -	$ -	$ 136,000	$ 142,800	$ 149,940	$ 944,622	$ 991,853	$ 2,365,215	$ 1,892,172
Annual State Commercial Activity Tax - CAT (0.26% of gross revenue):					$ -	$ -	$ 5,758	$ 6,657	$ 7,666	$ 9,621	$ 66,883	$ 61,431	$ 158,017	$ 189,620
Annual Payroll Income Tax (50 F/T-P/t Personnel with Budget of $1.5M x 0.75%):					$ -	$ -	$ 11,250	$ 12,000	$ 12,750	$ 12,750	$ 12,750	$ 130,000	$ 191,500	$ 229,800
Property Tax ($6.079M x 35% = $2.127M x 6.25% = $132,967/yr): less TIF of 75% ($99,725) = $33,242/10 yrs:					$ -	$ -	$ 33,242	$ 33,242	$ 33,242	$ 33,242	$ 33,242	$ 166,210	$ 332,420	$ 398,904
Annual Federal Income Taxes (34% less deprec/tax credits):					$ -	$ -	$ -	$ 255,206.99	$ 357,008	$ 548,085	$ 5,233,884	$ 4,595,619	$ 9,596,990	$ 18,909,904
RP-1 Government AnnualTax Revenue for State/County/Municipality/ School District Total:					$ -	$ -	$ 210,822	$ 628,725	$ 767,233	$ 1,021,921	$ 8,156,399	$ 7,658,097	$ 17,050,385	$ 26,907,891

Figure A-2. Riverfront Resort Mixed Use Hotel/Retail/Office Revitalization Project RP-2/3 .

Downtown Waterfront Mixed Use Retail, Office, Hotel, and Community Common Elements Revitalization RP-2/3 Project.

Goal: To develop an attractive mixed use Riverfront Resort with Luxury Hotel Retail, Office and Hospitality Center, in a pedestrian friendly environment, supporting:

(1) Seven levels (L1/L2-Parking, L3-Retail Office, L5/L6/L7-Hotel) occupying 214,900 sqft of space;
(2) L1/L2 - Parking for 300 vehicles and utilities (8,000 sqft)
(3) L3 - Retail/Office space (28,000 sqft);
(4) L4/L5/L6/L7 - Hotel (4/22 -1/2 bedrooms per floor)
(5) Hotel complex 16/88 suites - 2/1 bedrooms - combined 32/176 suites;
(6) L8 - Roof Restaurant/Bar, Pool/Fitness Center, Conference Rooms;
(7) Atrium design with interior and exterior balconies;
(8) Two elevators/two emergeny staircases to all levels;
(9) 20 ft Boardwalks at retail level overlooking the Ohio River streetscape with retailer access to the boardwalk;
(10) Waterfront streetscape, road, retaining wall, stern wheeler wharf and boat dock daily and monthly rentals;
(11) 400 seat Amphitheater for entertainment;
(12) Community Square with Indian sculptures and artwork;
(13) River Road/First Street Realignment streetscape development; and
(14) Green construction and enhanced infrastructure development.

Desired Retail/Office Tenants

Retail/Professional Office Firms Representing:

- Bakery/Coffee
- Fast Foods,
- Services
- Clothing
- Banking, Accounting and Legal Services
- Consulting and Management Organizations
- Gas Fracking Development Services
- Sales, Distribution and Franchise Coordination
- Design, Research, Incubator, Development Firms
- Marketing, Advertising, Communication Services

Desired Hotel Quest Offerings

- Gas Fracking Personnel/Corporate Tenants
- Week/Weekend Vacation Visitors
- Daily Use

(RP-2/3 - 32 Two Bedroom Suites @ 900 sqft / unit 176 One Bedroom Suites @ 450 sqft / unit

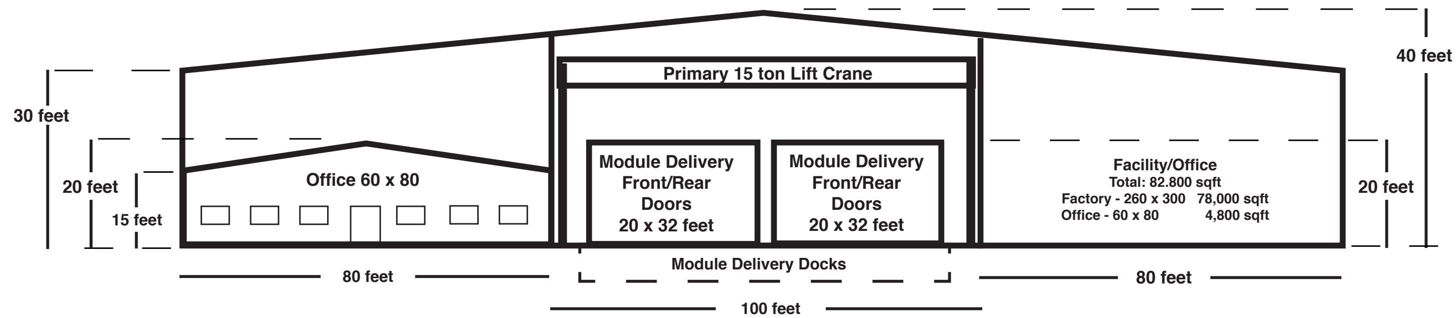
Table A-5. Basic Pro Forma Financial 10-20 Year Plan for Riverfront Mixed Use Complex Revitalization Project RP-2 With Shared Common Elements.

