

TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY

Executive Committee Meeting Agenda

**August 7, 2025 – 8:30 am
Agency Offices, 4287 Main Street**

1. Roll Call of Members
2. Reading and Approval of Minutes
3. New Business
 - a. Public Hearing – 1760 Maple Mixed-Use & Workforce Housing
 - b. Project Review – 1760 Maple Mixed-Use & Workforce Housing
4. Adjournment

TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY
Minutes of the Executive Committee Meeting
June 5, 2025 – 8:30 AM
Agency Office, 4287 Main Street

Executive Committee: William W. Tuyn
Anthony Agostino
David S. Mingoia, Executive Director

Guests: Nicole Gavigan
Frank LoTempio III
Hon. Timothy Drury
Kevin Zanner
Carly Brown
Jacqui Berger
Alexander Collichio
Matthew Kielich
Andy Jakson
Eric Recoon
Mike Yount

Mr. Tuyn opened the meeting at 8:30 AM and requested a motion to approve the previous meeting's minutes. Mr. Agostino made the motion, seconded by Mr. Tuyn and it carried unanimously.

Mr. Mingoia opened the public hearing for Allient's global headquarters and read a statement into the record. Allient representatives presented information on the company and the expansion opportunity. Mr. Mingoia closed the public hearing due to no other speakers. After discussion, Mr. Agostino made a motion to move the request to the Board of Directors, seconded by Mr. Tuyn and it carried unanimously.

Mr. Mingoia opened the public hearing for Evolution Dental Science's headquarters and manufacturing project and read a statement into the record. Evolution Dental Science representatives presented information on the company and the expansion opportunity. Mr. Mingoia closed the public hearing due to no other speakers. After discussion, Mr. Agostino made a motion to move the request to the Board of Directors, seconded by Mr. Tuyn and it carried unanimously.

At 9:04 AM, Mr. Agostino made a motion to adjourn, seconded by Mr. Tuyn and it carried unanimously.

PROJECT PROFILE:
1760 MAPLE ROAD MIXED-USE & WORKFORCE HOUSING
\$37,500,000
August 15, 2025



DRAFT

ELIGIBILITY

- Commercial Project under NYS Law
- Eligible Project under Countywide Eligibility Policy

COMPANY INCENTIVES (EST.)

- Property Tax = \$2,324,480
- Sales Tax = \$1,330,000
- Mortgage Tax = \$211,500

PROJECT BENEFITS (EST.)

- Property Taxes = \$1,443,460
- Income Taxes = \$1,449,624
- Sales Taxes = \$637,444

EMPLOYMENT

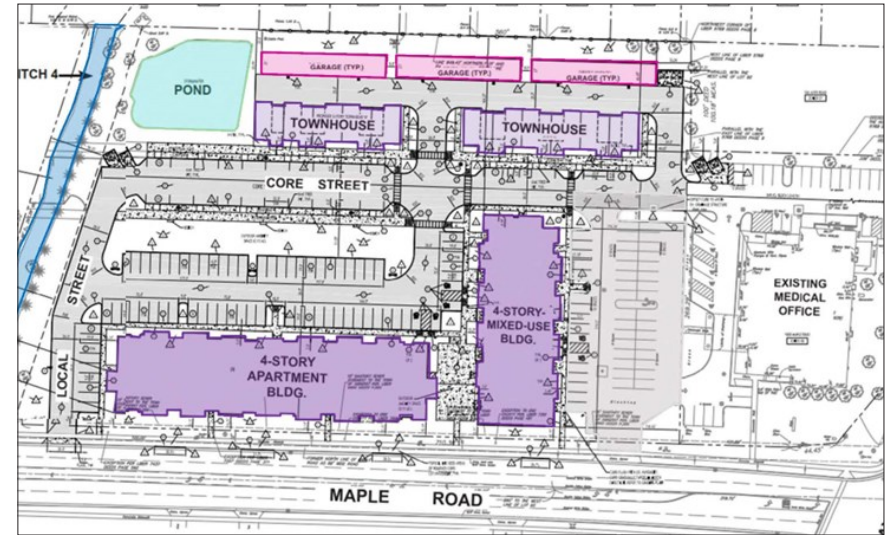
- 182 Construction and Supply Related Jobs Created
- 2 Full-Time Direct Position Created
- 28 Full-Time Indirect Positions Created from Household Spending

PROJECT SCHEDULE (EST.)

- Work begins September 2025
- Project completion March 2027

Project Address:
 1760 Maple Road
 Amherst, New York 14221
 (Williamsville School District)

Investment:
 Acquisition: \$1,500,000
 Construction: \$32,000,000
 Soft/Other Costs: \$4,000,000



Project Description:

The applicant is requesting assistance to construct 118 units and 7,000 square feet of commercial space across four (4) buildings. In addition to the investment in constructing the buildings, the project includes off-site sanitary improvements and the installation of pedestrian improvements at the intersection of Maple and Ayer Roads. The project includes a workforce housing component consisting of 20% of the units (24 total units) that will be leased at 80% of area median income (AMI). The applicant is committing to an additional community benefit consists of a \$250,000 financial contribution towards construction of a restroom facility at Willowdale Park. AIDA benefits are limited to the construction of the project and will not include equipping and build out of the commercial space.

