

Building Program and Proposal Comparison – Ram update November 15, 2006 - Lot 5 Downtown Chapel Hill

<u>Building Program Element</u>	<u>5/2/05 Proposal</u>	<u>10/24/05 Proposal</u>	<u>11/15/06 Proposal</u>
<u>Lot 5 Uses:</u>			<u>Lot 5 uses:</u>
Retail Square Feet	27,320 gross	24,000 net	28,540 net
Housing Units	124	124	137
Affordable Housing %	17.5%	15% of total*	15% of Total (Note 1)
	Of market rate units*		
Public Open Space Square Feet	32,550	31,000	27,215 (Note 2 - This includes added Rosemary St. Courtyard and reduction of alley previously included in open space – See revised site plan)
<u>Wallace Deck Uses:</u>			
Retail Square Feet	3,500 gross	6,000 net	NA
Housing Units	109	109	NA
Affordable Housing %	17.5%	15% of total*	NA
	Of market rate units*		
Public Open Space Square Feet	12,115	0	NA
<u>Lot 5 Parking:</u>			
Replacement Public Spaces	173	173	161 (Note 3)
Other Spaces (not garage)	12	25	10 – 15 (street parking subject to Design and DOT approval)
Total Town controlled spaces			176 - 181
Retail/Residential Spaces	<u>237</u>	<u>202</u>	<u>169</u> (Note 4)
<i>Total</i>	<i>422</i>	<i>400</i>	<i>340 - 345</i>

<u>Building Program Element</u>	<u>5/2/05 Proposal</u>	<u>10/24/05 Proposal</u>	<u>11/15/06 Proposal</u>
<u>Wallace Deck Parking:</u>			
Existing Deck Public Spaces	309	309	309
New Ram Spaces	<u>50</u>	<u>----</u>	<u>----</u>
<i>Total</i>	<i>359</i>	<i>309</i>	<i>309</i>
<u>Proposed Distribution Wallace Deck / Henderson</u>			
Hourly	250	254	309
Leased to Tenants/Owners	<u>109**</u>	<u>55</u>	<u>--</u>
<i>Total</i>	<i>359</i>	<i>309</i>	<i>309</i>

<u>Financing Plan</u>	<u>5/2/05 Proposal</u>	<u>10/24/05 Proposal</u>	<u>11/15/06 Proposal</u>
<u>Land Lease:</u>			
Ownership of Land	Town of Chapel Hill	Town of Chapel Hill	Town of Chapel Hill
Term	40 years retail 99 years residential	99 years retail 99 years residential	99 years retail 99 years residential
Lot 5 Lease Payment	\$4,000,000	\$4,750,000	Land Lease exchange
Wallace Deck Lease Payment	\$3,000,000	\$3,150,000	NA
Wallace Bond Debt Payment	\$ 150,000	0	NA
<i>Total</i>	<i>\$7,150,000</i>	<i>\$7,900,000</i>	<i>Lot 5 only</i>
Option to Extend Term (Yr. 70-72):			
Lot 5	0	\$2,000,000	\$2,000,000 (Conversion of lease to “fee simple” ownership of “air rights” and/or “ground” in 50 years)
Wallace Deck	0	\$1,500,000	NA
<u>Other Revenues:</u>			
Base Rent per Sq.Ft. (Yrs 3-10)	\$2.50/ net leasable	Present Value of years 1-99 are in the increased lease payment	NA
Town Participation after 15% Return on Costs	20% of residential profits	20% of residential and retail profits	NA
Public Space Programming	\$200,000	\$200,000	\$200,000

<u>Financing Plan</u>	<u>5/2/05 Proposal</u>	<u>10/24/05 Proposal</u>	<u>11/15/06 Proposal</u>
<u>Town Capital Investment:</u>			
Cost of Public Improvements	Unlimited*	\$4,750,000 Lot 5 \$3,150,000 Wallace	Land Lease exchange - Lot 5 only NA
Affordable Housing Parking	0	<u>\$ 500,000</u> \$ 8,400,000	<u>Land lease exchange - Lot 5 only</u>
Parking Garage Sale to Town	-----	-----	\$7,245,000
Nature of Investment	Unlimited*	Fixed	Fixed
<u>Other Features:</u>			
Public Art % of Budget	1%	1%	1%
LEED Certification	LEED Certification	LEED Certification- Silver if budget permit	LEED Certification

*Subject to changes in construction costs and increases in interest rates

Notes:

1. There are 21 affordable housing units at Lot 5. Parking spaces are not included with the purchase of these units. Parking can be leased from Town controlled parking at the Town's discretion.
2. The private residential courtyard has been converted into a public courtyard at Rosemary St., The Square and interior courtyard space has been maintain and configured to create a pedestrian connection through the middle of the project in lieu of the alleyway which has been deleted.
3. The replacement public spaces will be purchased from the developer by the Town for \$7,245,000.
4. The 169 parking spaces will be conveyed to purchasers of market rate residential units.
5. Town will pay the fees of consultants working for the Town directly
6. Ram or a Ram affiliate will fund a minimum of \$12.5 million in equity.