Equity/Loan Investments:					Year 2017 Build Cost	Year 2018 Build Cost	Year 2019 Build Cost	Year 2020 Revenue/Cost	Year 2021 Revenue/Cost	Year 2022 Revenue/Cost	Year 2023-28 Revenue/Cost	Year 2029-34 Revenue/Cost	Summary 2017-2034 (15yrs)	Next 10 Year Cost/Revenue
Equity Investment (20% of Project Build Costs - $27.75M=$5.55M):					$ 1,450,000	$ 3,550,000	$ 550,000	$ -	$ -	$ -	$ -	$ -	$ 5,550,000	$ 3,000,000
PPRA Equity Investment (Land Bank-$700K; TIF-$424,919/yr; Grants/Subsidies $250K):					$ 450,000	$ 250,000	$ 250,000	$ 1,250,000	$ 1,050,000	$ 750,000	$ 4,500,000	$ 2,000,000	$ 10,500,000	$ 1,000,000
Loan Funds (80% of Project Build Costs - $27.75M=$22.2M):					$ 3,200,000	$ 11,000,000	$ 8,000,000	$ -	$ -	$ -	$ -	$ -	$ 22,200,000	$ -
RP-2 Summary Equity/Loan/Land Bank/TIF/Grant Investments:					$ 5,100,000	$ 14,800,000	$ 8,800,000	$ 1,250,000	$ 1,050,000	$ 750,000	$ 4,500,000	$ 2,000,000	$ 38,250,000	$ 4,000,000
Admin/Engr/Prep/Infrastructr/ Common Cost Element	Build Sqft	Cost Variable	Projected Costs	Projected Revenue/Yr	Year 2017 Build Cost	Year 2018 Build Cost	Year 2019 Build Cost	Year 2020 Revenue/Cost	Year 2021 Revenue/Cost	Year 2022 Revenue/Cost	Year 2023-28 Revenue/Cost	Year 2029-34 Revenue/Cost	Summary 2017-2034 (15yrs)	Next 10 Year Cost/Revenue
Mgmt/Legal/Contractual/Professional			$ 1,650,000		$ (650,000)	$ (1,000,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ (1,650,000)	$ -
Studies/Engr/Contr			$ 1,500,000		$ (300,000)	$ (900,000)	$ (300,000)	$ -	$ -	$ -	$ -	$ -	$ (1,500,000)	$ -
Land Acquisition/Closing/Land Bank Incentive			$ 750,000		$ (750,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (750,000)	$ -
Demolition/Site Prep/Relocate			$ 500,000		$ (500,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (500,000)	$ -
RP-2/3 Infrastructure			$ 1,000,000		$ (500,000)	$ (250,000)	$ 250,000	$ -	$ -	$ -	$ -	$ -	$ (500,000)	$ -
First St Streetscape/Roads			$ 1,250,000		$ -	$ (1,000,000)	$ (250,000)	$ -	$ -	$ -	$ -	$ -	$ (1,250,000)	$ -
River Rd Streetscape/Wharf			$ 2,500,000		$ -	$ (1,000,000)	$ (1,500,000)	$ -	$ -	$ -	$ -	$ -	$ (2,500,000)	$ -
Common Area/Art/Amplitheater			$ 1,000,000		$ -	$ (500,000)	$ (500,000)	$ -	$ -	$ -	$ -	$ -	$ (1,000,000)	$ -
Management Reserve Contingency Funds			$ 750,000		$ -	$ (250,000)	$ (500,000)	$ -	$ -	$ -	$ -	$ -	$ (750,000)	$ -
Admin/Engr/Prep/Infra/Common Subtotal:			$ 10,900,000		$ (2,700,000)	$ (4,900,000)	$ (2,800,000)	$ -	$ -	$ -	$ -	$ -	$ (10,400,000)	$ -
Parking/Utility Cost Element	Build Sqft	Parking Slots	Projected Cost $60/sqft	Projected 2020 Revenue/Yr	Year 2017 Build Cost	Year 2018 Build Cost	Year 2019 Build Cost	Year 2020 Revenue	Year 2021 Revenue	Year 2022 Revenue	Year 2023-28 Revenue	Year 2029-34 Revenue	Summary 2017-2034 (15yrs)	Next 10 Year Revenue
Parking Garage P1	36,000	200	$ 2,160,000	$ 332,150	$ (660,000)	$ (500,000)	$ (500,000)	$ 332,150	$ 332,150	$ 379,600	$ 2,391,480	$ 2,511,054	$ 4,286,434	$ 4,555,200
Parking Garage P2	26,000	150	$ 1,560,000	$ 249,113	$ (300,000)	$ (1,060,000)	$ (200,000)	$ 249,113	$ 249,113	$ 284,700	$ 1,793,610	$ 1,793,610	$ 2,810,145	$ 3,416,400
L1 Utilities	5,000		$ 300,000	$ -	$ -	$ (150,000)	$ (150,000)	$ -	$ -	$ -	$ -	$ -	$ (300,000)	$ -
L2 Utilities	5,000		$ 30,000	$ -	$ -	$ (30,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ (30,000)	$ -
Parking Garage Subtotal	72,000	350	$ 4,050,000	581,263	$ (960,000)	$ (1,740,000)	$ (850,000)	581,263	581,263	664,300	4,185,090	4,304,664	6,766,579	$ 7,971,600
Main Facility Cost Element	Build-out Sqft	Cost Variable	Projected Costs	Projected 2020 Revenue/Yr	Year 2017 Build Cost	Year 2018 Build Cost	Year 2019 Build Cost	Year 2020 Revenue	Year 2021 Revenue	Year 2022 Revenue	Year 2023-28 Revenue	Year 2029-34 Revenue	Summary 2017-2034 (15yrs)	Next 10 Year Revenue
L3 Hotel Lobby/Retail/Office/Food Court	36,000	$ 80	$ 2,880,000	$ 750,000	$ (380,000)	$ (1,700,000)	$ (800,000)	$ 750,000	$ 787,500	$ 826,875	$ 4,961,250	$ 5,209,313	$ 9,654,938	$ 9,922,500
L4 One Bdrm Suites (22); (150*22*365)*0.85%	13,000	$ 110	$ 1,430,000	$ 1,023,825	$ (230,000)	$ (1,000,000)	$ (200,000)	$ 1,092,080	$ 1,075,016	$ 1,128,767	$ 6,772,602	$ 7,111,232	$ 15,749,698	$ 13,545,205
L4 Two Bdrm Suites (4); (265*4*365)*0.85%	4,000	$ 110	$ 440,000	$ 328,865	$ (100,000)	$ (240,000)	$ (100,000)	$ 335,070	$ 345,308	$ 362,574	$ 2,175,442	$ 2,284,214	$ 5,062,608	$ 4,350,884
L4 One Bdrm Suites (22); (150*22*365)*0.85%	13,000	$ 110	$ 1,430,000	$ 1,023,825	$ (230,000)	$ (1,000,000)	$ (200,000)	$ 1,092,080	$ 1,075,016	$ 1,128,767	$ 6,772,602	$ 7,111,232	$ 15,749,698	$ 13,545,205
L4 Two Bdrm Suites (4); (265*4*365)*0.85%	4,000	$ 110	$ 440,000	$ 328,865	$ (100,000)	$ (240,000)	$ (100,000)	$ 335,070	$ 345,308	$ 362,574	$ 2,175,442	$ 2,284,214	$ 5,062,608	$ 4,350,884
L4 One Bdrm Suites (22); (150*22*365)*0.85%	13,000	$ 110	$ 1,430,000	$ 1,023,825	$ (230,000)	$ (1,000,000)	$ (200,000)	$ 1,092,080	$ 1,075,016	$ 1,128,767	$ 6,772,602	$ 7,111,232	$ 15,749,698	$ 13,545,205
L4 Two Bdrm Suites (4); (265*4*365)*0.85%	4,000	$ 110	$ 440,000	$ 328,865	$ -	$ (900,000)	$ 571,135	$ 335,070	$ 345,308	$ 362,574	$ 2,175,442	$ 2,284,214	$ 5,173,743	$ 4,350,884
L4 One Bdrm Suites (22); (150*22*365)*0.85%	13,000	$ 110	$ 1,430,000	$ 1,023,825	$ -	$ (800,000)	$ (630,000)	$ 1,092,080	$ 1,075,016	$ 1,128,767	$ 6,772,602	$ 7,111,232	$ 15,749,698	$ 13,545,205
L4 Two Bdrm Suites (4); (265*4*365)*0.85%	4,000	$ 110	$ 440,000	$ 328,865	$ -	$ (100,000)	$ (300,000)	$ 335,070	$ 345,308	$ 362,574	$ 2,175,442	$ 2,284,214	$ 5,102,608	$ 4,350,884