The project is constructed on an infill parcel that has sat vacant for several decades along a major arterial that was originally zoned for commercial office development. The Town Board approved a modification to the Comprehensive Plan in 2022 and rezoned the property to allow for this development in 2023. Agency assistance is necessary to complete the project due to additional off site infrastructure improvements and inability to secure financing without AIDA assistance. The Reasonableness Assessment prepared by Camoin Associates notes the low return on investment even with the project incentives. Additionally, the requested assistance will enable the applicant to include the 24 requested workforce housing units.

**PROJECT PROFILE:
1760 MAPLE MIXED USE & WORKFORCE
HOUSING
\$37,500,000**

AIDA COMPANY HISTORY:

In January 2025, the AIDA Board approved incentives for a \$14,370,000 Mixed Use and Workforce Housing project at 6812 Main Street.

In October 2023, the AIDA Board approved incentives for a \$52,500,000 Workforce Housing and Pedestrian Improvement Project at North Forest Road.

In May 2022, the AIDA Board approved incentives for a \$18,700,000 Mixed Use & Workforce Housing project at 6842 Main Street.

In August 2020, the AIDA Board approved incentives for a \$5,600,000 Mixed Use project at 6770 Main Street.

MATERIAL TERMS:

1. Investment of not less than \$31,875,000 at the project location as noted in the application.
2. Creation of 2 direct full-time equivalent job and maintenance of employment throughout the PILOT term.
3. Compliance with the Agency's Local Labor Policy in connection with the construction of the Project.
4. Maintenance of 20% of total units as Workforce Housing for 12-years.
5. Satisfactory investment in park facility as designated by the Town of Amherst.

AIDA Project Evaluation Criteria - Neighborhood Redevelopment

Distressed Census Tracts	No
Designated Enhancement Area	No
Age of Structure	Vacant Infill Property
Building Vacancy	N/A
Redevelopment Supports Local Community Development Plan	The Town rezoned the property to permit this type of development in February 2023, which followed a Comprehensive Plan Amendment approved in July 2022.
Environmental or Safety Issues	None
LEED/Renewal Resources	None
Building has Historic Designation	N/A
Site or Structure has Delinquent Property or Other Local Taxes	No
Impediments to Conventionally Finance Project	Lending Requirements are more stringent, such as increased equity, along with interest rates not seen in decades. Camoin report lists marginal return on investment.
Transit Oriented Development	The project supports density on the site and includes workforce housing on bus routes.
Increased Property Value	The project maintains the existing taxes collected and provides a significant increase in taxes over the 10-Year PILOT, including a four-fold increase in Year 1.
Provides Workforce and/or Affordable Housing	Workforce Housing is defined as pricing for 80-120% of Area Median Income. This project provides 20% of the units at approximately 80%.

Town of Amherst Industrial Development Agency

MRB Cost Benefit Calculator

Date July 30, 2025

Project Title 1760 Maple Road Mixed-Use Workforce Housing

Project Location 1760 Maple, 14221



Economic Impacts

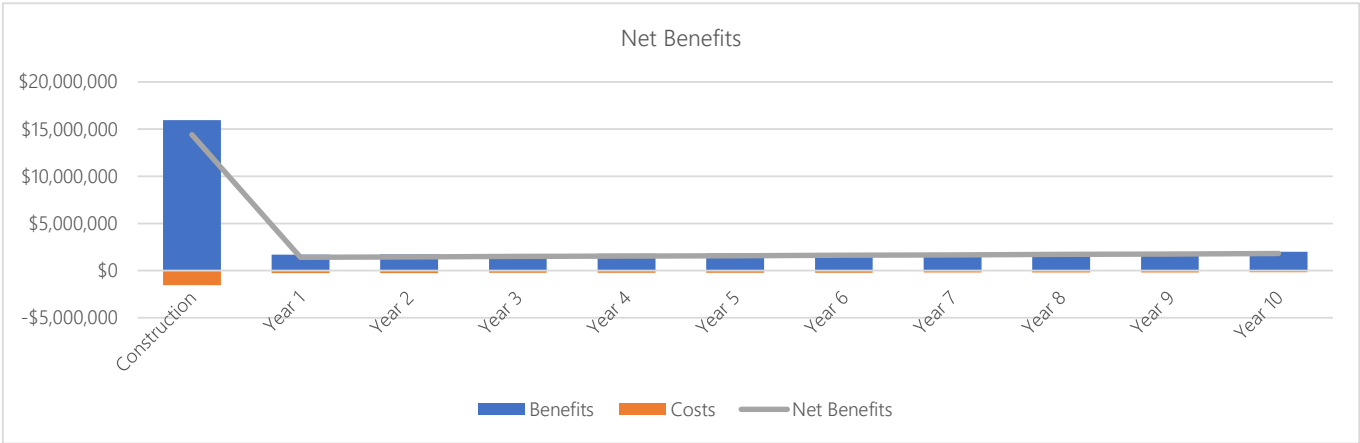
Summary of Economic Impacts over the Life of the PILOT

Project Total Investment
\$37,500,000

Temporary (Construction)			
	Direct	Indirect	Total
Jobs	138	44	182
Earnings	\$12,329,656	\$2,713,679	\$15,043,335
Local Spend	\$32,000,000	\$7,335,647	\$39,335,647

