



Finance Model **Downtown Chapel Hill Projects**

Town of Chapel Hill, North Carolina

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Stainback Public/Private Real Estate (SPPRE)

www.sppre.com

Building F	Program						
	Type of Use		Gross SF	Units	Efficiency	Lease SF	Sales SF
Lot 5	Residential						
	Market Rate - Condo		128,480	102	1.00		128,480
	Market Rate - Rental		-	-	0.92	-	
	Affordable Housing-Ownership	1	32,120	26	1.00		32,120
	Retail		30,250	•	0.92	27,830	
	Open Space		28,300	-	-	-	
	Subtotal		219,150	128		27,830	160,600
Lot 5 Garage							
	Private Parking						
	Parking-Residential						
	Market Rate - Condo		48,960	153	1.00	48,960	48,960
	Market Rate - Rental		-	-	1.00	-	
	Affordable Housing-Ownership		8,320	26	1.00		8,320
	Parking-Residential Storage						
	Market Rate - Condo		32,640	102	1.00		32,640
	Market Rate - Rental		-		1.00	-	
	Affordable Housing-Ownership		8,320	26	1.00		8,320
	Parking-Retail		18,880	59	1.00	18,880	
	Subtotal		117,120	366		67,840	98,240
	Public Parking						
	Parking-Replacement		55,360	173	1.00	55,360	
	Parking Surplus (Public Parking)	2	-	-	-	-	
	Subtotal		55,360	173		55,360	
	Total Parking upon completion		172,480	539	-	123,200	
	Total GSF		391,630				
	Parking Space/SF		320				
	Average SF per Residential Unit		1,255				
	Footnotes						
					fordable Housir		
		2	Assume TCH	does not	want to incur tl	ne cost of surpl	us parking.

Development Budget												
•		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	<u>Year 10</u>	<u>Total</u>
Site/Building Data												
Total Gross Land Area	1	75,000										
Gross Areas (GSF)												
Market Rate - Condo		128,480										
Market Rate - Rental		-										
Affordable Housing		32,120										
Retail		30,250										
Subtotal		190,850										
Drivete Destroy's Desking CSE		117 100										
Private Partner's Parking GSF		117,120										
Parking Spaces		366										
Public Partner's Parking GSF		55,360										
Parking Spaces		173										
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Sales Area (GSF)												
Market Rate - Condo		128,480										
Affordable Housing		32,120										
Subtotal		160,600										
Drivete Dedice	0											
Private Parking	2											
Parking-Residential Market Rate - Condo		40.000										
Market Rate - Condo Market Rate - Rental		48,960										
		- 0.000										
Affordable Housing-Ownership		8,320										
Parking-Residential Storage		- 20.640										
Market Rate - Condo		32,640										
Market Rate - Rental		- 0.000										
Affordable Housing-Ownership		8,320										
Subtotal		98,240										
Leaseable Areas (LSF)												
Market Rate - Rental		-										
Retail		27,830										
Subtotal		27,830										
Capicial		21,000						+				

Private Parking						
Parking-Retail		18,880				
		18,880				
Public Parking		,				
Parking-Replacement		55,360				
Parking Surplus (Public Parking)	3	-				
Subtotal		55,360				
Total Garage SF		172,480				
Analytical Consultants Valuation		\$3,150,000				
Pickett-Sprouse		\$9,239,100				
Median Land Value	4	\$6,194,550				
Land Valuation @ 4.0% discount rate	5	\$5,252,017				
Building Costs						
Residential						
Market Rate - Condo	6	\$11,170,479				
Market Rate - Rental		\$0				
Affordable Housing	7	\$2,287,929				
Retail	8	\$2,158,947				
Retail TI Allowance		\$723,580				
Garage (Private)	9					
Parking-Residential						
Market Rate - Condo		\$3,035,520				
Market Rate - Rental		\$0				
Affordable Housing-Ownership		\$515,840				
Parking-Residential Storage						
Market Rate - Condo		\$2,023,680				
Market Rate - Rental		\$0				
Affordable Housing-Ownership		\$515,840				
Parking-Retail		\$1,170,560				
Garage (Public)						
TCH Garage Replacement Spaces		\$3,432,320				
Subtotal		\$30,467,015				
Hard Cost Contingency (3.0%)	10	\$914,010				
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Total Hard Costs																				
Market Rate - Condo	\$	11,505,593																		
Market Rate - Rental		\$0																		
Affordable Housing		\$2,356,567																		
Retail		\$2,969,003																		
Garage (Private)																				
Parking-Residential																				
Market Rate - Condo		\$3,126,586																		
Market Rate - Rental		\$0																		
Affordable Housing-Ownership		\$531,315																		
Parking-Residential Storage																				
Market Rate - Condo		\$2,084,390																		
Market Rate - Rental		\$0																		
Affordable Housing-Ownership		\$531,315																		
Parking-Retail		\$1,205,677																		
Garage (Public)																				
TCH Garage Replacement Spaces		\$3,535,290																		
Subtotal	\$	27,845,736	\$	-	\$	-	\$	-	\$		- \$	-	\$	- \$	-	\$	-	\$.	\$	27,845,736
Total Hard Costs/Condo Sales GSF		\$90																		
Total Hard Costs/Affordable Housing GSF		\$73																		
Total Hard Costs/Retail GSF		\$98																		
Soft Costs		A. 440.000																		4 4 4 0 0 0 0
Architectural & Engineering		\$1,113,829																	\$	1,113,829
A&E Reimburseables	12	\$111,383																		
Consultants & Legal Counsel	 	\$110,000																		
Performance Bond	13	\$236,689																	\$	236,689
Insurance	14	\$0																	\$	-
Marketing		\$83,537																	\$	83,537
Materials Testing & Inspection	45	\$41,769																	\$	41,769
Rock Removal (Median of A & B)	15	\$1,212,750																		
Soil Analysis	10	\$10,000	•	4.400	•	0.070	_	0.405	•	0.40	- A	400	•	<u>_</u>		Φ.		Φ.	•	47 574
Initial Leasing Commissions (Retail)	16	\$36,903	Ъ	4,136	\$	2,073	Ъ	2,135	Ъ	2,199	9 \$	126	\$	- \$	-	\$	-	\$	\$	47,571
Town Fees	 	#070 457											-							
Public Art (1%)	 	\$278,457											-							
Permit Fee	47	\$35,607																		
Impact Fee	17	\$0																		
Plumbing Fees	18	\$1,536																		

Mechanical Fees	Т	\$150											
Electrical Fees	10	\$150 \$0										-	
	19												
Development Review Fees	20	\$20,000											
Site Plan Review	21	\$34,145											
Traffic Impact Study Fee	22	\$15,000											
Water Service Availability Fee	23	\$20,025											
Resd. Sewer Availability Fee	24	\$1,617											
Non-Resd. Sewer Availability Fee	25	\$25,678											
Soft Cost Contingency (3%)		\$101,672										\$	101,672
Total Soft Costs		\$3,490,747	\$ 4,136	\$ 2,073	\$ 2,135	\$ 2,199	\$ 126	\$ - \$	- \$	- \$	5 -	. \$	3,501,415
Total Hard and Soft Development Costs													
Residential													
Market Rate - Condo		\$12,734,867											
Market Rate - Rental		\$0											
Affordable Housing		\$2,726,948											
Retail		\$3,322,715											
Garage (Private)													
Parking-Residential													
Market Rate - Condo		\$3,562,985											
Market Rate - Rental		\$0											
Affordable Housing-Ownership		\$605,475											
Parking-Residential Storage													
Market Rate - Condo		\$2,375,323											
Market Rate - Rental		\$0											
Affordable Housing-Ownership		\$605,475											
Parking-Retail		\$1,373,961											
Garage (Public)		. , ,											
TCH Garage Replacement Spaces		\$4,028,734											
Total:		\$31,336,483	\$ 4,136	\$ 2,073	\$ 2,135	\$ 2,199	\$ 126	\$ - \$	- \$	- \$	- 6	\$	31,347,151