L9 Roof Pool/Fitness/Conference Rooms	9,000	$ 100	$ 900,000	$ 300,000	$ -	$ (300,000)	$ (600,000)	$ 300,000	$ 315,000	$ 330,750	$ 1,984,500	$ 2,083,725	$ 4,113,975	$ 3,969,000
L9 Restaurant/Catering/Room Service/Bar/Beverage	9,900	$ 100	$ 990,000	$ 5,475,000	$ -	$ -	$ (990,000)	$ 4,700,000	$ 5,748,750	$ 6,036,188	$ 36,217,125	$ 38,027,981	$ 89,740,044	$ 72,434,250
Seminar/Banquet/Exhibit/Entertainmt Fees/Paid Receipts	0	$ -	$ -	$ 2,500,000	$ -	$ -	$ -	$ 2,500,000	$ 2,625,000	$ 2,756,250	$ 16,537,500	$ 17,364,375	$ 41,783,125	$ 33,075,000
Main Facility Subtotal:	204,900	Var	$ 12,250,000	$ 14,435,760	$ (1,270,000)	$ (7,280,000)	$ (3,548,865)	$ 13,958,600	$ 15,157,548	$ 15,915,425	$ 95,492,552	$ 100,267,180	$ 228,692,441	$ 190,985,105
RP-2 Project Summary Equity-Revenue Less Estimated Build Costs/Expenses Total:	276,900	Var	$ 27,200,000	$ 15,017,023	$ 170,000	$ 880,000	$ 1,601,135	$ 15,789,863	$ 16,788,811	$ 17,329,725	$ 104,177,642	$ 106,571,844	$ 263,309,020	$ 202,956,705
Summary Operating/Loan Payments/Payroll-Ohio CAT Taxes Costs														
Annual Hotel Room Oper Costs: Mgmt/Housekeep Staff/Employee Taxes (27% of Revenue):					$ -	$ -	$ -	$ (4,263,263)	$ (4,532,979)	$ (4,679,026)	$ (28,127,963)	$ (28,774,398)	$ (70,377,629)	$ (60,887,011)
Garage/Utilities/Facility Maint/Utilities/Staff (12% of Revenue)					$ -	$ -	$ -	$ (1,894,784)	(1,951,627)	(2,010,176)	(10,352,405)	$ (10,662,978)	$ (26,871,969)	$ (22,111,934)
Annual Undistr Oper Costs: Admin/Mgmt/Mktg/Insur/Employee Taxes (25% of Revenue):					$ -	$ -	$ -	$ (3,947,466)	$ (4,197,203)	$ (4,332,431)	$ (26,044,411)	$ (26,642,961)	$ (65,164,471)	$ (60,887,011)
Annual Food/Beverage/Staff Costs: Restaurant/Catering/Bar/Room Servive (40% of Revenue)					$ -	$ -	$ -	$ (1,880,000)	$ (2,299,500)	$ (2,414,475)	$ (14,486,850)	$ (15,211,193)	$ (35,896,018)	$ (28,973,700)
Upgrade/Replacement Costs					$ -	$ -	$ -	$ -	$ -	$ -	$ (1,800,000)	$ (2,000,000)	$ (3,800,000)	$ (3,000,000)
Loan Payments (80% Balance; $21.76M/15 year plan/3.5% interest rate=$1,866,696/yr paymt):					$ -	$ -	$ -	$ (1,866,696)	$ (1,866,696)	$ (1,866,696)	$ (11,200,176)	$ (11,200,176)	$ (28,000,440)	$ -
Property Tax ($25.9Mx35%=$9.065Mx6.25%=$566,562/yr):					$ -	$ -	$ -	$ (566,562)	$ (566,562)	$ (566,562)	$ (3,399,372)	$ (3,399,372)	$ (8,498,430)	$ (6,000,000)
Annual State Commercial Activity Tax - CAT (0.26% of gross revenue):					$ -	$ -	$ -	$ (41,054)	$ (43,651)	$ (45,057)	$ (270,862)	$ (277,087)	$ (677,711)	$ (527,687)
Startup Costs					$ -	$ (500,000)	$ (1,000,000)	$ -	$ -	$ -	$ -	$ -	$ (1,500,000)	$ -
RP-2 Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:					$ -	$ (500,000)	$ (1,000,000)	$ (14,459,824)	$ (15,458,217)	$ (15,914,423)	$ (95,682,039)	$ (98,168,164)	$(240,786,667)	$ (182,387,344)
RP-2 Annual Net Income: less Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:					$ 170,000	$ 380,000	$ 601,135	$ 1,330,039	$ 1,330,593	$ 1,415,302	$ 8,495,603	$ 8,403,680	$ 22,522,352	$ 20,569,361
Tax Credits/Depreciation Adjustment:														
Tax Credits ($1-2.5M):					$ -	$ -	$ -	$ 500,000	$ 500,000	$ 500,000	$ 2,500,000	$ 2,500,000	$ 6,500,000	$ -
Personal ($267,525/yr) and Real Property ($30M/30yrs=$1M/yr) Depreciation:					$ -	$ -	$ -	$ 1,267,525	$ 1,267,525	$ 1,267,525	$ 6,337,625	$ 6,337,625	$ 16,477,825	$ 16,477,825
Annual Summary Tax Credits/Deprec Subtotal:					$ -	$ -	$ -	$ 1,767,525	$ 1,767,525	$ 1,767,525	$ 8,837,625	$ 8,837,625	$ 22,977,825	$ 16,477,825
Net Profit/Retained Earnings and Project Capitalization Value:														
Net Income Before Income Taxes (less deprec/tax credits):					$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,091,536
Annual Federal Income Taxes (34% less deprec/tax credits):					$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,391,122
Annual Retained Earnings (less income taxes):					$ -	$ -	$ -	$ 1,330,039	$ 1,330,593	$ 1,415,302	$ 8,495,603	$ 8,403,680	$ 22,522,352	$ 2,700,413
Preferred Stock or Bonds Guaranteed Dividend on Investment ($5.55M x 1.5% = $83.25K/yr x 10 yrs):					$ -	$ -	$ -	$ (83,250)	$ (83,250)	$ (83,250)	$ (499,500)	$ (83,250)	$ (832,500)	$ -
RP-2 Property Amortization(w/3% Incrs)+Retained Earnings+Investments-Dividends:					$ 5,100,000	$ 20,497,000	$ 30,175,910	$ 32,931,494	$ 35,825,412	$ 38,948,735	$ 48,892,275	$ 59,657,319	$ 59,657,319	$ 62,357,732
Government AnnualTax Revenue for State/County/Municipality/ School District:														
Annual Sales Tax (Reveue x 7.25%):					$ -	$ -	$ -	$ 1,011,999	$ 1,098,922	$ 1,153,868	$ 6,923,210	$ 7,269,371	$ 16,580,202	$ 13,846,420
Annual Resort/Rm Tax(Resort Rev/1.5%/$250K+Rm Tax/6%; Occup Rms104x85%=88x$165x6%/yr=$318K):					$ -	$ -	$ -	$ 568,000	$ 596,400	$ 626,220	$ 3,945,186	$ 4,142,445	$ 9,878,251	$ 7,902,601
Annual State Commercial Activity Tax - CAT (0.26% of gross revenue):					$ -	$ -	$ -	$ 41,054	$ 43,651	$ 45,057	$ 270,862	$ 277,087	$ 684,603	$ 527,687
Annual Payroll Income Tax (60 F/T-P/t Personnel with Budget of $1.5M x 0.075%):					$ -	$ -	$ -	$ 11,250	$ 12,375	$ 13,613	$ 74,869	$ 82,356	$ 194,462	$ 233,354
Annual Property Tax Less Increment Financing (TIF)- $566,572-$424,929=$141,643/yr for 10 yrs):					$ -	$ -	$ -	$ 141,643	$ 141,643	$ 141,643	$ 708,215	$ 2,152,974	$ 3,286,118	$ 6,500,000
Annual Federal Income Taxes (34% of net profit less tax credits/depreciation):					$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,391,122
Government AnnualTax Revenue for State/County/Municipality/ School District Total:					$ -	$ -	$ -	$ 1,773,945	$ 1,892,991	$ 1,980,401	$ 11,922,342	$ 13,924,232	$ 30,623,636	$ 29,010,063