Ongoing (Operations)			
Aggregate over life of the PILOT			
	Direct	Indirect	Total
Jobs	23	7	30
Earnings	\$12,216,095	\$4,954,435	\$17,170,530

Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

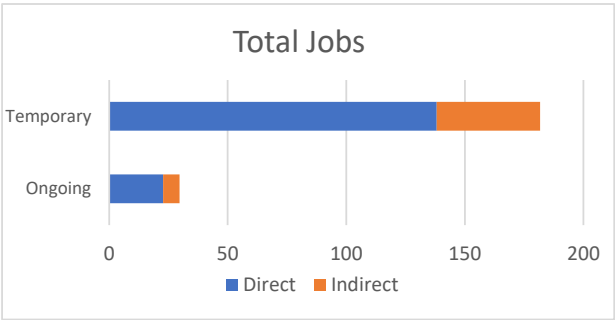
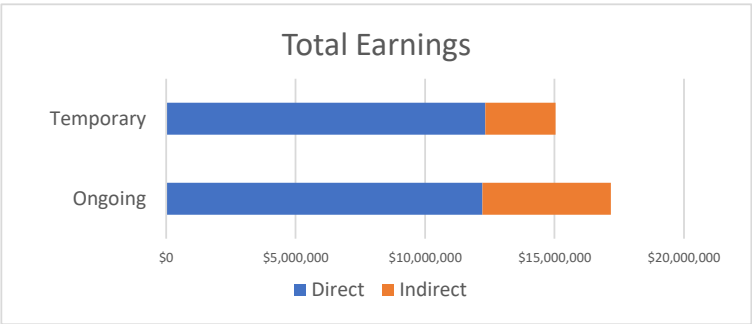


Figure 3



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$2,324,480	\$2,100,639
Sales Tax Exemption	\$1,330,000	\$1,330,000
Local Sales Tax Exemption	\$722,000	\$722,000
State Sales Tax Exemption	\$608,000	\$608,000
Mortgage Recording Tax Exemption	\$211,500	\$211,500
Local Mortgage Recording Tax Exemption	\$70,500	\$70,500
State Mortgage Recording Tax Exemption	\$141,000	\$141,000
Total Costs	\$3,865,980	\$3,642,139

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$34,003,366	\$32,025,045
To Private Individuals	\$32,213,865	\$30,418,175
Temporary Payroll	\$15,043,335	\$15,043,335
Ongoing Payroll	\$17,170,530	\$15,374,840
Other Payments to Private Individuals	\$0	\$0
To the Public	\$1,789,501	\$1,606,869
Increase in Property Tax Revenue	\$1,443,460	\$1,283,945
Temporary Jobs - Sales Tax Revenue	\$125,048	\$125,048
Ongoing Jobs - Sales Tax Revenue	\$220,993	\$197,876
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$1,741,027	\$1,640,754
To the Public	\$1,741,027	\$1,640,754
Temporary Income Tax Revenue	\$676,950	\$676,950
Ongoing Income Tax Revenue	\$772,674	\$691,868
Temporary Jobs - Sales Tax Revenue	\$105,303	\$105,303
Ongoing Jobs - Sales Tax Revenue	\$186,100	\$166,633
Total Benefits to State & Region	\$35,744,394	\$33,665,799

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$32,025,045	\$2,893,139	11:1
State	\$1,640,754	\$749,000	2:1
Grand Total	\$33,665,799	\$3,642,139	9:1

*Discounted at 2%

Additional Comments from IDA

Prepared by DM

Does the IDA believe that the project can be accomplished in a timely fashion?

Yes

PREPARED FOR:

Town of Amherst Industrial Development Agency
4287 Main Street
Amherst, New York 14226

Reasonableness Assessment for Financial Assistance

1760 MAPLE ROAD LLC

JULY 2025

PREPARED BY:



CONTENTS

Executive Summary.....	1
1. Revenue Assumptions	2
2. Operating Performance	4
3. Financing Plan.....	5
4. Rate of Return.....	6
Attachment 1: Pro Formas	7
Appendix B: Definitions.....	10

EXECUTIVE SUMMARY

Project Description

The Town of Amherst Industrial Development Agency (Agency) received an application from 1760 Maple Road, LLC (Applicant) for financial assistance to construct a four story mixed-use building, a four-story multifamily building, and two two-story townhome buildings (Project) in Amherst, NY, featuring 7,000 square feet of commercial office space and 118 multifamily apartments with a portion reserved for workforce housing. The Project represents a \$37,500,000 investment. To support this project, the Applicant requests financial assistance in the form of a Payment In Lieu of Taxes (PILOT) agreement, sales tax exemption, and mortgage recording tax exemption.

The Applicant has committed to setting aside 20% of the units for workforce housing for 12 years and will make a \$250,000 community benefit investment in the Town of Amherst.

Purpose of this Analysis

An objective, third-party review of a project's assumptions and estimated operating and financial performance helps Industrial Development Agencies perform a complete evaluation of a proposed project. Camoin Associates was engaged to analyze the Project and deliver an analysis and opinion to answer three questions:

- ◆ Are the operating assumptions such as rent, vacancy, and expenses within norms for the region?
- ◆ Is the assistance necessary for the Project to be financially feasible, and therefore undertaken by the Applicant?
- ◆ If assistance is awarded, will the Applicant's rate of return on investment be similar to market expectations for similar projects in the region, and therefore reasonable?