Indirect Costs					
Development Fee	26	\$1,097,150			
Developer Project Overhead	27	\$235,104			
Title Insurance	26	\$31,347			
Debt Service Reserve Fund	29	\$0			
Total:		\$1,363,601			
Equity and Debt Placement Fees					
Market Rate Condos & Parking					
Equity Placement Fee:		\$204,094			
Debt Placement Fee:		\$238,109			
		·			
Affordable Housing & Parking					
Equity Placement Fee		\$14,492			
Retail & Retail Parking					
Equity Placement Fee:		\$51,456			
Debt Placement Fee:		\$60,032			
Interest During Construction					
(Public and Private)	30	\$1,384,186			
,					
Total Development Cost					
Residential					
Market Rate - Condo		\$20,736,886			
Market Rate - Rental		\$0			
Affordable Housing		\$4,268,201			
Retail		\$5,235,909			
Garage (Public)					
	31	\$4,411,457			
Total:		\$34,652,453			
		, ,			
Total Dev. Cost per Market-Rate Condo Unit		\$202,509			
Total Dev. Cost per Market-Affordable Unit		\$166,727			
Total Development Cost/Condo GSF		\$161			
Total Development Cost/Affordable GSF		\$133			
Total Development Cost/Retail GSF		\$173			
Cost Per Underground Parking Space		\$24,402			
Total Development Cost/Garage GSF		\$76			
Total Bevelopment Good Garage Gol		Ψίο			

Town Cost for Lot 5 Parking Delta △		\$4,539,014
(13% of Total Cost)		
,		
Total Development Cost:		
Public Partner	32	\$8,950,471
(21% of Total Cost)		
,		
Footnotes		
	1	Gross Land Area.
	2	Assume that Private Parking will be controlled by the Private Partner, including Finance, Development, Construction & Operations
		Assume TCH does not want to finance and develop surplus parking.
	4	Using \$30.00 per SF and 307,970 of building area. (Pickett-Sprouse Analysis 10/28/04)
		Present value of appraised value at a discount rate of 2.5% over 30 years.
	6	Assume MR Condos are 83% of the const. estimate provided by McDonald York. Cost for Open Space is allocated to Cost.
	7	Assume Affordable Housing Condos are 17% of the const. estimate provided by McDonald York. Cst for Open Space is allocated to Co
	8	Assume cost for Open Space is allocated in the construction estimate from McDonald-York.
		McDonald-York specified a \$42.16/SF cost. At the request of Town staff, SPPRE incresased to \$62.00/SF. (removed surplus parking)
	10	The Hard Cost Contingency is 3.0% of the Building Costs.
		The A&E Fee is 4.0% of Total Hard Construction Cost.
		A&E Reimburseables cost covers costs such as reproduction of Construction Documents.
		Performance Bonds are a surety company's guarantee of completion or performance of a General Contractor's contract.
		Insurance is included in the McDonald-York estimate.
		Used median of Scenario A & B for potential Rock Removal Costs at Lot 5.
	16	Initial Leasing Commission are accrued in years 1-3 for the Retail component only.
	17	Waived for Town permits?
		Inside Town limits: \$6 per fixture, assume 2 fixtures per unit.
	19	TBD-Fee is based on meter/amps.
	20	All Master Land Use Plans- \$5,000 plus \$20 per 100sf of land area.
	21	Site Plan Review Fee: \$1,700 plus \$17 per 100sf of floor area.
	22	Town Charges \$10-\$20k per site for a Consultant to complete a Traffic Impact Study.
	23	Non-Residential Water service availability fee: \$20,025. (Assume 2" meter)
	24	Residential Sewer Service Availability Fee: \$1,617 (5/8" meter multi-family residential)
	25	Non-Residential Sewer availability fee: \$2,568.00. (Assume 2" meter)
		This Development fee is 3.50% of the Total Development Budget for Residential/Retail/Garage.
		Developer Project Overhead is .75% of the Total Development Budget.
		Assume fee of \$1.00 per \$1,000, plus binder fee.
	29	DSRF is a fund for 6-months of Debt Service on permanent loan. (Private Partners option to include)
		This is the sum of varying Interest Rates, Terms, and Financing Instruments per project type.
		Town cost for 173 underground parking spaces in Lot 5 Garage.
	32	Total Cost for public portion of Garage, including Delta payment to Private Partner for underground spaces.

Condominium Sales Prof	form	na (Market-Ra	te)								
General Inputs				Financial Inputs				Income Factors			
Building value (Market Rate Only	1	\$19,437,489		LTV:		70%		Sales Price/Unit		\$225.844	
Land Lease Payout	' '	\$3,582,634		Equity		\$6,906,037		Price per SF		\$180.00	
Total Value		\$23.020.123		Beginning Loan A	mount	\$16,114,086		Number of Units		102	
Construction (years):		1.5		Ending Loan Amo		\$17,445,154		Sellout Period (ye	are)	2	
Construction (years).		1.0		Interest Rate	unt	7.00%		Gross Sales	ais)	23,126,400	
				Term		30		Cost with Garage	Cnoose:	\$286,848	
				Quarterly Paymen	4	321.622		Cost with Garage	Spaces.	Ψ200,040	
				Quarterly Fayinen	l .	321,022					
		lon 00	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	A., a. 00	Sep-09	Oat 00
		Jan-09	1		3	Way-09 4	5 Jun-09	5ui-09 6	Aug-09 7		Oct-09
IVI	onth	0	ı	2	3	4	ე	O	1	8	9
Income			5	5	5	5	5	5	5	5	
Residential	2		<u> </u>	J	3	<u> </u>	<u> </u>		<u> </u>	<u> </u>	
Market Rate Condo Home Sa			\$1,129,219	\$1,129,219	\$1,129,219	\$1,129,219	\$1,129,219	\$1,129,219	\$1,129,219	\$1,129,219	\$963,600
Garage Parking Sales	3		\$305.021		\$305.021	\$305.021	\$305,021	\$305,021	\$305.021	\$305.021	\$260.28
Garage Farking Sales	3		\$303,021	\$303,021	\$303,021	φ3U3,U2 I	\$303,021	\$303,021	Φ303,021	φ303,02 i	\$200,200
Cash Flow Before Financing			\$1,434,240	\$1,434,240	\$1,434,240	\$1,434,240	\$1,434,240	\$1,434,240	\$1,434,240	\$1,434,240	\$1,223,885
Interest Calculation During Const	ructio	ın									
Equity	1	\$6,906,037									
Loan Draw		φο,σσο,σσι									
Balance with Interest											
Interest											
Principle Cumulative Balance		\$17,445,154	\$16,718,273	\$15,991,392	\$15,264,510	\$14,537,629	\$13,810,747	\$13,083,866	\$12,356,984	\$11,630,103	\$10 003 221
Timolpie Cumulative Balance		ψ17,440,104	Ψ10,710,273	Ψ10,991,092	Ψ13,204,310	ψ14,557,623	ψ13,010,747	Ψ13,003,000	ψ12,000,90 4	ψ11,030,103	ψ10,303,221
Interest			\$101,763	\$97,523	\$93,283	\$89,043	\$84,803	\$80,563	\$76,323	\$72,082	\$67,842
Principal Reduction			\$726,881	\$726,881	\$726,881	\$726,881	\$726,881	\$726,881	\$726,881	\$726,881	\$726,881
Debt Service			\$828,645	\$824,405	\$820,165	\$815,924	\$811.684	\$807,444	\$803,204	\$798,964	\$794.724
Loan Payoff			Ψ020,010	Ψ02 1, 100	ψ020,100	ψ010,021	φοτι,σοτ	ψοστ,τττ	ψοσο,201	Ψ, σο,σο τ	Ψ101,121
Cash Flow After Financing		(\$6,906,037)	\$605,595	\$609,835	\$614,075	\$618,315	\$622,555	\$626,796	\$631,036	\$635,276	\$429,161
Profit		\$3,570,237									
Sale Payment to TCH	4	\$714,047 2	20%								
Net Profit	7	\$2,856,190	.0 /0								
Return on Equity		41.36%									
rectain on Equity		41.5076									
Footnotes											
	1	Building value is	the ratio of MR C	ondo SF to total bu	ilding cost as estin	nated by McDonal	d-York				
				ve an annual assoc				Trash pickup, and	Basic Cable.		
				nderground space,							
				wn at Sale. The La							1

Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11
10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
10		12	10	1-7	10	10		10	10	20	21	22	20	24
4	4	4	4	4	4	4	4	4	4	4	3	3	3	2
														_
\$963,600	\$963,600	\$963,600	\$963,600	\$963,600	\$963,600	\$963,600	\$963,600	\$963,600	\$963,600	\$867,240	\$677,531	\$677,531	\$677,531	\$451,688
\$260,285	\$260,285	\$260,285	\$260,285	\$260,285	\$260,285	\$260,285				\$234,256				
\$1,223,885	\$1,223,885	\$1,223,885	\$1,223,885	\$1,223,885	\$1,223,885	\$1,223,885	\$1,223,885	\$1,223,885	\$1,223,885	\$1,101,496	\$860,544	\$860,544	\$860,544	\$573,696
\$10,176,340	\$9,449,459	\$8,722,577	\$7,995,696	\$7,268,814	\$6,541,933	\$5,815,051	\$5,088,170	\$4,361,289	\$3,634,407	\$2,907,526	\$2,180,644	\$1,453,763	\$726,881	\$0
\$63,602	\$59,362	\$55,122	\$50,882	\$46,642	\$42,401	\$38,161	\$33,921	\$29,681	\$25,441	\$21,201	\$16,961	\$12,720	\$8,480	\$4,240
\$726,881	\$726,881	\$726,881	\$726,881	\$726,881	\$726,881	\$726,881	\$726,881	\$726,881	\$726,881	\$726,881	\$726,881	\$726,881	\$726,881	\$726,881
\$790,484	\$786,243	\$782,003	\$777,763	\$773,523	\$769,283	\$765,043	\$760,803	\$756,562	\$752,322	\$748,082	\$743,842	\$739,602	\$735,362	\$731,122
£400 404	£407.044	£444 004	£44C 404	£450.000	C454 COO	£450.040	£400,000	£407.000	\$474.500	COEO 44.4	£440.700	£400.040	₾405.400	(\$4.5.7.40C)
\$433,401	\$437,641	\$441,881	\$446,121	\$450,362	\$454,602	\$458,842	\$463,082	\$467,322	\$471,562	\$353,414	\$116,702	\$120,942	\$125,182	(\$157,426)
 														
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onstruction Period:			mos								
ellout:		24	mos								
and Costs: (1)		\$3,582,634									
uilding Costs:		\$19,437,489									
otal Costs:		\$23,020,123									
V:		70%									
terest Rate:		7.00%									
ebt		\$16,114,086									
quity:		\$6,906,037									
,											
	Date	Construction Cost		Equity	Loan Draw	Interest					
		\$23,020,123	\$523,708	\$6,906,037	\$16,637,794	\$807,360	\$17,445,154				
	Aug-07	\$4,662,494	\$523,708	\$5,186,202	\$0	\$0	\$0				
2		\$1,079,861		\$1,079,861	\$0	\$0	\$0				
3		\$1,079,861		\$639,974	\$439,886	\$2,566	\$442,452				
4	Nov-07	\$1,079,861		\$0	\$1,079,861	\$6,299	\$1,528,612				
5	Dec-07	\$1,079,861		\$0	\$1,079,861	\$6,299	\$2,614,772				
6	Jan-08	\$1,079,861		\$0	\$1,079,861	\$21,552	\$3,716,184				
7	Feb-08	\$1,079,861		\$0	\$1,079,861	\$27,977	\$4,824,022				
8	Mar-08	\$1,079,861		\$0	\$1,079,861	\$34,439	\$5,938,322				
9		\$1,079,861		\$0	\$1,079,861	\$40,939	\$7,059,121				
	May-08	\$1,079,861			\$1,079,861	\$47,477	\$8,186,459				
11		\$1,079,861			\$1,079,861	\$54,054	\$9,320,373				
12		\$1,079,861			\$1,079,861	\$60,668	\$10,460,902				
	Aug-08	\$1,079,861			\$1,079,861	\$67,321	\$11,608,084				
	Sep-08	\$1,079,861			\$1,079,861	\$74,013	\$12,761,957				
15		\$1,079,861			\$1,079,861	\$80,744	\$13,922,562				
	Nov-08	\$1,079,861			\$1,079,861	\$87,514	\$15,089,936				
	Dec-08	\$1,079,861			\$1,079,861	\$94,324	\$16,264,121				
18	Jan-09	\$1,079,861			\$1,079,861	\$101,173	\$17,445,154				
ootnotes											
	1	Land costs are inclu	uded in the Total	Development	budget and are	equal to the	percentage of Mark	et Rate Co	ndo use in t	he building	(80%).

Condominium Sales Proforma	(Affor	dable Housin	g)							
General Inputs				Financial Input	•			Income Facto	re	
Building value (Affordable Only)	1	\$4,140,518		LTV:	5	90%		Sales Price/Un	-	\$106.648
Land Lease Payout	2	\$831,537		Equity		\$417,205		Price per SF	iit.	\$85.00
Grant-FHLB/TCH Land Participation	3	\$800,000		Beginning Loan	Amount	\$4,172,055		Number of Uni	te	26
Total Value	3	\$4,172,055		Ending Loan Am		\$3,439,988		Sellout Period		20
Construction (years):		1.5			e-FNMA (75% of d			Gross Sales	(years)	\$2,730,200
Construction (years).		1.0		Interest Rate	7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	4.25%		Cost with Gara	ne Snaces:	\$155,452
				Term (years)		20		Oost with Oard	ус ориссы.	ψ100, 1 02
					-FNMA (25% of de					
				Interest Rate	7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	2.50%				
				Term (years)		25				
				Quarterly Payme	ent	\$72,166				
				Quarterly 1 dyllic	SIII	Ψ72,100				
		Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09
	Month	0	1	2	3	4	5	6	7	8
Income			2	2	1	1	1	1	1	1
Residential	4									
Affordable Condo Home Sales			\$213,297	\$213,297	\$106,648	\$106,648	\$106,648	\$106,648	\$106,648	\$106,648
Garage Parking Sales	5		\$97,607	\$97,607	\$48,803	\$48,803	\$48,803	\$48,803	\$48,803	\$48,803
Cash Flow Before Financing			\$310,904	\$310,904	\$155,452	\$155,452	\$155,452	\$155,452	\$155,452	\$155,452
Interest Calculation During County stice										
Interest Calculation During Construction		\$417,205								
Equity Loan Draw		\$417,205								
Balance with Interest										
Interest										
Principle Cumulative Balance		\$3,439,988	\$3,296,655	\$3,153,322	\$3,009,989	\$2,866,657	\$2,723,324	\$2,579,991	\$2,436,658	\$2,293,325
Principle Cumulative Balance		\$3,439,900	\$3,290,055	\$3,153,322	\$3,009,969	\$2,000,037	Φ 2,723,324	\$2,579,991	\$2,436,656	φ2,293,320
Interest			\$9,675	\$9,272	\$8,869	\$8,466	\$8,062	\$7,659	\$7,256	\$6,853
Principal Reduction			\$143,333	\$143,333	\$143,333	\$143,333	\$143,333	\$143,333	\$143,333	\$143,333
Debt Service			\$153,008	\$152,605	\$152,202	\$151,798	\$151,395	\$150,992	\$150,589	\$150,186
Loan Payoff										
Cash Flow After Financing		-\$417,205	\$157,896	\$158,299	\$3,250	\$3,653	\$4,056	\$4,460	\$4,863	\$5,266
Net Profit		\$63,616								
Return on Equity		15.25%								
rectain on Equity		10.20/6								
Footnotes										
						sing in the building	J.			
		Assume Land val		U U	(' ' '					
						nce or from the Tov				
						ering Exterior main		ance, Trash pic	kup, and Basi	Cable.
	5	Reduced parking	allocation for A	Affordable Housir	ng to 1.0 spaces p	per DU from (1.5-H	KS).			

Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-1
9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
1	. 1	1		_	1	.,	_			1	1			_	
		-	-					•			•	_	•		
\$106,648	\$106,648	\$106,648	\$106,648	\$106,648	\$106,648	\$106,648	\$106,648	\$106,648	\$106,648	\$106,648	\$106,648	\$106,648	\$106,648	\$106,648	\$106,6
\$48,803	\$48,803	\$48,803	\$48,803	\$48,803	\$48,803	\$48,803	\$48,803	\$48,803	\$48,803	\$48,803	\$48,803	\$48,803	\$48,803	\$48,803	\$48,8
A 1== 1=0	* 1 = 2 1 = 2	A.== .==	A.== 1=0	A .== .==	0.1== 1=0	* 1 = 2 1 = 2	A	^	^	^ 1 1-0	^ 1== 1=0	A .== .==	^	^ 1== 1=0	^
\$155,452	\$155,452	\$155,452	\$155,452	\$155,452	\$155,452	\$155,452	\$155,452	\$155,452	\$155,452	\$155,452	\$155,452	\$155,452	\$155,452	\$155,452	\$155,4
\$2,149,992	\$2,006,660	\$1,863,327	\$1,719,994	\$1,576,661	\$1,433,328	\$1,289,995	\$1,146,663	\$1,003,330	\$859,997	\$716,664	\$573,331	\$429,998	\$286,666	\$143,333	
00.450	#0.047	#5.044	05.044	04.007	04.404	# 4.004	40.000	Φ0.005	A 0.000	00.440	00.040	A4.040	04.000	4000	_
\$6,450 \$143,333	\$6,047 \$143,333	\$5,644 \$143,333			\$4,434 \$143,333	\$4,031 \$143,333	\$3,628 \$143,333					\$1,612 \$143,333			
\$143,333	\$143,333	\$143,333										\$143,333			
Ψ1+3,703	ψ1+3,300	Ψ140,311	ψ140,573	ψ1 4 0,170	Ψ147,707	ψ147,504	ψ140,301	ψ140,000	ψ140,133	Ψ143,732	ψ145,540	Ψ177,373	Ψ144,542	Ψ177,103	Ψ170,7
\$5,669	\$6,072	\$6,475	\$6,878	\$7,281	\$7,685	\$8,088	\$8,491	\$8,894	\$9,297	\$9,700	\$10,103	\$10,506	\$10,910	\$11,313	\$11,7
									1		-	1			

Condominium (Constr	uction Loan (A	ffordable Ho	using)						
				- J /						
Construction Period:		18	mos							
Sellout:			mos							
50,1041.										
and Coata; (1)		¢0								
Land Costs: (1)		\$0								
Building Costs:		\$4,972,055								
Grant-FHLB (AHP G Total Costs:	rant)	\$800,000								
lotal Costs:		\$ 4,172,055								
LTV:		90%								
Senior Loan	75%									
Interest Rate:	. 5 / 0	4.25%								
Debt		\$2,816,137								
Equity:		\$312,904								
Lquity.		φ312,904								
Junior Loan	25%									
Interest Rate:		2.50%								
Debt		\$938,712								
Equity:		\$104,301								
		·								
Combined Constru	ction Lo	an Draw								
Senior and Junior Lo	an									
	Date	Construction Cost	Loan Fees (2)	Equity (3)	Loan Draw	Interest	Total Outstanding			
		\$3,754,849		\$417,205		\$90,480	\$3,439,988			
1	Aug-07	\$208,603		\$220,467	\$0	\$0	\$0			
	Sep-07	\$208,603		\$196,738	\$11,864	\$41	\$11,905			
3		\$208,603		\$0	\$208,603	\$665	\$221,172			
4	Nov-07	\$208,603		\$0	\$208,603	\$774	\$430,549			
	Dec-07	\$208,603		\$0	\$208,603	\$883	\$640,034			
6		\$208,603		\$0	\$208,603	\$2,699	\$851,336			
7		\$208,603		\$0	\$208,603	\$3,371	\$1,063,309			
	Mar-08	\$208,603		\$0	\$208,603	\$4,045	\$1,275,957			
9		\$208,603		\$0	\$208,603	\$4,721	\$1,489,280			
	May-08	\$208,603		\$0	\$208,603	\$5,399	\$1,703,282			
	Jun-08	\$208.603		\$0	\$208,603	\$6.080	\$1,917,964			
12		\$208,603		Ψü	\$208,603	\$6,763	\$2,133,330			
	Aug-08	\$208,603			\$208,603	\$7,448	\$2,349,380			
	Sep-08	\$208,603			\$208,603	\$8,135	\$2,566,118			
	Oct-08	\$208,603			\$208,603	\$8,825	\$2,783,545			
	Nov-08	\$208,603			\$208,603	\$9,517	\$3,001,664			
	Dec-08	\$208,603			\$208,603	\$10,211	\$3,220,478			
		\$208,603			\$208,603	\$10,907	\$3,439,988			
18	Jan-09	Ψ200,003								
	Jan-09	Ψ200,000								
Footnotes 18				lian Cant h	the 400′ E		t deservation of the		Davis	for Affect I
	1	Land costs are inlo	uded in the Build					e Land Lease	Payment	for Afforda

