

Development Finance Authority of Summit County

Capital Lease Sales Tax Structure

Project Due Diligence Items

The Development Finance Authority of Summit County's (DFA) Capital Lease financing structure allows for the purchase of all construction materials to be exempt from state and local sales tax.

In order to allow the Finance Authority to compile a preliminary Sales Tax term sheet for your review, please response to the following due diligence questions.

- 1) Describe the Project, including total square footage by type (residential, retail, warehouse, office, health care), number of residential units, parking spaces, etc.;
- 2) Describe whether the Project will be built in one or more Phases, and the construction amounts associated with each Phase.
- 3) Project Acreage;
- 4) Location/address of Project;
- 5) Legal Name of Capital Lessee;
- 6) Developer Name;
- 7) Ownership of Project;
- 8) Detailed construction budget including estimated hard costs subject to state and local sales tax, soft costs, land costs and public infrastructure costs associated directly with the Project;
- 9) Construction start date and Construction completion date;
- 10) Desired Finance Authority Closing date or date Sales Tax Certificate may be needed;
- 11) Sources of Funds, including senior loan term sheet (if available); estimated equity contribution and other sources;
- 12) New jobs associated with the Project, both construction (if known) and permanent; and
- 13) Name of entity that will provide the indemnification of the Development Finance Authority.