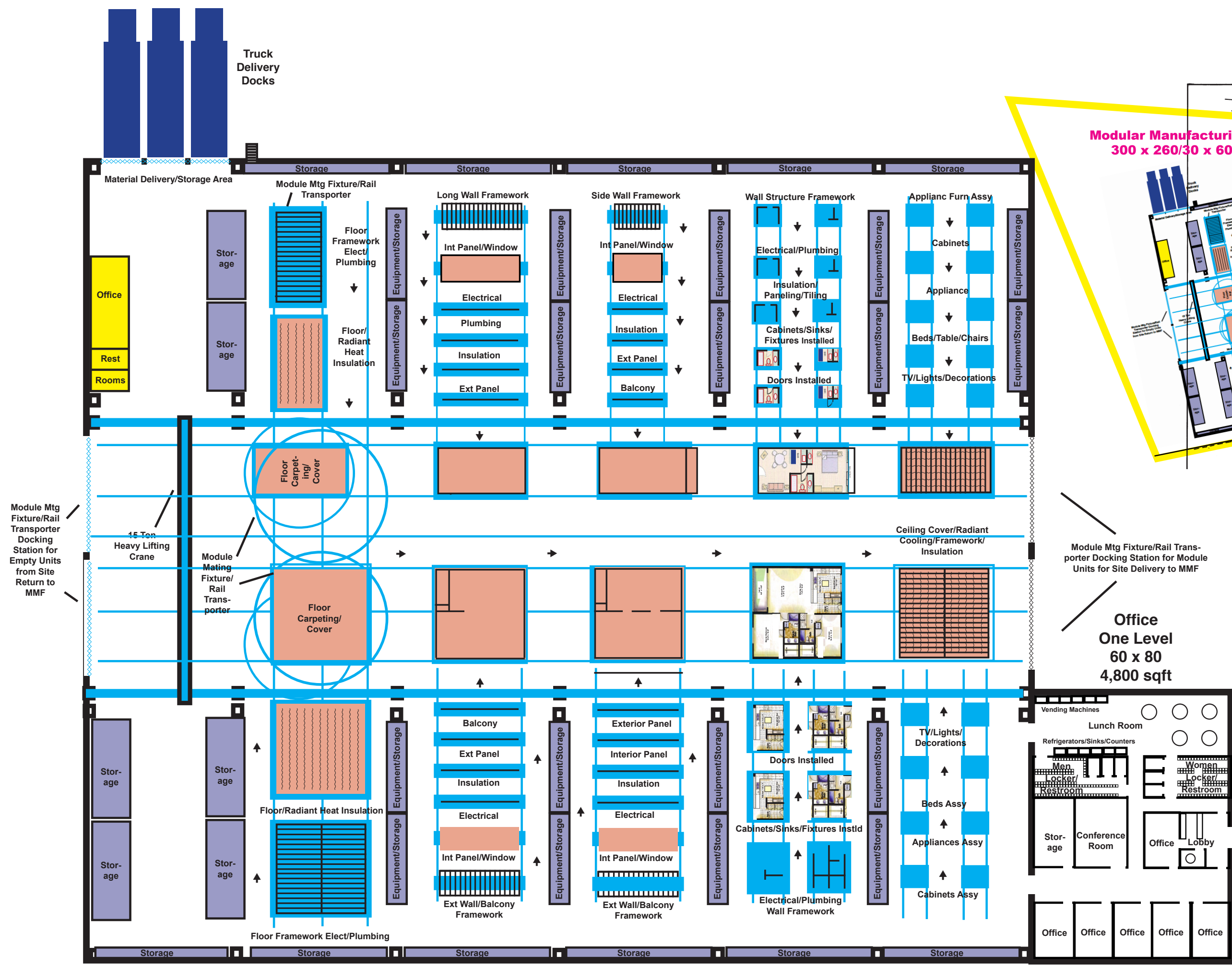
Table A-6. Basic Pro Forma Financial 10-20 Year Plan for Riverfront Mixed Use Complex Revitalization Project RP-3 With Shared Common Elements.