Proforma (10 years)		Year	Year	Year							
Retail and Retail Garage Spa	aces	1	2	3	4	5	6	7	8	9	10
Potential Gross Income											
Retail	1	\$723,580	\$745,287	\$767,646	\$790,675	\$814,396	\$838,828	\$863,992	\$889,912	\$916,609	\$944,108
Garage (Retail Spaces)	2	\$110,625	\$110,625	\$110,625	\$110,625	\$110,625	\$110,625	\$110,625	\$110,625	\$110,625	\$110,625
Total		\$834,205	\$855,912	\$878,271	\$901,300	\$925,021	\$949,453	\$974,617	\$1,000,537	\$1,027,234	\$1,054,733
Vacancy/Collections Loss (VCL)	3	\$125,131	\$85,591	\$61,479	\$63,091	\$64,751	\$66,462	\$68,223	\$70,038	\$71,906	\$73,831
Vacancy Rate	3	15%	10%	7%	7%	7%	7%	7%	7%	7%	7%
Effective Gross Income (EGI)		709,074	770,321	816,792	838,209	860,269	882,991	906,394	930,500	955,328	980,901
Encouve Gross moonie (201)		100,014	770,021	010,702	000,200	000,200	002,001	300,034	300,000	000,020	300,001
Non-Tax Income to Town											
Land Lease Payment (Base)	4	\$67,028	\$67,028	\$67,028	\$69,032	\$69,032	\$69,032	\$71,096	\$71,096	\$71,096	\$73,222
Total		\$67,028	\$67,028	\$67,028	\$69,032	\$69,032	\$69,032	\$71,096	\$71,096	\$71,096	\$73,222
Building Maintenance											
Electrical		\$1,531	\$1,577	\$1,624	\$1,673	\$1,723	\$1,774	\$1,828	\$1,883	\$1,939	\$1,997
Plumbing		\$668	\$688	\$709	\$730	\$752	\$774	\$798	\$821	\$846	\$871
HVAC		\$4,035	\$4,156	\$4,281	\$4,410	\$4,542	\$4,678	\$4,818	\$4,963	\$5,112	\$5,265
Roof		\$222	\$229	\$235	\$242	\$250	\$257	\$265	\$273	\$281	\$289
Painting		\$195	\$201	\$207	\$213	\$220	\$226	\$233	\$240	\$247	\$255
Canopies/Store Fronts		\$577	\$594	\$612	\$630	\$649	\$669	\$689	\$709	\$731	\$753
Other		\$444	\$457	\$471	\$485	\$499	\$514	\$530	\$546	\$562	\$579
Total		\$7,672	\$7,902	\$8,139	\$8,383	\$8,634	\$8,893	\$9,160	\$9,435	\$9,718	\$10,010
Exterior CAM											
Landscape		\$3,145	\$3,239	\$3,336	\$3,436	\$3,539	\$3,646	\$3,755	\$3,868	\$3,984	\$4,103
Trash Removal		\$2,393	\$2,465	\$2,539	\$2,615	\$2,694	\$2,775	\$2,858	\$2,944	\$3,032	\$3,123
Sweeping		\$1,447	\$1,491	\$1,535	\$1,581	\$1,629	\$1,678	\$1,728	\$1,780	\$1,833	\$1,888
Sidewalk Maintenance		\$1,278	\$1,316	\$1,356	\$1,396	\$1,438	\$1,481	\$1,526	\$1,572	\$1,619	\$1,667
Security		\$10,993	\$11,323	\$11,662	\$12,012	\$12,373	\$12,744	\$13,126	\$13,520	\$13,925	\$14,343
Lighting		\$1,252	\$1,290	\$1,329	\$1,368	\$1,410	\$1,452	\$1,495	\$1,540	\$1,586	\$1,634
Directory/Signs		\$151	\$155	\$160	\$165	\$170	\$175	\$180	\$186	\$191	\$197
Electricity		\$5,260	\$5,418	\$5,580	\$5,748	\$5,920	\$6,098	\$6,281	\$6,469	\$6,663	\$6,863
Water		\$1,171	\$1,207	\$1,243	\$1,280	\$1,318	\$1,358	\$1,399	\$1,441	\$1,484	\$1,528
Other Exterior CAM		\$781	\$804	\$828	\$853	\$879	\$905	\$932	\$960	\$989	\$1,019
Fire Monitoring Service		\$639	\$658	\$678	\$698	\$719	\$741	\$763	\$786	\$809	\$834
Total		\$28,510	\$29,366	\$30,247	\$31,154	\$32,089	\$33,051	\$34,043	\$35,064	\$36,116	\$37,200

General & Administrative											
Management Fee	5	\$42,544	\$43,821	\$43,821	\$43,821	\$43,821	\$43,821	\$43,821	\$43,821	\$43,821	\$43,821
Leasing Commissions	6	\$0	\$0	\$0	\$0	\$0	\$2,139	\$2,333	\$2,403	\$2,475	\$2,549
Marketing		\$1,171	\$1,207	\$1,243	\$1,280	\$1,318	\$1,358	\$1,399	\$1,441	\$1,484	\$1,528
Property Taxes	7	\$84,143	\$84,143	\$84,143	\$86,667	\$86,667	\$86,667	\$89,267	\$89,267	\$89,267	\$91,945
Business & Occupation Tax	8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$12,885	\$13,272	\$13,670	\$14,080	\$14,503	\$14,938	\$15,386	\$15,847	\$16,323	\$16,812
Other		\$532	\$548	\$565	\$582	\$599	\$617	\$636	\$655	\$674	\$695
Total		\$141,277	\$142,991	\$143,442	\$146,430	\$146,908	\$149,540	\$152,841	\$153,434	\$154,044	\$157,351
Town Fees											
Recycling Fee	9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Storm Water Fees	10	\$590	\$590	\$590	\$590	\$590	\$590	\$590	\$590	\$590	\$590
Water Service Fee	11	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501
Total		\$2,091	\$2,091	\$2,091	\$2,091	\$2,091	\$2,091	\$2,091	\$2,091	\$2,091	\$2,091
Garage O&E											
Operations & Expenses		\$32,009	\$32,969	\$33,958	\$34,977	\$36,026	\$37,107	\$38,220	\$39,367	\$40,548	\$41,764
Benefits		\$8,730	\$8,992	\$9,261	\$9,539	\$9,825	\$10,120	\$10,424	\$10,736	\$11,058	\$11,390
Utilities		\$8,730	\$8,992	\$9,261	\$9,539	\$9,825	\$10,120	\$10,424	\$10,736	\$11,058	\$11,390
Maintenance		\$6,547	\$6,744	\$6,946	\$7,154	\$7,369	\$7,590	\$7,818	\$8,052	\$8,294	\$8,543
Taxes		\$8,730	\$8,992	\$9,261	\$9,539	\$9,825	\$10,120	\$10,424	\$10,736	\$11,058	\$11,390
Insurance		\$5,092	\$5,245	\$5,402	\$5,564	\$5,731	\$5,903	\$6,080	\$6,263	\$6,451	\$6,644
Supplies		\$2,182	\$2,248	\$2,315	\$2,385	\$2,456	\$2,530	\$2,606	\$2,684	\$2,765	\$2,848
Miscellaneous		\$727	\$749	\$772	\$795	\$819	\$843	\$869	\$895	\$922	\$949
Total		\$72,747	\$74,929	\$77,177	\$79,493	\$81,877	\$84,334	\$86,864	\$89,470	\$92,154	\$94,918
Total Operating Expenses		\$319,325	\$324,307	\$328,123	\$336,583	\$340,632	\$346,942	\$356,095	\$360,590	\$365,219	\$374,791
						. ,					
OER		53%	49%	46%	46%	45%	45%	45%	44%	43%	43%
Net Operating Income (NOI)		\$389,750	\$446,015	\$488,669	\$501,626	\$519,637	\$536,049	\$550,299	\$569,910	\$590,109	\$606,110
Debt Service	12	\$317,902	\$317,902	\$317,902	\$317,902	\$317,902	\$317,902	\$317,902	\$317,902	\$317,902	\$317,902
CFBTD	12	\$71,847	\$128,112	\$170,766	\$183,724	\$201,735	\$218,147	\$232,397	\$252,007	\$272,206	\$3,061,447
IRR Including Reversion Value	14	15.04%									
Return on Cost (ROC)	15	9.33%									
Debt Coverage Ratio (DCR)		1.23	1.40	1.54	1.58	1.63					
Maximum Loan Amount	16	\$3,909,350									
(Assume 8.75% cap rate, 70% LTV)	. •	70,000,000									

Footnotes											
	1	Assumed Retail	lease rate in ye	ar 1 of \$26.00 _l	per LSF. This ir	icludes a CAM Reimbu	urseable in the LS	F rate.			
	2	Parking income	from 59 spaces	. Assume spac	es will be desig	nated for Retail Use or	nly, \$1.00 per hou	r, weekends/holid	days free.		
	3	Vacancy rate for	stabilized year	is 7%							
	4	Lease Payment	to Town is 8%	of appraised va	lue specific to t	he Retail & Retail Gara	age portion of bldg	program ONLY.	(NO Ramp-up)		
	5	Management fee	of 6.0% of Effe	ective Gross Inc	come.						
	6	Rollover Leasing	llover Leasing Commission are paid at 5.0% of Initial Leasing Commissions for Retail space.								
	7	Property Tax is \$	\$1.717 per \$100	of Assessed N	Market Value.						
	8	No Business & C	Occupation Tax	in Chapel Hill							
	9	Recycling Fee: E	Basic Service(\$2	27/unit/yr) (Nun	nber of Retail u	nits TBD).					
	10	\$39 per every 2,	000 SF of impe	rvious surface	(based on Reta	il GSF only).					
	11	Assume 3" mete	r size at \$125.1	2 per month							
	12	Debt Service is of	calculated on th	e Retail Revers	sionary Value W	orksheet.					
	14	Assume building	is sold in year	10 and Town re	eceives 20% of	proceeds.					
	15	Use ROC stabiliz	zation year 3.								

