

FINANCIAL PROFORMA

INVESTMENT

<u>Project</u>	<u>Sales Price</u>	<u>Renovations</u>	<u>Lease Payments</u>	<u>Total</u>
Sunsphere	N/A	1,000,000	1,440,000	2,440,000
TN. Amphitheater	N/A	TBD	N/A	TBD
Candy Factory	1,612,020	8,060,100	N/A	9,672,120
Victorian Houses	215,580	1,077,900	N/A	1,293,480
TOTAL	1,827,600	10,138,000	1,440,000	13,405,600

INCOME

<u>Project</u>	<u>Sales Price</u>	<u>Renovations</u>	<u>Lease Income</u>	<u>Total</u>
Sunsphere	N/A	N/A*	1,440,000	1,440,000
TN. Amphitheater	N/A	N/A	N/A	N/A
Candy Factory	1,612,020	N/A	N/A	1,612,020
Victorian Houses	215,580	N/A	N/A	215,580
TOTAL	1,827,600	N/A*	1,440,000	3,267,600

*Additionally, it is anticipated that KPA will spend approximately \$1,000,000 on interior improvements to the city-owned Sunsphere.

NOTE: Future additional income to the City of Knoxville will be achieved through reinstatement of the Candy Factory and the Victorian Houses to the city's property tax rolls. Due to the extensive renovation required and in order to make the project economically feasible, KPA intends to apply for tax increment financing available to these properties under the Second Creek Redevelopment Zone. Sales tax revenue for the associated retail and restaurant establishments will also be recaptured by the city.