Findings: This analysis concludes that the answer to each of these questions is as follows:

- ***Assumptions are generally in line with local and regional benchmarks except for stated operating expenses, which are lower than the benchmarks.***
- ***Over the life of the proposed PILOT, the Project has a positive cash flow and adequate debt service coverage.***
- ***A PILOT is required to meet minimum industry benchmarks for expected equity dividend rates.***

1. REVENUE ASSUMPTIONS

The Applicant's operating revenue assumptions are compared to CoStar estimates for rent in the Town of Amherst. Overall, the rent assumed for the market rate units is within range (20%) of the current median rent in Amherst, except for the Studio that is 34% lower than median. The workforce units are above the 2023-2024 income limits set by the Amherst IDA, however they may be within limits once the project is complete. Office rent is 1.30 times higher than benchmark asking rates for office space in Amherst.

Section 2 of this report, Operating Performance, assesses other assumptions made by the Applicant, including expenses, vacancy rates, and income and expense escalation.

Apartment Unit Type, Rent, and Household Income							
Type of Apartment (1)	Number of Units in Project(1)	Average Rent per Month (1)	Rent per Year	Household Income Required (2)	Median Rent for Amherst (3)	Benchmarks	
Market	Studio	3	\$1,300	\$15,600	\$52,000	\$1,973	Rent is 0.66 times the benchmark for a studio apartment in Amherst.
	1BR	32	\$1,900	\$22,800	\$76,000	\$1,602	Rent is 1.19 times higher than the benchmark for a one bedroom in Amherst.
	2BR	43	\$2,300	\$27,600	\$92,000	\$1,914	Rent is 1.20 times higher than the benchmark for a two bedroom in Amherst.
	3BR	16	\$2,600	\$31,200	\$104,000	\$2,403	Rent is 1.08 times higher than the benchmark for a three bedroom in Amherst.
Workforce	Studio	1	\$1,300	\$15,600	\$52,000	\$1,973	Rent will align with the requirements of the Amherst Industrial Development Agency and will adjust annually.
	1BR	8	\$1,415	\$16,980	\$56,600	\$1,602	Rent will align with the requirements of the Amherst Industrial Development Agency and will adjust annually.
	2BR	11	\$1,616	\$19,392	\$64,640	\$1,914	Rent will align with the requirements of the Amherst Industrial Development Agency and will adjust annually.
	3BR	4	\$1,819	\$21,828	\$72,760	\$2,403	Rent will align with the requirements of the Amherst Industrial Development Agency and will adjust annually.

(1) Source: Applicant

(2) Income needed to pay no more than 30% on rent

(3) Median monthly rent for properties built in 2000 or later in the Town of Amherst, NY; Source: CoStar

Commercial and Retail Rent

Use Type	Rent is 1.3 times higher than the benchmark for office space in Amherst (2)	\$/sf (1)	Rent per Month (1)	Rent Per Year (1)	Average Rent for Amherst (2)	Benchmarks
Office	7,000	\$ 25.00	\$ 14,583	\$ 175,000	\$19.35	Rent is 1.3 times higher than the benchmark for office space in Amherst.

(1) Source: Applicant

(2) Median office asking rent for properties built in 2000 or later in the Town of Amherst, NY; Source: CoStar

2. OPERATING PERFORMANCE

The operating performance of the Project is measured using Year 5 of the Applicant's Pro Forma (five years of full operations, year 5 of the pro forma provided). The Applicant assumes that gross revenue will escalate at 2% per year and expenses will grow by 2% per year. The Applicant assumes there will be a 5% vacancy for residential units once stabilized, and that the commercial office will have a 0% vacancy once stabilized. Operating expenses are lower than benchmarks, and both scenarios deliver high net operating income as a percentage of gross income. If actual operating expenses are higher, the need for financial assistance would be greater.

Operations Snapshot, Year 5 of Full Operation

	10 Year PILOT				10 Year No PILOT			
	Share of Gross				Share of Gross			
	Project Performance (1)	Operating Income	Benchmark Performance (2)	Evaluation	Project Performance (1)	Operating Income	Benchmark Performance (2)	Evaluation
<u>Calculation of Net Operating Income Residential</u>								
Gross Operating Income	\$3,154,710	93%	n/a	n/a	\$3,154,710	93%	n/a	n/a
Vacancy Rate and Concessions	5%	n/a	4%	Within range	5%	n/a	4%	Within range
<u>Calculation of Net Operating Income, Non-Residential</u>								
Gross Operating Income	\$247,877	7%	n/a	n/a	\$247,877	7%	n/a	n/a
Vacancy Rate	0%	n/a	8%	More efficient	0%	n/a	8%	More efficient
Effective Gross Income (EGI), All Uses (3)	\$3,244,851	95%	96%	Within range	\$3,244,851	95%	96%	Within range
Less: Operating Expenses and Reserve	(\$569,089)	17%	53%	More efficient	(\$569,089)	17%	53%	More efficient
Less: <u>Real Property Taxes</u>	<u>(\$144,346)</u>	<u>4%</u>	<u>n/a</u>	<u>n/a</u>	<u>(\$376,794)</u>	<u>11%</u>	<u>n/a</u>	<u>n/a</u>
Net Operating Income	\$2,531,416	74%	45%	More efficient	\$2,298,968	68%	45%	More efficient
Less: Debt Service	<u>(\$2,138,918)</u>	63%	n/a	n/a	<u>(\$2,138,918)</u>	63%	n/a	n/a
Cashflow after Operating Costs, Taxes, Debt	\$392,498	12%	n/a	n/a	\$160,050	5%	n/a	n/a