Reversionary Analysi	s											
Retail and Retail Garage		•										
		Year										
		1	2	3	4	5	6	7	8	9	10	
Permanent Loan :		\$317,902	\$317,902	\$317,902	\$317,902	\$317,902	\$317,902	\$317,902	\$317,902	\$317,902	\$317,902	
\$3,665,136												
NOI		\$389,750	\$446,015	\$488,669	\$501,626	\$519,637	\$536,049	\$550,299	\$569,910	\$590,109	\$606,110	
Reversion Cash Flow		\$4,454,280	\$5,097,309	\$5,584,785	\$5,732,873	\$5,938,710	\$6,126,276	\$6,289,129	\$6,513,253	\$6,744,100	\$6,926,972	
Cap Rate	8.75%											
Selling Expense		\$133,628	\$152,919	\$167,544	\$171,986	\$178,161	\$183,788	\$188,674	\$195,398	\$202,323	\$207,809	
Fee	3%											
Remaining Principal		\$3 580 008	¢2 522 274	\$3,470,462	\$2 404 169	¢3 333 068	¢2 256 912	¢2 175 020	¢2 007 210	\$2,002,246	\$2,802,354	
Net Proceeds Before Tax				\$1,946,780								
Permanent Loan												
Rate (1)	7.25%											
Term LTV	25 70%											
Town's Non-Tax Income(2)	20.00%	\$146,149	\$282,423	\$389,356	\$431,344	\$485,496	\$537,135	\$585,085	\$646,108	\$709,706	\$765,362	
					<u> </u>							
_												
Footnotes	1	The Interest	Poto Torm	and LTV ara	hacad on Ba	alty Pates of	om Commoro	ial Martagas	rates and tar	me choot inc	luded in this l	hindor
		Town will red								ms sneet inc	iuueu in this i	oniuer.

Income Assumptions-Garage			
Income Assumptions for PRIVATE Portion:			
Garage Ratio			
Retail Parking Operations			
# of Hourly Spaces	1	59	
Hourly Parking Rate		\$1.00	
Number of Non-work Days per year		115	
Non-work Days Parking Hours		14	
Non-work Day Occupancy Factor	2		
Subtotal		\$71,243	
Number of workdays per year		250	
Workday Parking Hours		10	
Work Day Occupancy Factor		75%	
Subtotal		\$110,625	5
Net Income		\$181,868	3
Income Assumptions for PUBLIC Portion:			
Public Parking Operations			
# of Hourly Spaces		173	
Hourly Parking Rate		\$1.00	
Number of Non-work Days per year		115	
Non-work Days Parking Hours		14	
Non-work Day Occupancy Factor		75%	
Subtotal		\$208,898	
Cubiciai		Ψ200,000	
Number of workdays per year		250	
Workday Parking Hours		10	
Work Day Occupancy Factor		75%	
Subtotal		\$324,375	
Subiolai		ψ324,373	
Annual Income to City from Lot 5 Garage		\$533,273	
Garage Operating Expenses	3		
Net Income	3	\$186,645	
Hot moone		Ψ100,045	
Footnotes			
	1	Number of Retail	ill Parking Spaces charged an Hourly Rate. Assume Weekends/Holidays are free.
			ncy factor for income assumptions for both Public and Private Components.
			ating Expense ratio. Private Garages are typically 40% of Gross Income, assume Town is 65% Expenses.

Town Non-Tax Income/Tax Revenue											
		Year	Year	Year	Year	Year	Year	Year	Year	Year	Year
		1	2	3	4	5	6	7	8	9	10
Income To City											
Property Taxes	1										
Market Rate - Condo		\$333,742	\$333,742	\$333,742	\$343,754	\$343,754	\$343,754	\$354,067	\$354,067	\$354,067	\$364,689
Market Rate - Rental		\$0		\$0				\$0			\$0
Affordable Housing-Ownership		\$71,093	\$71,093	\$71,093		\$73,225		\$75,422	\$75,422	\$75,422	\$77,685
Retail		\$84,143	\$84,143	\$84,143		\$86,667	\$86,667	\$89,267	\$89,267	\$89,267	\$91,945
Total Property Tax		\$488,977	\$488,977	\$488,977	\$503,647	\$503,647	\$503,647	\$518,756	\$518,756	\$518,756	\$534,319
Property Tax Allocations											
Orange County		\$250,612	\$250,612	\$250,612	\$258,130	\$258,130	\$258,130	\$265,874	\$265,874	\$265,874	\$273,850
Chapel Hill/Carrboro School District		\$56,957	\$56,957	\$56,957	\$58,666	\$58,666	\$58,666	\$60,426	\$60,426	\$60,426	\$62,239
Chapel Hill City Revitalization		\$163,752	\$163,752	\$163,752	\$168,664	\$168,664	\$168,664	\$173,724	\$173,724	\$173,724	\$178,936
Downtown Revitalization District		\$17,657	\$17,657	\$17,657	\$18,186	\$18,186	\$18,186	\$18,732	\$18,732	\$18,732	\$19,294
Property Tax Income Available		\$181,409	\$181,409	\$181,409	\$186,851	\$186,851	\$186,851	\$192,456	\$192,456	\$192,456	\$198,230
Non-Tax Income											
Land Lease Payment (Condo Units & Garage)	2	\$3,582,634									
Town Sale Proceeds (year 4)	3				\$714,047						
Land Lease Payment (Affordable Units & Garage)		\$831,537									
Base Rent (Retail Component)	4	\$67,028	\$67,028	\$67,028	\$69,032	\$69,032	\$69,032	\$71,096	\$71,096	\$71,096	\$73,222
Potential Retail Component Sale Income	5										\$765,362
Parking Income		\$186,645	\$188,512	\$190,397	\$192,301	\$194,224	\$196,166	\$198,128	\$200,109	\$202,110	\$204,131
Total Non-Tax Income		\$4,667,844	\$255,540	\$257,425	\$975,380	\$263,256	\$265,198	\$269,224	\$271,205	\$273,206	\$1,042,715
Total Income to TCH from Lot 5		\$4,849,252	\$436,948	\$438,833	\$1,162,231	\$450,107	\$452,049	\$461,680	\$463,661	\$465,663	\$1,240,945
Lot 5 Current Income		\$125,000	\$ 125,000	\$ 125,000	\$ 128,738	\$ 128,738	\$ 128,738	\$ 132,587	\$ 132,587	\$ 132,587	\$ 136,551
Town Opportunity Cost for Lot 5 Land Investment		3879%	350%	351%	903%	350%	351%	348%	350%	351%	909%
Town Cost for Lot 5 Garage Portion	6	\$4,411,457									
Town Cost for Lot 5 Delta Δ	7	\$4,539,014									
Subtotal	+++	\$8,950,471									
Oubtotal		φυ,930,471									
	+										
	I										

Footnotes	1 \$1.717 per \$100 of Assessed Value									
	0.88000 Orange County									
	0.20000 Chapel Hill/Carrboro School District									
	0.57500 Chapel Hill City Revitalization									
	0.06200 Downtown Revitalization District									
	\$1.71700 Total Property Tax:									
	This includes the cost of the Garage in each Use Type (Excludes Debt & Equity Placement Fee and Interest during Construction).									
	Property Taxes increase 3% every 3 years.									
	2 Land Lease Payment for Developer to build Condo Units and required parking on Lot 5.									
	3 Town will receive 20% of sale proceeds upon Market-Rate Condo sellout.									
	4 Retail Base Rent is increased every 3 yr by the 2004 CPI at 2.99%. (Land lease payment (base rent) would continue after sale).									
	5 This assumes a possible sale of the Retail and Retail Garage Component in Year 10.									
	6 This is the Town's portion of the Total Development Cost for the Lot 5 Garage (173 replacement spaces).									
	7 This is the difference the in cost the developer incurs as a result of having to build underground vs. above ground parking at Lot 5.									