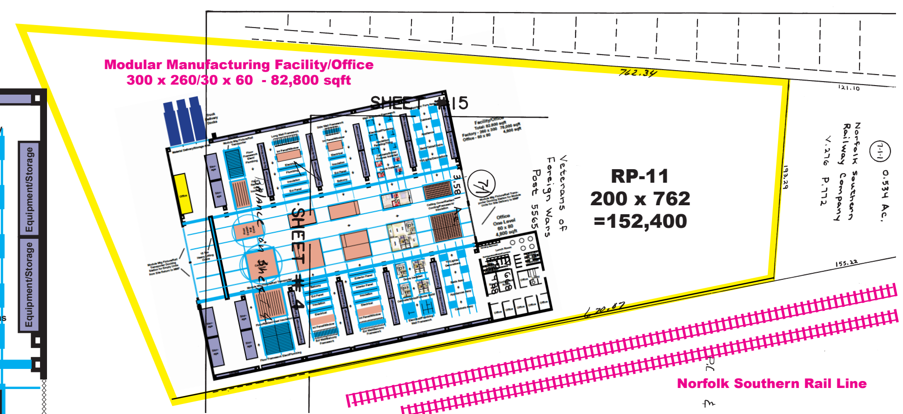
Equity/Loan Investments:					Year 2017 Build Cost	Year 2018 Build Cost	Year 2019 Build Cost	Year 2020 Revenue/Cost	Year 2021 Revenue/Cost	Year 2022 Revenue/Cost	Year 2023-28 Revenue/Cost	Year 2029-34 Revenue/Cost	Summary 2017-2034 (15yrs)	Next 10 Year Cost/Revenue
Equity Investment (20% of Project Build Costs - $27.75M=$5.55M):					$ 1,450,000	$ 3,550,000	$ 550,000	$ -	$ -	$ -	$ -	$ -	$ 5,550,000	$ 3,000,000
PPRA Equity Investment (Land Bank-$700K; TIF-$424,919/yr; Grants/Subsidies $250K):					$ 450,000	$ 250,000	$ 250,000	$ 1,250,000	$ 1,050,000	$ 750,000	$ 4,500,000	$ 2,000,000	$ 10,500,000	$ 1,000,000
Loan Funds (80% of Project Build Costs - $27.75M=$22.2M):					$ 3,200,000	$ 11,000,000	$ 8,000,000	$ -	$ -	$ -	$ -	$ -	$ 22,200,000	$ -
RP-3 Summary Equity/Loan/Land Bank/TIF/Grant Investments:					$ 5,100,000	$ 14,800,000	$ 8,800,000	$ 1,250,000	$ 1,050,000	$ 750,000	$ 4,500,000	$ 2,000,000	$ 38,250,000	$ 4,000,000
Admin/Engr/Prep/Infrastructr/ Common Cost Element	Build Sqft	Cost Variable	Projected Costs	Projected Revenue/Yr	Year 2017 Build Cost	Year 2018 Build Cost	Year 2019 Build Cost	Year 2020 Revenue/Cost	Year 2021 Revenue/Cost	Year 2022 Revenue/Cost	Year 2023-28 Revenue/Cost	Year 2029-34 Revenue/Cost	Summary 2017-2034 (15yrs)	Next 10 Year Cost/Revenue
Mgmt/Legal/Contractual/Professional			$ 1,650,000		$ (650,000)	$ (1,000,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ (1,650,000)	$ -
Studies/Engr/Contr			$ 1,500,000		$ (300,000)	$ (900,000)	$ (300,000)	$ -	$ -	$ -	$ -	$ -	$ (1,500,000)	$ -
Land Acquisition/Closing/Land Bank Incentive			$ 750,000		$ (750,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (750,000)	$ -
Demolition/Site Prep/Relocate			$ 500,000		$ (500,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (500,000)	$ -
RP-2/3 Infrastructure			$ 1,000,000		$ (500,000)	$ (250,000)	$ 250,000	$ -	$ -	$ -	$ -	$ -	$ (500,000)	$ -
First St Streetscape/Roads			$ 1,250,000		$ -	$ (1,000,000)	$ (250,000)	$ -	$ -	$ -	$ -	$ -	$ (1,250,000)	$ -
River Rd Streetscape/Wharf			$ 2,500,000		$ -	$ (1,000,000)	$ (1,500,000)	$ -	$ -	$ -	$ -	$ -	$ (2,500,000)	$ -
Common Area/Art/Amplitheater			$ 1,000,000		$ -	$ (500,000)	$ (500,000)	$ -	$ -	$ -	$ -	$ -	$ (1,000,000)	$ -
Management Reserve Contingency Funds			$ 750,000		$ -	$ (250,000)	$ (500,000)	$ -	$ -	$ -	$ -	$ -	$ (750,000)	$ -
Admin/Engr/Prep/Infra/Common Subtotal:			$ 10,900,000		$ (2,700,000)	$ (4,900,000)	$ (2,800,000)	$ -	$ -	$ -	$ -	$ -	$ (10,400,000)	$ -
Parking/Utility Cost Element	Build Sqft	Parking Slots	Projected Cost $60/sqft	Projected 2020 Revenue/Yr	Year 2017 Build Cost	Year 2018 Build Cost	Year 2019 Build Cost	Year 2020 Revenue	Year 2021 Revenue	Year 2022 Revenue	Year 2023-28 Revenue	Year 2029-34 Revenue	Summary 2017-2034 (15yrs)	Next 10 Year Revenue
Parking Garage P1	36,000	200	$ 2,160,000	$ 332,150	$ (660,000)	$ (500,000)	$ (500,000)	$ 332,150	$ 332,150	$ 379,600	$ 2,391,480	$ 2,511,054	$ 4,286,434	$ 4,555,200
Parking Garage P2	26,000	150	$ 1,560,000	$ 249,113	$ (300,000)	$ (1,060,000)	$ (200,000)	$ 249,113	$ 249,113	$ 284,700	$ 1,793,610	$ 1,793,610	$ 2,810,145	$ 3,416,400
L1 Utilities	5,000		$ 300,000	$ -	$ -	$ (150,000)	$ (150,000)	$ -	$ -	$ -	$ -	$ -	$ (300,000)	$ -
L2 Utilities	5,000		$ 30,000	$ -	$ -	$ (30,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ (30,000)	$ -
Parking Garage Subtotal	72,000	350	$ 4,050,000	581,263	$ (960,000)	$ (1,740,000)	$ (850,000)	581,263	581,263	664,300	4,185,090	4,304,664	6,766,579	$ 7,971,600
Main Facility Cost Element	Build-out Sqft	Cost Variable	Projected Costs	Projected 2020 Revenue/Yr	Year 2017 Build Cost	Year 2018 Build Cost	Year 2019 Build Cost	Year 2020 Revenue	Year 2021 Revenue	Year 2022 Revenue	Year 2023-28 Revenue	Year 2029-34 Revenue	Summary 2017-2034 (15yrs)	Next 10 Year Revenue
L3 Hotel Lobby/Retail/Office/Food Court	36,000	$ 80	$ 2,880,000	$ 750,000	$ (380,000)	$ (1,700,000)	$ (800,000)	$ 750,000	$ 787,500	$ 826,875	$ 4,961,250	$ 5,209,313	$ 9,654,938	$ 9,922,500
L4 One Bdrm Suites (22); (150*22*365)*0.85%	13,000	$ 110	$ 1,430,000	$ 1,023,825	$ (230,000)	$ (1,000,000)	$ (200,000)	$ 1,092,080	$ 1,075,016	$ 1,128,767	$ 6,772,602	$ 7,111,232	$ 15,749,698	$ 13,545,205
L4 Two Bdrm Suites (4); (265*4*365)*0.85%	4,000	$ 110	$ 440,000	$ 328,865	$ (100,000)	$ (240,000)	$ (100,000)	$ 335,070	$ 345,308	$ 362,574	$ 2,175,442	$ 2,284,214	$ 5,062,608	$ 4,350,884
L4 One Bdrm Suites (22); (150*22*365)*0.85%	13,000	$ 110	$ 1,430,000	$ 1,023,825	$ (230,000)	$ (1,000,000)	$ (200,000)	$ 1,092,080	$ 1,075,016	$ 1,128,767	$ 6,772,602	$ 7,111,232	$ 15,749,698	$ 13,545,205
L4 Two Bdrm Suites (4); (265*4*365)*0.85%	4,000	$ 110	$ 440,000	$ 328,865	$ (100,000)	$ (240,000)	$ (100,000)	$ 335,070	$ 345,308	$ 362,574	$ 2,175,442	$ 2,284,214	$ 5,062,608	$ 4,350,884
L4 One Bdrm Suites (22); (150*22*365)*0.85%	13,000	$ 110	$ 1,430,000	$ 1,023,825	$ (230,000)	$ (1,000,000)	$ (200,000)	$ 1,092,080	$ 1,075,016	$ 1,128,767	$ 6,772,602	$ 7,111,232	$ 15,749,698	$ 13,545,205
L4 Two Bdrm Suites (4); (265*4*365)*0.85%	4,000	$ 110	$ 440,000	$ 328,865	$ -	$ (900,000)	$ 571,135	$ 335,070	$ 345,308	$ 362,574	$ 2,175,442	$ 2,284,214	$ 5,173,743	$ 4,350,884
L4 One Bdrm Suites (22); (150*22*365)*0.85%	13,000	$ 110	$ 1,430,000	$ 1,023,825	$ -	$ (800,000)	$ (630,000)	$ 1,092,080	$ 1,075,016	$ 1,128,767	$ 6,772,602	$ 7,111,232	$ 15,749,698	$ 13,545,205
L4 Two Bdrm Suites (4); (265*4*365)*0.85%	4,000	$ 110	$ 440,000	$ 328,865	$ -	$ (100,000)	$ (300,000)	$ 335,070	$ 345,308	$ 362,574	$ 2,175,442	$ 2,284,214	$ 5,102,608	$ 4,350,884