(1) Source: Applicant

(2) Source: RealtyRates Q2 2025 for Northeast Region

(3) Net of vacancy and concessions

Note: National Apartment Association 2020 Survey of Operating Income and Expenses in Rental Apartment Communities was also reviewed and similar results were observed.

Note: Real property taxes adjusted for No PILOT from Applicant's pro forma based on information from the Agency.

3. FINANCING PLAN

- ◆ The Sources and Uses of Funds show the total project costs and capital structure of debt and equity.
- ◆ The Terms of the Senior (Long Term) Debt are within the range of the benchmarks.

Sources and Uses of Funds

<u>Sources of Funds</u>	<u>Amount (1)</u>	<u>Share</u>
Bank Financing	\$28,200,000	75%
Equity and Working Capital	\$9,300,000	25%
Total Sources	\$37,500,000	100%
<u>Uses of Funds</u>		
Acquisition and Transaction Costs	\$2,142,223	6%
Construction Costs	\$35,357,777	94%
Total Uses	\$37,500,000	100%

(1) Source: Applicant

Terms of the Senior (Long Term) Debt

	<u>Terms (1)</u>	<u>Benchmark (2)</u>	<u>Evaluation</u>
Amount Borrowed	\$28,200,000	n/a	n/a
Loan to Total Project Cost	75%	55% - 90%	Within Range
Annual Interest Rate	6.50%	4.82% - 9.12%	Within Range
Maturity in Years	30	15 - 40	Within Range

(1) Source: Applicant

(2) Source: RealtyRates Q2 2025

4. RATE OF RETURN

An estimated return on investment is calculated using the Applicant's operating pro forma and capital structure. This analysis measures whether financial assistance is necessary and reasonable. Financial performance is estimated over the full PILOT period (10 years) and compared to a no PILOT scenario, which starts in the first year of full operation.

Three metrics are used to evaluate outcomes:

- ♦ **The Equity Dividend Rate** is net cashflow for each year, divided by the initial equity investment. Equity Dividend Rates are benchmarked using current market information from RealtyRates.com for similar projects in the region. Equity Dividend Rates close to the benchmarks indicate an outcome in line with the current market, meaning the Applicant is earning a reasonable return.

Very low or negative rates indicate the Project is unlikely to be undertaken when compared to other possible investments. Equity Dividend Rates are based on an initial equity investment of \$9,300,000 and are included over the life of the PILOT.

The Project does not achieve this benchmark without PILOT assistance.

- ♦ **Cash Flow** is the income stream to the Applicant over time. There are currently no cash flow benchmarks available.

Cumulative Cash Flow and average cash flow are positive, but the initial investment is not recouped over the 10-year period in either scenario.

- ♦ **Debt Service Coverage** estimates how well the Project's net income, after taxes, supports the repayment of debt.

Debt Service Coverage meets benchmarks in year 1 under both scenarios.

Comparison of Return on Investment

	<u>10 Year PILOT (1)</u>	<u>10 Year No PILOT (1)</u>	<u>Benchmarks (2)</u>
<u>Equity Dividend Rates</u>			
Average	5.21%	2.71%	4.73% to 13.51%
Minimum	3.26%	0.60%	
Maximum	6.75%	4.72%	
Year Benchmarks Met	1	NA	
<u>Cash Flow</u>			
Average	\$484,680	\$252,232	n/a
Minimum	\$303,123	\$56,147	
Maximum	\$627,410	\$438,546	
Cumulative	\$4,846,804	\$2,522,324	
Year Investment Recouped	NA	NA	
<u>Debt Service Coverage</u>			
Average	1.24	1.12	1.00 to 1.86
Minimum	1.14	1.03	
Maximum	1.31	1.21	
Years Benchmarks Met	1	1	

