

FACT SHEET
JULY 2019
ORIX REAL ESTATE CAPITAL HOLDINGS, LLC
dba Lancaster Pollard Mortgage Company and Red Mortgage Capital

I. STATEMENT OF PURPOSE – Job Creation

The Department of Development recommends a Downtown Office Incentive for a term of up to five (5) consecutive years in consideration of a capital investment of approximately \$200,000 and the creation of 62 net new full-time permanent positions.

II. PROJECT HISTORY

Lancaster Pollard, established in 1988, is an underwriter of fixed income securities with a focus on serving the health and long-term care sectors. The firm has grown into a full-service financial institution for healthcare and senior living facilities. RED Mortgage Capital Group provides financial services in the multifamily, affordable and seniors housing and healthcare markets. The two companies merged on January 1, 2019 into one company called ORIX Real Estate Capital Holdings, LLC (“**ORECH**”). ORECH provides comprehensive capital solutions for multifamily, affordable, seniors and healthcare real estate through its affiliated companies. The lending businesses of Lancaster Pollard Mortgage Company and Red Mortgage Capital continue to originate business under their existing brands and maintain their sector focus. ORECH’s parent company, ORIX Corporation, is a Tokyo-based, publicly owned international financial services company with operations in 36 countries and regions worldwide. ORIX Corporation is listed on the Tokyo (8591) and New York Stock Exchanges (IX).

ORECH is proposing to invest a total project cost of approximately \$200,000 in stand-alone computers to expand its regional offices in the Central Business District. The company is proposing to reconfigure its existing office space of approximately 68,874 square feet located at 10 West Broad Street, Columbus, Ohio 43215 (the “**Project Site**”), to accommodate the company’s increased sales growth and continued its investment in senior housing, healthcare, market-rate multifamily and affordable housing. Additionally, ORECH proposes to create 62 net new full-time permanent positions with an annual payroll of approximately \$6,100,000 and retain 187 full-time positions with an annual payroll of approximately \$18,106,732 at the proposed **Project Site**.

ORIX Real Estate Capital Holdings, LLC dba Lancaster Pollard Mortgage Company and Red Mortgage Capital are requesting a Downtown Office Incentive of up to 50%/5-year from the City of Columbus to assist in the expansion of its regional office.

III. PROJECT INVESTMENT

| | |
|-------------------------|------------------|
| Stand-Alone Computers | \$200,000 |
| | |
| TOTAL INVESTMENT | \$200,000 |

IV. DECISION & TIMING

The proposed project will begin in July, 2019 with a scheduled time of completion in the fall of 2019, contingent upon Columbus City Council approval of the recommended tax incentive.

V. EMPLOYMENT

The project will create 62 net new full-time permanent positions with an estimated annual payroll of approximately \$6.1 million and retain 187 full-time positions with an annual payroll of approximately \$18.1 million.

| Position Title | # of New Jobs | Hourly Rate | Annual Salary | Total Estimated Payroll for New Jobs |
|---------------------|---------------|-------------|---------------|--------------------------------------|
| Credit/Underwriting | 16 | \$38.65 | \$80,389 | \$1,286,231 |
| Executives & Mgmt. | 10 | \$100.58 | \$209,200 | \$2,091,999 |
| Operations | 23 | \$33.29 | \$69,240 | \$1,592,529 |
| Production | 13 | \$41.76 | \$86,865 | \$1,129,241 |
| Total | 62 | | | \$6,100,000 |

Total cumulative estimated new payroll over the term of the Downtown Office Incentive will be approximately \$6.1 million.

Benefits provided to new employees begin within the first three (3) months upon hire and includes the following:

- Paid Holidays
- Vacation Pay
- Annual Bonus
- Disability Pay
- Vision
- Health Savings Account
- 401K Retirement Plan
- Medical/Dental Insurance
- Training Benefits
- Education Benefits
- AD&D
- Parking Subsidy

The proposed expansion project will be located at 10 W. Broad Street, Columbus, Ohio 43215, which is accessible by public transportation (COTA).

VI. REQUESTED PUBLIC PARTICIPATION

The Department of Development recommends a Downtown Office Incentive equal to fifty percent (50%) of the amount of new employee city income tax withholding for a term up to five (5) consecutive years.

VII. NEW TAX IMPACT/ANNUAL AND 5-YEAR SUMMARY

| NEW REVENUE 5-YEAR SUMMARY | | |
|---|-----------------------|-----------------------|
| Revenue | Average Annual | 5-year Summary |
| A. New City Income Tax Revenue | \$152,500 | \$762,500 |
| Incentive | Average Annual | 5-year Summary |
| B. Proposed Incentive is equal to 50% of New Employee withholding | \$76,250 | \$381,250 |
| Total | Average Annual | 5-year Summary |
| C. (A-B) Net Value to City | \$76,250 | \$381,250 |

VIII. TAX BENEFIT

The recommended 50%/5-year Downtown Office Incentive could yield cash payments totaling approximately \$381,250 to ORIX Real Estate Capital Holdings, LLC dba Lancaster Pollard Mortgage Company and Red Mortgage Capital over the incentive period.

IX. AREA IMPACT/GREEN INITIATIVES

ORECH does not have a formalized green initiative plan, but the company continuously evaluates methods to eliminate waste, which includes recycling, i.e. paper and aluminum cans along with other paper products.