L9 Roof Pool/Fitness/Conference Rooms	9,000	$ 100	$ 900,000	$ 300,000	$ -	$ (300,000)	$ (600,000)	$ 300,000	$ 315,000	$ 330,750	$ 1,984,500	$ 2,083,725	$ 4,113,975	$ 3,969,000
L9 Restaurant/Catering/Room Service/Bar/Beverage	9,900	$ 100	$ 990,000	$ 5,475,000	$ -	$ -	$ (990,000)	$ 4,700,000	$ 5,748,750	$ 6,036,188	$ 36,217,125	$ 38,027,981	$ 89,740,044	$ 72,434,250
Seminar/Banquet/Exhibit/Entertainmt Fees/Paid Receipts	0	$ -	$ -	$ 2,500,000	$ -	$ -	$ -	$ 2,500,000	$ 2,625,000	$ 2,756,250	$ 16,537,500	$ 17,364,375	$ 41,783,125	$ 33,075,000
Main Facility Subtotal:	204,900	Var	$ 12,250,000	$ 14,435,760	$ (1,270,000)	$ (7,280,000)	$ (3,548,865)	$ 13,958,600	$ 15,157,548	$ 15,915,425	$ 95,492,552	$ 100,267,180	$ 228,692,441	$ 190,985,105
RP-3 Project Summary Equity-Revenue Less Estimated Build Costs/Expenses Total:	276,900	Var	$ 27,200,000	$ 15,017,023	$ 170,000	$ 880,000	$ 1,601,135	$ 15,789,863	$ 16,788,811	$ 17,329,725	$ 104,177,642	$ 106,571,844	$ 263,309,020	$ 202,956,705
Summary Operating/Loan Payments/Payroll-Ohio CAT Taxes Costs														
Annual Hotel Room Oper Costs: Mgmt/Housekeep Staff/Employee Taxes (27% of Revenue):					$ -	$ -	$ -	$ (4,263,263)	$ (4,532,979)	$ (4,679,026)	$ (28,127,963)	$ (28,774,398)	$ (70,377,629)	$ (60,887,011)
Garage/Utilities/Facility Maint/Utilities/Staff (12% of Revenue)					$ -	$ -	$ -	$ (1,894,784)	(1,951,627)	(2,010,176)	(10,352,405)	$ (10,662,978)	$ (26,871,969)	$ (22,111,934)
Annual Undistr Oper Costs: Admin/Mgmt/Mktg/Insur/Employee Taxes (25% of Revenue):					$ -	$ -	$ -	$ (3,947,466)	$ (4,197,203)	$ (4,332,431)	$ (26,044,411)	$ (26,642,961)	$ (65,164,471)	$ (60,887,011)
Annual Food/Beverage/Staff Costs: Restaurant/Catering/Bar/Room Servive (40% of Revenue)					$ -	$ -	$ -	$ (1,880,000)	$ (2,299,500)	$ (2,414,475)	$ (14,486,850)	$ (15,211,193)	$ (35,896,018)	$ (28,973,700)
Upgrade/Replacement Costs					$ -	$ -	$ -	$ -	$ -	$ -	$ (1,800,000)	$ (2,000,000)	$ (3,800,000)	$ (3,000,000)
Loan Payments (80% Balance; $21.76M/15 year plan/3.5% interest rate=$1,866,696/yr paymt):					$ -	$ -	$ -	$ (1,866,696)	$ (1,866,696)	$ (1,866,696)	$ (11,200,176)	$ (11,200,176)	$ (28,000,440)	$ -
Property Tax ($25.9Mx35%=$9.065Mx6.25%=$566,562/yr):					$ -	$ -	$ -	$ (566,562)	$ (566,562)	$ (566,562)	$ (3,399,372)	$ (3,399,372)	$ (8,498,430)	$ (6,000,000)
Annual State Commercial Activity Tax - CAT (0.26% of gross revenue):					$ -	$ -	$ -	$ (41,054)	$ (43,651)	$ (45,057)	$ (270,862)	$ (277,087)	$ (677,711)	$ (527,687)
Startup Costs					$ -	$ (500,000)	$ (1,000,000)	$ -	$ -	$ -	$ -	$ -	$ (1,500,000)	$ -
RP-3 Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:					$ -	$ (500,000)	$ (1,000,000)	$ (14,459,824)	$ (15,458,217)	$ (15,914,423)	$ (95,682,039)	$ (98,168,164)	$(240,786,667)	$ (182,387,344)
RP-3 Annual Net Income: less Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:					$ 170,000	$ 380,000	$ 601,135	$ 1,330,039	$ 1,330,593	$ 1,415,302	$ 8,495,603	$ 8,403,680	$ 22,522,352	$ 20,569,361
Tax Credits/Depreciation Adjustment:														
Tax Credits ($1-2.5M):					$ -	$ -	$ -	$ 500,000	$ 500,000	$ 500,000	$ 2,500,000	$ 2,500,000	$ 6,500,000	$ -
Personal ($267,525/yr) and Real Property ($30M/30yrs=$1M/yr) Depreciation:					$ -	$ -	$ -	$ 1,267,525	$ 1,267,525	$ 1,267,525	$ 6,337,625	$ 6,337,625	$ 16,477,825	$ 16,477,825
Annual Summary Tax Credits/Deprec Subtotal:					$ -	$ -	$ -	$ 1,767,525	$ 1,767,525	$ 1,767,525	$ 8,837,625	$ 8,837,625	$ 22,977,825	$ 16,477,825
Net Profit/Retained Earnings and Project Capitalization Value:														
Net Income Before Income Taxes (less deprec/tax credits):					$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,091,536
Annual Federal Income Taxes (34% less deprec/tax credits):					$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,391,122
Annual Retained Earnings (less income taxes):					$ -	$ -	$ -	$ 1,330,039	$ 1,330,593	$ 1,415,302	$ 8,495,603	$ 8,403,680	$ 22,522,352	$ 2,700,413
Preferred Stock or Bonds Guaranteed Dividend on Investment ($5.55M x 1.5% = $83.25K/yr x 10 yrs):					$ -	$ -	$ -	$ (83,250)	$ (83,250)	$ (83,250)	$ (499,500)	$ (83,250)	$ (832,500)	$ -
RP-3 Property Amortization(w/3% Incrs)+Retained Earnings+Investments-Dividends:					$ 5,100,000	$ 20,497,000	$ 30,175,910	$ 32,931,494	$ 35,825,412	$ 38,948,735	$ 48,892,275	$ 59,657,319	$ 59,657,319	$ 62,357,732
Government AnnualTax Revenue for State/County/Municipality/ School District:														
Annual Sales Tax (Reveue x 7.25%):					$ -	$ -	$ -	$ 1,011,999	$ 1,098,922	$ 1,153,868	$ 6,923,210	$ 7,269,371	$ 16,580,202	$ 13,846,420
Annual Resort/Rm Tax(Resort Rev/1.5%/$250K+Rm Tax/6%; Occup Rms104x85%=88x$165x6%/yr=$318K):					$ -	$ -	$ -	$ 568,000	$ 596,400	$ 626,220	$ 3,945,186	$ 4,142,445	$ 9,878,251	$ 7,902,601
Annual State Commercial Activity Tax - CAT (0.26% of gross revenue):					$ -	$ -	$ -	$ 41,054	$ 43,651	$ 45,057	$ 270,862	$ 277,087	$ 684,603	$ 527,687
Annual Payroll Income Tax (60 F/T-P/t Personnel with Budget of $1.5M x 0.075%):					$ -	$ -	$ -	$ 11,250	$ 12,375	$ 13,613	$ 74,869	$ 82,356	$ 194,462	$ 233,354
Annual Property Tax Less Increment Financing (TIF)- $566,572-$424,929=$141,643/yr for 10 yrs):					$ -	$ -	$ -	$ 141,643	$ 141,643	$ 141,643	$ 708,215	$ 2,152,974	$ 3,286,118	$ 6,500,000
Annual Federal Income Taxes (34% of net profit less tax credits/depreciation):					$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,391,122
Government AnnualTax Revenue for State/County/Municipality/ School District Total:					$ -	$ -	$ -	$ 1,773,945	$ 1,892,991	$ 1,980,401	$ 11,922,342	$ 13,924,232	$ 30,623,636	$ 29,010,063