(1) See Attachment 1

(2) Source: RealtyRates for Q2 2025 for Apartments

ATTACHMENT 1: PRO FORMAS

1760 Maple Road	Date		7/17/2025									
Annual Cashflows (Pro Forma) - No PIOT												
	Construction		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Operating Cash Flow												
Residential Income												
Gross Operating Income	\$	-	\$ 2,914,464	\$ 2,972,753	\$ 3,032,208	\$ 3,092,853	\$ 3,154,710	\$ 3,217,804	\$ 3,282,160	\$ 3,347,803	\$ 3,414,759	\$ 3,483,054
Less: Vacancy Allowance (enter as a negative number)	\$	-	\$ (145,723)	\$ (148,638)	\$ (151,610)	\$ (154,643)	\$ (157,735)	\$ (160,890)	\$ (164,108)	\$ (167,390)	\$ (170,738)	\$ (174,153)
Net Rental Income, Residential	\$	-	\$ 2,768,741	\$ 2,824,116	\$ 2,880,598	\$ 2,938,210	\$ 2,996,974	\$ 3,056,914	\$ 3,118,052	\$ 3,180,413	\$ 3,244,021	\$ 3,308,902
Commercial/Industrial Income												
Gross Operating Income	\$	-	\$ 175,000	\$ 178,500	\$ 182,070	\$ 185,711	\$ 189,426	\$ 193,214	\$ 197,078	\$ 201,020	\$ 205,040	\$ 209,141
Less: Vacancy Allowance (enter as a negative number)	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Rental Income, Commercial/Industrial	\$	-	\$ 175,000	\$ 178,500	\$ 182,070	\$ 185,711	\$ 189,426	\$ 193,214	\$ 197,078	\$ 201,020	\$ 205,040	\$ 209,141
Other Income												
Parking Income	\$	-	\$ 54,000	\$ 55,080	\$ 56,182	\$ 57,305	\$ 58,451	\$ 59,620	\$ 60,813	\$ 62,029	\$ 63,270	\$ 64,535
Other Income	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Income	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Income, Other	\$	-	\$ 54,000	\$ 55,080	\$ 56,182	\$ 57,305	\$ 58,451	\$ 59,620	\$ 60,813	\$ 62,029	\$ 63,270	\$ 64,535
Effective Gross Income (EGI)	\$	-	\$ 2,997,741	\$ 3,057,696	\$ 3,118,850	\$ 3,181,227	\$ 3,244,851	\$ 3,309,748	\$ 3,375,943	\$ 3,443,462	\$ 3,512,331	\$ 3,582,578
Operating Expenses (enter positive numbers)												
Salaries and Wages	\$	-	\$ 125,000	\$ 127,500	\$ 130,050	\$ 132,651	\$ 135,304	\$ 138,010	\$ 140,770	\$ 143,586	\$ 146,457	\$ 149,387
Maintenance	\$	-	\$ 120,000	\$ 122,400	\$ 124,848	\$ 127,345	\$ 129,892	\$ 132,490	\$ 135,139	\$ 137,842	\$ 140,599	\$ 143,411
Deposit to replacement reserve	\$	-	\$ 30,750	\$ 31,365	\$ 31,992	\$ 32,632	\$ 33,285	\$ 33,950	\$ 34,629	\$ 35,322	\$ 36,029	\$ 36,749
Insurance	\$	-	\$ 80,000	\$ 81,600	\$ 83,232	\$ 84,897	\$ 86,595	\$ 88,326	\$ 90,093	\$ 91,895	\$ 93,733	\$ 95,607
Other	\$	-	\$ 170,000	\$ 173,400	\$ 176,868	\$ 180,405	\$ 184,013	\$ 187,694	\$ 191,448	\$ 195,277	\$ 199,182	\$ 203,166
Operating Expenses	\$	-	\$ 525,750	\$ 536,265	\$ 546,990	\$ 557,930	\$ 569,089	\$ 580,470	\$ 592,080	\$ 603,921	\$ 616,000	\$ 628,320
Pre-Tax Operating Income (Revenue less Operating Expenses)	\$	-	\$ 2,471,991	\$ 2,521,431	\$ 2,571,859	\$ 2,623,296	\$ 2,675,762	\$ 2,729,278	\$ 2,783,863	\$ 2,839,540	\$ 2,896,331	\$ 2,954,258
Real Property Taxes (assuming no PILOT)	\$	-	\$ 376,794	\$ 376,794	\$ 376,794	\$ 376,794	\$ 376,794	\$ 376,794	\$ 376,794	\$ 376,794	\$ 376,794	\$ 376,794
Net Operating Income (NOI) after Taxes	\$	-	\$ 2,095,197	\$ 2,144,637	\$ 2,195,065	\$ 2,246,502	\$ 2,298,968	\$ 2,352,484	\$ 2,407,069	\$ 2,462,746	\$ 2,519,537	\$ 2,577,464
Loan or Mortgage (Debt Service)												
Interest Payment	\$	-	\$ 1,833,000	\$ 1,833,000	\$ 1,833,000	\$ 1,813,115	\$ 1,791,938	\$ 1,769,384	\$ 1,745,365	\$ 1,719,784	\$ 1,692,540	\$ 1,663,525
Principal Payment	\$	-	\$ -	\$ -	\$ 305,918	\$ 325,803	\$ 346,980	\$ 369,534	\$ 393,553	\$ 419,134	\$ 446,378	\$ 475,393
Debt Service	\$	-	\$ 1,833,000	\$ 1,833,000	\$ 2,138,918	\$ 2,138,918	\$ 2,138,918	\$ 2,138,918	\$ 2,138,918	\$ 2,138,918	\$ 2,138,918	\$ 2,138,918
Cash Flow After Financing and Reserve	\$	-	\$ 262,197	\$ 311,637	\$ 56,147	\$ 107,584	\$ 160,050	\$ 213,565	\$ 268,151	\$ 323,828	\$ 380,619	\$ 438,546
Debt Service Coverage Ratio (DSCR)			1.14	1.17	1.03	1.05	1.07	1.10	1.13	1.15	1.18	1.21
Equity Dividend Rate			2.82%	3.35%	0.60%	1.16%	1.72%	2.30%	2.88%	3.48%	4.09%	4.72%