Development Scenario: C-3

Wallace Deck Development (Phase 1B)



Finance Model **Downtown Chapel Hill Projects**

Town of Chapel Hill, North Carolina

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Stainback Public/Private Real Estate (SPPRE)

www.sppre.com

Building Program

	Type of Use	(Gross SF	Units	Efficiency	Lease SF	Sales SF
Wallace	Residential		•	•	•		
	Market Rate - Condo		109,120	87	1.00		109,120
	Market Rate - Rental		-	-	0.92	-	
	Affordable Housing-Ownership	1	27,280	22	1.00		27,280
	Retail		4,000	-	0.92	3,680	
	Open Space		12,200	-	-	-	
	Subtotal		152,600	109		3,680	136,400
Wallace Garage							
	Private Parking						
Above-Grade	Parking-Residential						
	Market Rate - Condo		41,920	131	1.00		41,920
	Market Rate - Rental		-	-	1.00	-	
	Affordable Housing-Ownership		10,560	33	1.00		10,560
	Parking-Residential Storage	2					
	Market Rate - Condo		-	-	1.00		-
	Market Rate - Rental		-		1.00	-	
	Affordable Housing-Ownership		-	-	1.00		-
	Parking-Retail	_	2,560	8	1.00	2,560	
	Subtotal		55,040	172		2,560	52,480
	Public Parking						
	Parking-Replacement	3	72,960	228	1.00	72,960	
	Subtotal		72,960	228		72,960	
	Total Parking upon completion		128,000	400	-	75,520	
	Total GSF		280,600				
	Parking Space/SF		320				
	Average SF per Residential Unit		1,251				

¹ Allocation of 20% to Affordable Housing.

² Assume that there is not Storage at Wallace Deck.

³ Assume 92 space Public Parking Deficit will be transferred to RBC Garage.

,		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	<u>Total</u>
Site/Building Data												
Total Gross Land Area	1	52,272										
Gross Areas (GSF)												
Market Rate - Condo		109,120										
Market Rate - Rental		-										
Affordable Housing		27,280										
Retail		4,000										
Subtotal		140,400										
Private Partner's Parking GSF		55,040										
Parking Spaces		172										
Public Partner's Parking GSF		72,960										
Parking Spaces		228										
Sales Area (GSF)												
Market Rate - Condo		109,120										
Affordable Housing		27,280										
Subtotal		136,400										
Private Parking	2											
Parking-Residential												
Market Rate - Condo		25,600										
Market Rate - Rental		-										
Subtotal	-	25,600										
Leaseable Areas (LSF)												
Market Rate - Rental		-										
Retail		3,680										
Subtotal		3,680										
Private Parking												
Parking-Residential												
Affordable Housing-Ownership		10,560										
Parking-Residential Storage												
Market Rate - Condo		-										
Market Rate - Rental		-										
Affordable Housing-Ownership		-										
Parking-Retail		2,560	•									
		13,120										

Public Parking Parking-Replacement Parking Surplus (Public Parking) Subtotal Total Garage SF	3 _	72,960 - - 72,960 111,680										
Appraised Land Value Land Valuation at 4.0% discount rate	4	\$4,886,000 \$4,022,061										
Building Costs Residential												
Market Rate - Condo Market Rate - Rental	6	\$10,580,974 \$0										
Affordable Housing	7	\$2,167,188										
Retail	8	\$291,803										
Retail TI Allowance		\$84,640										
Garage (Private)	9	, ,										
Parking-Residential												
Market Rate - Condo		\$1,036,835										
Subtotal		\$14,161,440										
Hard Cost Contingency (3.0%)	10	\$424,843										\$424,843
Total Hard Costs Market Rate - Condo Market Rate - Rental Affordable Housing Retail Garage (Private)		\$10,898,404 \$0 \$2,232,203 \$387,736										
Parking-Residential Market Rate - Condo		\$1,067,940										
Subtotal	_	\$14,586,283	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,586,283
Cubicital	_	ψ14,000,200	ΨΟ	Ψ1-4,000,200								
Total Hard Costs/Condo Sales GSF Total Hard Costs/Affordable Housing GSF Total Hard Costs/Retail GSF		\$99.88 \$81.83 \$96.93										
Total Hara Good, Notali Goi		ψου.σο										
Soft Costs												
Architectural & Engineering	11	\$583,451										\$583,451
A&E Reimburseables	12	\$58,345										
Consultants & Legal Counsel		\$110,000										
Performance Bond	13	\$123,983										\$123,983
Insurance	14	\$0										\$0
Marketing		\$43,759										\$43,759
Materials Testing & Inspection		\$21,879										\$21,879
Soil Analysis		\$10,000										

Initial Leasing Commissions (Retail)	15	\$4,317	\$484	\$242	\$250	\$257	\$15	\$0	\$0	\$0	\$0	\$5,565
Town Fees												
Public Art (1%)		\$145,863										
Permit Fee		\$19,033										
Impact Fee	16	\$0										
Plumbing Fees	17	\$1,308										
Mechanical Fees		\$150										
Electrical Fees	18	\$0										
Development Review Fees	19	\$15,454										
Site Plan Review	20	\$25,568										
Traffic Impact Study Fee	21	\$15,000										
Water Service Availability Fee	22	\$20,025										
Resd. Sewer Availability Fee	23	\$1,617										
Non-Resd. Sewer Availability Fee	24	\$25,678										
Soft Cost Contingency (3%)		\$36,763										\$36,763
Total Soft Costs		\$1,262,194	\$484	\$242	\$250	\$257	\$15	\$0	\$0	\$0	\$0	\$1,263,442
Total Hard and Soft Development Costs	5											
Residential												
Market Rate - Condo		\$11,603,124										
Market Rate - Rental		\$0										
Affordable Housing		\$2,408,383										
Retail		\$413,569										
Garage (Private)												
Parking-Residential												
Market Rate - Condo		\$1,338,668										
Market Rate - Rental		\$0										
Affordable Housing-Ownership		\$68,199										
Parking-Residential Storage		, ,										
Market Rate - Condo		\$0										
Market Rate - Rental		\$0										
Affordable Housing-Ownership		\$0										
Parking-Retail		\$16,533										
Garage (Public)												
TCH Garage Replacement Spaces		\$0										
Total:		\$15,848,477	\$484	\$242	\$250	\$257	\$15	\$0	\$0	\$0	\$0	\$15,849,725
		, · - , - · - , · · ·	T		7	T	T	T-	**	T-	T-	, , ,

Indirect Costs Development Fee Developer Project Overhead Title Insurance Debt Service Reserve Fund Total:	25 26 26 28	\$554,740 \$118,873 \$15,850 \$0 \$689,463
Equity and Debt Placement Fees Market Rate Condos & Parking Equity Placement Fee: Debt Placement Fee:		\$141,484 \$165,064
Affordable Housing & Parking Equity Placement Fee		\$9,135
Retail & Retail Parking Equity Placement Fee: Debt Placement Fee:		\$4,759 \$5,552
Interest During Construction (Public and Private)	29	\$716,541
Total Development Cost Residential	30	Ψ σ,σ
Market Rate - Condo Market Rate - Rental Affordable Housing Retail Total:	_	\$14,426,912 \$0 \$2,669,306 \$484,257 \$17,580,475
Total Dev. Cost per Market-Rate Condo Unit Total Dev. Cost per Market-Affordable Unit Total Development Cost/Condo GSF Total Development Cost/Affordable GSF Total Development Cost/Retail GSF Cost Per Above-Grade Parking Space Total Development Cost/Garage GSF	t	\$165,446 \$122,445 \$132.21 \$97.85 \$121.06 \$20,220 \$63.19