Figure A-3. Module Manufacturing Facility Revitalization Project RP-11.



MMF End View Design





MMF Construction Site Layout

Facility/Office

Total: 82.800 sqft

Factory - 260 x 300 78,000 sqft

Office - 60 x 80 4,800 sqft

Table A-7. Basic Pro Forma Financial 10-20 Year Plan for Module Manufacturing Facility (MMF) Revitalization Project RP-11.

Equity/Loan Financing and Operating Loan Costs:				Projected Investment	Year 2017 Investment	Year 2018 Investment	Year 2019 Investment	Year 2020 Investment	Year 2021 Investment	Year 2022 Investment	Year 2023-28 Investment	Year 2029-33 Investment	Sum 2017-2033 (15yrs)	Next 10 Year Investment
Equity Investment (20% Project Build Costs $8.194M/=$1,638,880):				$ 1,638,880	$ 918,700	$ 720,180	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,638,880	$ -
PPRA Equity Investment (TIF-$60K; Grants Subsidies $1M):				$ 1,600,000	$ 100,000	$ 200,000	$ 300,000	$ 200,000	$ 300,000	$ 300,000	$ 200,000	$ -	$ 1,600,000	$ -
Loan Funds (80% of Project Build Costs $6,555,520):				$ 6,555,520	$ 4,087,000	$ 2,468,520	$ -	$ -	$ -	$ -	$ -	$ -	$ 6,555,520	$ -
RP-11 Summary Equity/Loan/Land Bank/TIF/Grant Investments:					$ 5,105,700	$ 3,388,700	$ 300,000	$ 200,000	$ 300,000	$ 300,000	$ 200,000	$ -	$ 9,794,400	$ -
Admin/Engr/Prep/Infrastructr/ Common Cost Element	Build Sqft	Cost Variable	Projected Costs	Projected Avg Revenue/Yr	Year 2017 Build Cost	Year 2018 Build Cost	Year 2019 Build Cost	Year 2020 Revenue/Cost	Year 2021 Revenue/Cost	Year 2022 Revenue/Cost	Year 2023-28 Revenue/Cost	Year 2029-34 Revenue/Cost	Summary 2017-2034 (15yrs)	Next 10 Year Cost/Revenue
Build Mgmt/Legal/Contractual			$ 350,000	$ -	$ (250,000)	$ (100,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ (350,000)	$ -
Studies/Engr/Permits			$ 300,000	$ -	$ (300,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (300,000)	$ -
Land Acquisition - 3.581 Acres Lot			$ 270,000	$ -	$ (270,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (270,000)	$ -
Management Reserve Contingency Funds			$ 750,000		$ -	$ (250,000)	$ (500,000)	$ -	$ -	$ -	$ -	$ -	$ (750,000)	$ -
Admin/Engr/Prep/Infra/St Subtotal:		$ -	$ 1,670,000	$ -	$ (820,000)	$ (350,000)	$ (500,000)	$ -	$ -	$ -	$ -	$ -	$ (1,670,000)	$ -
RP-11MMF Build/Product/Operation Cost Element & Projected Module Revenue:	Build Sqft	Parking Slots	Projected Cost $60/sqft	Projected Avg Cost-Revenue/Yr	Year 2017 Build Cost	Year 2018 Build Cost	Year 2019 Build Cost	Year 2020 Revenue	Year 2021 Revenue	Year 2022 Revenue	Year 2023-28 Revenue	Year 2029-34 Revenue	Summary 2017-2034 (15yrs)	Next 10 Year Revenue
Site Prep/Excavation/Fill	120,000	$ 2	$ 240,000	$ -	$ (240,000)	$ -	$ -		$ -	$ -	$ -	$ -	$ (240,000)	
Foundation/Column Footings/Rail Inserts	76,000	$ 10	$ 760,000	$ -	$ (760,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (760,000)	
Manufacturing Facility Structure/Mezzanine	106,800	$ 25	$ 2,670,000	$ -	$ (2,370,000)	$ (300,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ (2,670,000)	
Infrastructure/Electrical/Plumbing/Hydraulics	106,800	$ 3	$ 320,400	$ -	$ (320,400)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (320,400)	
Streetscape/Roads/Parking Lot/Perimeter Fence	70,000	$ 4	$ 280,000	$ -	$ (180,000)	$ (100,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ (280,000)	
Crane/Transport Fixture/Trailer/Tractor	-	$ -	$ 350,000	$ -	$ (250,000)	$ (100,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ (350,000)	
Office Structure/Furnishings/Equipment	-	$ -	$ 234,000	$ -	$ -	$ (234,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ (234,000)	
Cost 1Bdrm Module 15x30=450sqft@$65/sqft;Unit-$30K; FY18-30/FY19-60/FY20-80/FY21-100/FY22-120/FY23-28-720/FY29-34-700/Nxt10-1600				$ (3,000,000)	$ -	$ (900,000)	$ (1,800,000)	$ (1,800,000)	$ (3,000,000)	$ (3,840,000)	$ (23,760,000)	$ (23,800,000)	$ (58,900,000)	$ (54,400,000)
Revenue 1Bdrm Module 15x30=450sqft@$65/sqft;Unit-$50K; FY18-30/FY19-60/FY20-80/FY21-100/FY22-120/FY23-28-720/FY29-34-700/Nxt10-1400				$ 5,300,000	$ -	$ 1,500,000	$ 3,060,000	$ 3,120,000	$ 5,300,000	$ 6,480,000	$ 41,040,000	$ 42,000,000	$ 102,500,000	$ 104,000,000
Cost 2Bdrm Module 30x30=900sqft@$65/sqft;Unit-$58K; FY18-30/FY19-80/ FY20-80/FY21-100/FY22-100/FY23-28-600/FY29-34-500/Nxt10-600				$ (6,000,000)	$ -	$ (1,740,000)	$ (4,640,000)	$ (4,720,000)	$ (6,000,000)	$ (6,300,000)	$ (38,400,000)	$ (32,500,000)	$ (94,300,000)	$ (39,600,000)
Revenue 2Bdrm Module 30x30=900sqft@$65/sqft;Unit-$80K; FY18-30/FY19-80/ FY20-80/FY21-100/FY22-100/FY23-28-600/FY29-34-500/Nxt10-600				$ 8,000,000	$ -	$ 2,400,000	$ 6,480,000	$ 6,560,000	$ 8,300,000	$ 8,400,000	$ 51,000,000	$ 45,000,000	$ 128,140,000	$ 57,000,000
Startup Costs					$ -	$ (250,000)	$ (500,000)	$ -	$ -	$ -	$ -	$ -	$ (750,000)	$ -
Subtotal Factory Costs/Revenue:	479,600	Var	$ 6,524,400	$ 4,300,000	$ (4,120,400)	$ 276,000	$ 2,600,000	$ 3,160,000	$ 4,600,000	$ 4,740,000	$ 29,880,000	$ 30,700,000	$ 71,835,600	$ 67,000,000
RP-11 Project Summary Equity-Revenue Less Estimated Build Costs/Expenses Total:	479,600	Var	$ 8,194,400	$ 4,300,000	$ 165,300	$ 3,314,700	$ 2,400,000	$ 3,360,000	$ 4,900,000	$ 5,040,000	$ 30,080,000	$ 30,700,000	$ 79,960,000	$ 67,000,000
Summary Operating/Loan Payments/Payroll-Ohio CAT Taxes Costs														
Annual Oper Costs: Utilities/Mgmt/Staff/Insur/Employee Taxes (30% of Revenue):					$ -	$ (994,410)	$ (720,000)	$ (1,008,000)	$ (1,470,000)	$ (1,512,000)	$ (9,024,000)	$ (9,210,000)	$ (23,938,410)	$ (28,726,092)
Loan Payments (Balance-$6,555,520/15 year plan/3.5% interest rate/Paymt $562,371/8.436M):					$ -	$ -	$ (562,371)	$ (562,371)	$ (562,371)	$ (562,371)	$ (3,374,226)	$ (2,811,855)	$ (8,435,565)	$ -
Payroll Tax ($1M-1.5M x .75 = $7.5K-11.25K);					$ -	$ -	$ (7,500)	$ (10,000)	$ (11,250)	$ (11,250)	$ (79,500)	$ (70,000)	$ (189,500)	$ (1,033,500)
Property Tax ($8M x 35% =$2.8M x 6.25% = $175,000/yr):					$ -	$ -	$ (175,000)	$ (175,000)	$ (175,000)	$ (175,000)	$ (566,562)	$ (2,832,810)	$ (4,099,372)	$ (4,919,246)
Annual State Commercial Activity Tax - CAT (0.26% of gross revenue):					$ -	$ -	$ (6,240)	$ (8,736)	$ (12,740)	$ (13,104)	$ (78,208)	$ (391,040)	$ (510,068)	$ (612,082)
RP-11 Summary Admin/Oper Costs/Payroll/Personal-Real Est/CAT Taxes:					$ -	$ (994,410)	$ (1,471,111)	$ (1,764,107)	$ (2,231,361)	$ (2,273,725)	$ (13,122,496)	$ (15,315,705)	$ (37,172,915)	$ (35,290,920)
RP-11 Annual Net Profit: less Payroll/Personal-Real Est/CAT Taxes:					$ -	$ 2,320,290	$ 928,889	$ 1,595,893	$ 2,668,639	$ 2,766,275	$ 16,957,504	$ 15,384,295	$ 42,787,085	$ 31,709,080
Tax Credits/Depreciation Adjustment:														
Tax Credits ($1-1.5M):					$ -	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ -	$ 1,500,000	$ -
Personal ($267,525/yr) and Real Property ($M/30yrs=$500K/yr) Depreciation:					$ -	$ -	$ 1,267,525	$ 1,267,525	$ 1,267,525	$ 1,267,525	$ 1,267,525	$ 6,337,625	$ 12,675,250	$ 12,675,250
Annual Summary Tax Credits/Deprec Subtotal:					$ -	$ 250,000	$ 1,517,525	$ 1,517,525	$ 1,517,525	$ 1,517,525	$ 1,517,525	$ 6,337,625	$ 14,175,250	$ 12,675,250
Net Profit/Retained Earnings and Project Capitalization Value:														
Net Income Before Income Taxes (less deprec/tax credits):					$ -	$ -	$ -	$ -	$ 1,151,114	$ 1,248,750	$ 15,439,979	$ 9,046,670	$ 28,611,835	$ 19,033,830
Annual Federal Income Taxes (34% less deprec/tax credits):					$ -	$ -	$ -	$ -	$ (391,379)	$ (424,575)	$ (5,249,593)	$ (3,075,868)	$ (9,728,024)	$ (6,471,502)
Annual Retained Earnings (less income taxes):					$ -	$ -	$ -	$ -	$ 759,735	$ 824,175	$ 10,190,386	$ 5,970,802	$ 18,883,811	$ 12,562,328
Preferred Stock/Bonds Guaranteed Investment Dividend ($1,638,880 x 1.5% = $24,583/yr x 10 yrs):					$ -	$ -	$ -	$ (24,583)	$ (24,583)	$ (24,583)	$ (147,498)	$ (24,583)	$ (245,830)	$ -
RP-11 Property Amortization(w/3% Incrs)+Retained Earnings+Investments:					$ 5,105,700	$ 8,494,400	$ 9,049,232	$ 9,496,126	$ 10,816,162	$ 12,240,239	$ 22,850,334	$ 29,482,063	$ 29,482,063	$ 35,378,476
Government AnnualTax Revenue for State/County/Municipality/ School District:														
Annual Sales Tax (Reveue x 7.25%):					$ -	$ 248,603	$ 180,000	$ 252,000	$ 367,500	$ 378,000	$ 2,256,000	$ 2,302,500	$ 5,984,603	$ 3,780,000
Annual State Commercial Activity Tax - CAT (0.26% of gross revenue):					$ -	$ -	$ 6,240	$ 8,736	$ 12,740	$ 13,104	$ 78,208	$ 79,820	$ 198,848	$ 612,082
Annual Payroll Income Tax (60 F/T-P/t Personnel with Budget of $1.5M x 0.075%):					$ -	$ -	$ 7,500	$ 10,000	$ 11,250	$ 11,250	$ 79,500	$ 70,000	$ 189,500	$ 1,033,500
Annual Property Tax Less Increment Financing (TIF)- $566,572-$424,929=$141,643/yr for 10 yrs):					$ -	$ -	$ 141,643	$ 141,643	$ 141,643	$ 141,643	$ 141,643	$ 991,501	$ 1,699,716	$ 6,500,000
Annual Federal Income Taxes (34% of net income less tax credits):					$ -	$ -	$ -	$ -	$ 391,379	$ 424,575	$ 5,249,593	$ 3,075,868	$ 9,141,414	$ 6,471,502
RP-11 Government Annual Tax Revenue for State/County/Municipality/ School District Total:					$ -	$ -	$ 335,383	$ 412,379	$ 924,512	$ 968,572	$ 7,804,944	$ 6,519,689	$ 16,965,478	$ 18,397,084