Reasonableness Assessment for 1760 Maple Road, LLC – Town of Amherst Industrial Development Agency

1760 Maple Road	Date		7/17/2025									
Annual Cashflows (Pro Forma) - PILOT												
	Construction	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
Operating Cash Flow												
Gross Operating Income	\$ -	\$ 2,914,464	\$ 2,972,753	\$ 3,032,208	\$ 3,092,853	\$ 3,154,710	\$ 3,217,804	\$ 3,282,160	\$ 3,347,803	\$ 3,414,759	\$ 3,483,054	
Less: Vacancy Allowance (enter as a negative number)	\$ -	\$ (145,723)	\$ (148,638)	\$ (151,610)	\$ (154,643)	\$ (157,735)	\$ (160,890)	\$ (164,108)	\$ (167,390)	\$ (170,738)	\$ (174,153)	
Net Rental Income, Residential	\$ -	\$ 2,768,741	\$ 2,824,116	\$ 2,880,598	\$ 2,938,210	\$ 2,996,974	\$ 3,056,914	\$ 3,118,052	\$ 3,180,413	\$ 3,244,021	\$ 3,308,902	
Commercial/Industrial Income												
Gross Operating Income	\$ -	\$ 175,000	\$ 178,500	\$ 182,070	\$ 185,711	\$ 189,426	\$ 193,214	\$ 197,078	\$ 201,020	\$ 205,040	\$ 209,141	
Less: Vacancy Allowance (enter as a negative number)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Net Rental Income, Commercial/Industrial	\$ -	\$ 175,000	\$ 178,500	\$ 182,070	\$ 185,711	\$ 189,426	\$ 193,214	\$ 197,078	\$ 201,020	\$ 205,040	\$ 209,141	
Other Income												
Parking Income	\$ -	\$ 54,000	\$ 55,080	\$ 56,182	\$ 57,305	\$ 58,451	\$ 59,620	\$ 60,813	\$ 62,029	\$ 63,270	\$ 64,535	
Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Net Income, Other	\$ -	\$ 54,000	\$ 55,080	\$ 56,182	\$ 57,305	\$ 58,451	\$ 59,620	\$ 60,813	\$ 62,029	\$ 63,270	\$ 64,535	
Effective Gross Income (EGI)	\$ -	\$ 2,997,741	\$ 3,057,696	\$ 3,118,850	\$ 3,181,227	\$ 3,244,851	\$ 3,309,748	\$ 3,375,943	\$ 3,443,462	\$ 3,512,331	\$ 3,582,578	
Operating Expenses (enter positive numbers)												
Salaries and Wages	\$ -	\$ 125,000	\$ 127,500	\$ 130,050	\$ 132,651	\$ 135,304	\$ 138,010	\$ 140,770	\$ 143,586	\$ 146,457	\$ 149,387	
Maintenance	\$ -	\$ 120,000	\$ 122,400	\$ 124,848	\$ 127,345	\$ 129,892	\$ 132,490	\$ 135,139	\$ 137,842	\$ 140,599	\$ 143,411	
Deposit to replacement reserve	\$ -	\$ 30,750	\$ 31,365	\$ 31,992	\$ 32,632	\$ 33,285	\$ 33,950	\$ 34,629	\$ 35,322	\$ 36,029	\$ 36,749	
Insurance	\$ -	\$ 80,000	\$ 81,600	\$ 83,232	\$ 84,897	\$ 86,595	\$ 88,326	\$ 90,093	\$ 91,895	\$ 93,733	\$ 95,607	
Other	\$ -	\$ 170,000	\$ 173,400	\$ 176,868	\$ 180,405	\$ 184,013	\$ 187,694	\$ 191,448	\$ 195,277	\$ 199,182	\$ 203,166	
Operating Expenses	\$ -	\$ 525,750	\$ 536,265	\$ 546,990	\$ 557,930	\$ 569,089	\$ 580,470	\$ 592,080	\$ 603,921	\$ 616,000	\$ 628,320	
Pre-Tax Operating Income (Revenue less Operating Expenses)	\$ -	\$ 2,471,991	\$ 2,521,431	\$ 2,571,859	\$ 2,623,296	\$ 2,675,762	\$ 2,729,278	\$ 2,783,863	\$ 2,839,540	\$ 2,896,331	\$ 2,954,258	
Real Property Taxes (assuming PILOT)	\$ -	\$ 100,762	\$ 115,290	\$ 129,818	\$ 129,818	\$ 144,346	\$ 144,346	\$ 158,874	\$ 158,874	\$ 173,402	\$ 187,930	
Net Operating Income (NOI) after Taxes	\$ -	\$ 2,371,229	\$ 2,406,141	\$ 2,442,041	\$ 2,493,478	\$ 2,531,416	\$ 2,584,932	\$ 2,624,989	\$ 2,680,666	\$ 2,722,929	\$ 2,766,328	
Loan or Mortgage (Debt Service)												
Interest Payment	\$ -	\$ 1,833,000	\$ 1,833,000	\$ 1,833,000	\$ 1,813,115	\$ 1,791,938	\$ 1,769,384	\$ 1,745,365	\$ 1,719,784	\$ 1,692,540	\$ 1,663,525	
Principal Payment	\$ -	\$ -	\$ -	\$ 305,918	\$ 325,803	\$ 346,980	\$ 369,534	\$ 393,553	\$ 419,134	\$ 446,378	\$ 475,393	
Debt Service	\$ -	\$ 1,833,000	\$ 1,833,000	\$ 2,138,918	\$ 2,138,918	\$ 2,138,918	\$ 2,138,918	\$ 2,138,918	\$ 2,138,918	\$ 2,138,918	\$ 2,138,918	
Cash Flow After Financing and Reserve	\$ -	\$ 538,229	\$ 573,141	\$ 303,123	\$ 354,560	\$ 392,498	\$ 446,013	\$ 486,071	\$ 541,748	\$ 584,011	\$ 627,410	
Debt Service Coverage Ratio (DSCR)		1.29	1.31	1.14	1.17	1.18	1.21	1.23	1.25	1.27	1.29	
Equity Dividend Rate		5.79%	6.16%	3.26%	3.81%	4.22%	4.80%	5.23%	5.83%	6.28%	6.75%	

Appendix A: Scope of Services

To assist with its evaluation of the Applicant's request for financial assistance, Camoin was commissioned by the Town of Amherst Industrial Development Agency to conduct the above analyses. The analyses are comprised of four tasks:

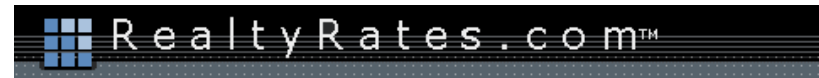
- ♦ *Test Assumptions* by comparing rents, operating costs, and vacancy rates to real estate benchmarks for similar projects and noting any significant differences. Operating performance and net income are also evaluated.
- ♦ *Review the Financing Plan* and perform an objective third-party evaluation of the estimated return on investment (ROI) to the Applicant with and without a PILOT agreement. We also analyze whether the capital structure and terms of the long-term debt are within market benchmarks for obtaining bank financing.
- ♦ *Evaluate the effects of one or more PILOTs* recommended by the Agency and determine whether the PILOT would result in a return that is within what would normally be anticipated in the current market for a similar project.
- ♦ *Provide an objective, third-party opinion* about the need for and reasonableness of the financial assistance.

Sources Consulted

- ♦ Project financing and annual cashflow workbook submitted by the Applicant in July 2025.
- ♦ Real estate tax information and estimates received from the Agency, including anticipated future assessed value of the Project.
- ♦ CoStar
- ♦ RealtyRates.com
- ♦ National Apartment Association 2020 Survey of Operating Income and Expenses in Rental Apartment Communities



CoStar is the leading source of commercial real estate intelligence in the U.S. It provides a full market inventory of properties and spaces—available as well as fully leased—by market and submarket. Details on vacancy, absorption, lease rates, inventory, and other real estate market data are provided, as well as property-specific information including photos and floor plans. More at **www.costar.com**.



RealtyRates.com™ is a comprehensive resource for real estate investment and development news, trends, analytics, and market research that supports real estate professionals involved with more than 50 income producing and sell-out property types throughout the US. RealtyRates.com™ is the publisher of the award-winning Investor, Developer and Market Surveys, providing data essential to the appraisal, evaluation, disposition and marketing of investment and development real estate nationwide.

APPENDIX B: DEFINITIONS

Equity Dividend Rate: This is calculated as the rate of return on the equity component of a project. It is calculated as follows: (Source: RealtyRates.com)

$$\text{Equity Dividend} / \text{Equity Investment} = \text{Equity Dividend Rate, where Equity Dividend} = \text{Net Operating Income} - \text{Debt Service.}$$

Debt Service Coverage Ratio (DSCR): The ratio of annual debt repayment, including principal and interest, to total Net Operating Income (NOI). (Source: RealtyRates.com)

Net Operating Income (NOI): Income net of all operating costs including vacancy and collection loss but not including debt service. Appraisers also typically expense reserves for repairs and replacements. However, because reserves are not usually reported along with other transaction data, RealtyRates.com tracks lender requirements but does not include them in calculations. (Source: RealtyRates.com)

ABOUT CAMOIN ASSOCIATES

Camoin Associates has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. Through the services offered, Camoin Associates has had the opportunity to serve EDOs and local and state governments from Maine to California; corporations and organizations that include Lowes Home Improvement, FedEx, Amazon, Volvo (Nova Bus) and the New York Islanders; as well as private developers proposing projects over \$6 billion. Our reputation for detailed, place-specific, and accurate analysis has led to projects in 32 states and garnered attention from national media outlets including Marketplace (NPR), Crain's New York Business, Forbes magazine, The New York Times, and The Wall Street Journal. Additionally, our marketing strategies have helped our clients gain both national and local media coverage for their projects to build public support and leverage additional funding. To learn more about our experience and projects in all of our service lines, please visit our website at www.camoinassociates.com.

THE PROJECT TEAM

Rachel Selsky
CEO

Dawn Hammond
Analyst