Table A-8. Land Bank Assembly Projected Financials

Property Owner	Lots	Lot Sqft	Estimated Buy Value	Land Bank Cash Incentive	Land Bank Multiple(M) Value/Sqft	Land Bank Value (sqft*M)	Land Bank Owner %	Potential Annual Dividend	Ph I 10 Yr Dividend Summary	Ph I $100M Value -10% Equity @ 2030	Ph II 10 Yr Dividend Summary	Ph II $135M Value -10% Equity @ 2035	Dividend + Amortized Value FY2020-2035
PPRA RP-1	9	119,635	$ 350,000	$ 175,000	6	$ 717,810	30.00%	$ 240,024	$ 2,400,241	$ 3,000,301	$ 3,750,376	$ 4,050,406	**$ 13,201,324**
Ray/Darlene Braun	4	34,650	$ 300,000	$ 150,000	9	$ 311,850	13.03%	$ 104,278	$ 1,042,776	$ 1,303,470	$ 1,629,338	$ 1,759,685	**$ 5,735,268**
Dorothy Milton	1	8,250	$ 125,000	$ 62,500	9	$ 74,250	3.10%	$ 24,828	$ 248,280	$ 310,350	$ 387,938	$ 418,973	**$ 1,365,540**
Bill Writer Assoc LLC	2	20,916	$ 125,000	$ 62,500	9	$ 188,244	7.87%	$ 62,946	$ 629,458	$ 786,822	$ 983,527	$ 1,062,210	**$ 3,462,017**
Bill Writer Assoc LLC	4	25,137	$ 60,000	$ 30,000	6	$ 150,822	6.30%	$ 50,432	$ 504,324	$ 630,406	$ 788,007	$ 851,047	**$ 2,773,784**
Kathryn B. Snively	2	20,916	$ 65,000	$ 32,500	9	$ 188,244	7.87%	$ 62,946	$ 629,458	$ 786,822	$ 983,527	$ 1,062,210	**$ 3,462,017**
Kathryn B. Snively	2	16,632	$ 105,000	$ 52,500	6	$ 99,792	4.17%	$ 33,369	$ 333,688	$ 417,110	$ 521,388	$ 563,099	**$ 1,835,286**
Village of Powhatan	1	8,448	$ 35,000	$ 17,500	6	$ 50,688	2.12%	$ 16,949	$ 169,492	$ 211,866	$ 264,832	$ 286,019	**$ 932,209**
Sandra Wisvari	1	7,920	$ 75,000	$ 37,500	6	$ 47,520	1.99%	$ 15,890	$ 158,899	$ 198,624	$ 248,280	$ 268,142	**$ 873,946**
George/Shirley Bulic	2	16,632	$ 75,000	$ 37,500	6	$ 99,792	4.17%	$ 33,369	$ 333,688	$ 417,110	$ 521,388	$ 563,099	**$ 1,835,286**
PPI LLC	4	16,632	$ 95,000	$ 47,500	6	$ 99,792	4.17%	$ 33,369	$ 333,688	$ 417,110	$ 521,388	$ 563,099	**$ 1,835,286**
Wanda Glasgow	1	5,280	$ 70,000	$ 35,000	6	$ 31,680	1.32%	$ 10,593	$ 105,933	$ 132,416	$ 165,520	$ 178,762	**$ 582,630**
VFW RP-11	1	165,988	$ 175,000	$ 87,500	2	$ 331,976	13.88%	$ 111,007	$ 1,110,074	$ 1,387,593	$ 1,734,491	$ 1,873,250	**$ 6,105,408**
Total	**25**	**467,036**	**$1,655,000**	**$827,500**	**VAR**	**$2,392,460**	**100%**	**$ 800,000**	**$ 8,000,000**	**$ 10,000,000**	**$ 12,500,000**	**$ 13,500,000**	**$ 44,000,000**

Land Bank Assembly Chart Definition

Land Bank Cash Incentive (LBCI) - It represents cash paid up front to each land bank investor, as incentive for their land contribution to the project. Optionally, property owners may elect to sell their property. The ratio of land bank to direct sale may reflect a 50-50 outcome.

Estimated Buy Value - for owners preferring to sell their properties; the estimated offer price is based upon current market sales that could change. Recognize the project focus is on the land and does not value buildings which it must demolition incurring cost to redevelop land.

Land Bank Value/Sqft - Land Bank Value factor is based upon $9 per sqft for riverfront property versus $6/sqft for property set-back from the riverfront and $3 for off site factory area. This multiple (3/6/9) is applied to the sqft for lots defined.

Land Bank Value (LBV) - Based upon the Land Bank Value Factor x respective lot(s) Sqft, the Land Bank Value represents the dollar amount invested into the project by the owner for their respective lots.

The Land Bank Assembly contribution was allocated a 10% equity share in the Project. It relates to approximately a $2.5M total Land Bank contribution. Under a project conservative profit potential of $8M/yr (2020-2030) and $15M/yr (2028-XXXX), the Land Bank would receive a summary annual profit of $800,000 and $1,600,000 respectively. For Land Bank share of 4.17%, an owner would receive $33,369 annually (2020-2030), and double that amount ($66K) after loans are paid, based upon expected annual $15M profits. This annual distribution offers to owners over a 10 year pay out period (2020-2030) of $334K in profit sharing, while also retaining a 0.417% ownership in the total project which at Year 2030 represents a $417K value..

For other Land Bank higher share participants, a greater profit sharing and investment ownership in the total project. Combined with dividends the property many woulld receive upward to a $1M value from the project under a Land Bank Assembly option, which grows after year 2030.

Please understand that these offerings are speculative which may change or not occur, however based upon current market values and conservative applied factors we are expecting to meet and likely exceed those values, which as property investors will give both short term cash and significant dividend revenue over the 100 years the Project operates.

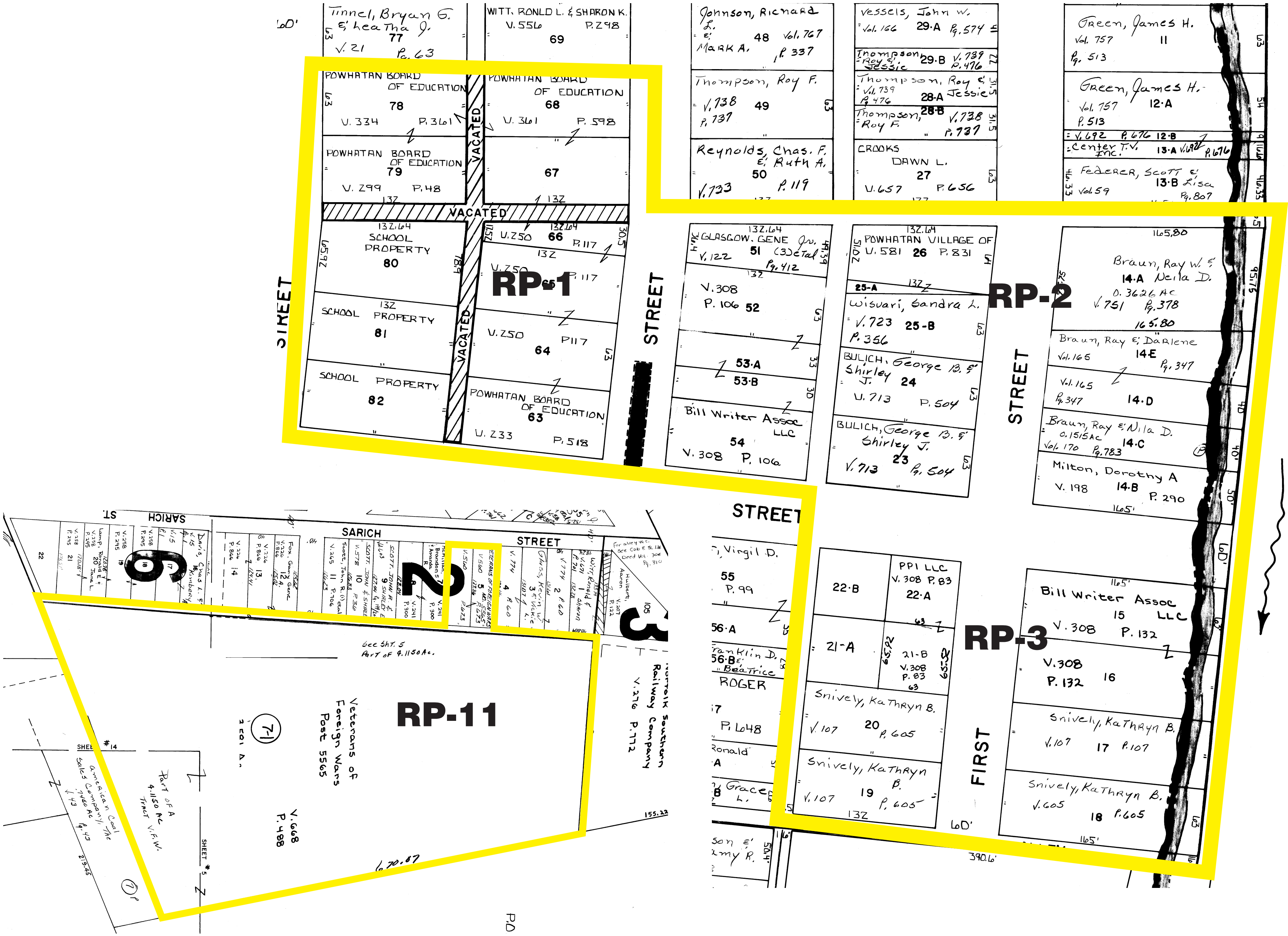


Figure A-4. Property Owner Lot Acquisition for Revitalization Projects RP-1/2/3/11