- 1 Land Area as 1.2 Acres.
- 2 Assume that Private Parking will be controlled by the Private Partner, including Finance, Development, Construction & Operations
- 3 Assume TCH does not want to finance and develop surplus parking.
- 4 Land Valuation is assumed at \$25.00 per buildable SF (Pickett-Sprouse 10/26/04)
- 5 Land Valuation using a 2.5% discount rate for 30 years, and 9% Land Lease Payment.
- 6 Assume MR Condos are 83% of the const. estimate provided by McDonald York. Cost or Open Space is allocated to Cost.
- 7 Assume Aff. Housing Condos are 17% of the const. estimate provided by McDonald York. Cost for Open Space is allocated to Cost.
- 8 Assume cost for Open Space is allocated in the construction estimate from McDonald-York.
- 9 \$42.16/SF per McDonald-York revised estimate on 9-10-04. (removed surplus parking cost)
- 10 The Hard Cost Contingency is 3.0% of the Building Costs.
- 11 The A&E Fee is 4.0% of Total Hard Construction Cost.
- 12 A&E Reimburseables cost covers costs such as reproduction of Construction Documents.
- 13 Performance Bonds are a surety company's guarantee of completion or performance of a General Contractor's contract.
- 14 Insurance is included in the McDonald-York estimate.
- 15 Initial Leasing Commission are accrued in years 1-3 for the Retail component only.
- 16 Waived for Town permits?
- 17 Inside Town limits: \$6 per fixture, assume 2 fixtures per unit.
- 18 TBD-Fee is based on meter/amps.
- 19 All Master Land Use Plans- \$5,000 plus \$20 per 100sf of land area.
- 20 Site Plan Review Fee: \$1,700 plus \$17 per 100sf of floor area.
- 21 Town Charges \$10-\$20k per site for a Consultant to complete a Traffic Impact Study.
- 22 Non-Residential Water service availability fee: \$20,025. (Assume 2" meter)
- 23 Residential Sewer Service Availability Fee: \$1,617 (5/8" meter multi-family residential)
- 24 Non-Residential Sewer availability fee: \$2,568.00. (Assume 2" meter)
- 25 This Development fee is 3.50% of the Total Development Budget for Residential/Retail/Garage.
- 26 Developer Project Overhead is .75% of the Total Development Budget.
- 27 Assume fee of \$1.00 per \$1,000, plus binder fee.
- 28 DSRF is a fund for 6-months of Debt Service on permanent loan. (Private Partners option to include)
- 29 This is the sum of varying Interest Rates, Terms, and Financing Instruments per project type.
- 30 Total Cost for Project Components including Garage Costs (where applicable)

Condominium Sales Proforma (Market-Rate)

General Inputs Building value (Market Rate Only) 1 Land Lease Payout Total Value Construction (years):	alue (Market Rate Only) 1 \$13,474,624 te Payout \$3,887,060 te \$17,361,684		Financial Input LTV: Equity Beginning Loa Ending Loan A Interest Rate Term Quarterly Payr	n Amount Amount	70% \$5,208,505 \$12,153,179 \$13,193,897 7.00% 30 \$242,566		\$225,248 \$180.00 87 2 \$19,641,600 \$275,797		
Month	Jan-09 0	Feb-09 1	Mar-09 2	Apr-09	May-09 4	Jun-09 5	Jul-09 6	Aug-09 7	Sep-09 8
Income		4	4	4	4	4	4	4	4
Residential 2 Market Rate Condo Home Sales Garage Parking Sales 3		900,991 202,196	900,991 202,196	900,991 202,196	900,991 202,196	900,991 202,196	900,991 202,196	900,991 202,196	900,991 202,196
Cash Flow Before Financing		\$1,103,187	\$1,103,187	\$1,103,187	\$1,103,187	\$1,103,187	\$1,103,187	\$1,103,187	\$1,103,187
Interest Calculation During Construction	on \$5,208,505								
Loan Draw Balance with Interest Interest	φ5,200,505								
Principle Cumulative Balance	\$13,193,897	\$12,644,151	\$12,094,406	\$11,544,660	\$10,994,914	\$10,445,169	\$9,895,423	\$9,345,677	\$8,795,931
Interest Principal Reduction		\$76,964 \$549,746	\$73,758 \$549,746	\$70,551 \$549,746	\$67,344 \$549,746	\$64,137 \$549,746	\$60,930 \$549,746	\$57,723 \$549,746	\$54,516 \$549,746
Debt Service Loan Payoff		\$626,710	\$623,503	\$620,296	\$617,090	\$613,883	\$610,676	\$607,469	\$604,262
Cash Flow After Financing	(\$5,208,505)	\$476,477	\$479,684	\$482,890	\$486,097	\$489,304	\$492,511	\$495,718	\$498,925
Profit Sale Payment to TCH 4 Net Profit Return on Equity	\$1,677,722 \$335,544 \$1,342,177 25.77%	20%							

¹ Building value is the ratio of SF to total building cost as estimated by McDonald-York

² Assume that the Residents will have an annual association fee covering Exterior maintenance, Insurance, Trash pickup, and Basic Cable.

³ Garage Parking Sales: Cost per underground space, \$20,220 and HKS reccomendation of 1.5 spaces per DU and 1 Storage space per DU (Only

^{4 20%} of the Profits will goto the Town at Sale. The Land Lease Payment made to the town is in month 1 from Equity Funding.

Oct-09 9	Nov-09 10	Dec-09 11	Jan-10 12	Feb-10 13	Mar-10 14	Apr-10 15	May-10 16	Jun-10 17	Jul-10 18	Aug-10 19	Sep-10 20	Oct-10 21	Nov-10 22	Dec-10 23	Jan-11 24
4	4	4	4	4	4	4	4	4	4	4	3	3	3	3	2
818,400 0	736,560 0	675,743 0	675,743 0	675,743 0	450,495 0										
\$818,400	\$818,400	\$818,400	\$818,400	\$818,400	\$818,400	\$818,400	\$818,400	\$818,400	\$818,400	\$818,400	\$736,560	\$675,743	\$675,743	\$675,743	\$450,495
\$8,246,186	\$7,696,440	\$7,146,694	\$6,596,949	\$6,047,203	\$5,497,457	\$4,947,711	\$4,397,966	\$3,848,220	\$3,298,474	\$2,748,729	\$2,198,983	\$1,649,237	\$1,099,491	\$549,746	(\$0)
\$51,310	\$48,103	\$44,896	\$41,689	\$38,482	\$35,275	\$32,068	\$28,862	\$25,655	\$22,448	\$19,241	\$16,034	\$12,827	\$9,621	\$6,414	\$3,207
\$549,746	\$549,746	\$549,746	\$549,746	\$549,746	\$549,746	\$549,746	\$549,746	\$549,746	\$549,746	\$549,746	\$549,746	\$549,746	\$549,746	\$549,746	\$549,746
\$601,055	\$597,848	\$594,642	\$591,435	\$588,228	\$585,021	\$581,814	\$578,607	\$575,401	\$572,194	\$568,987	\$565,780	\$562,573	\$559,366	\$556,159	\$552,953
\$217,345	\$220,552	\$223,758	\$226,965	\$230,172	\$233,379	\$236,586	\$239,793	\$242,999	\$246,206	\$249,413	\$170,780	\$113,170	\$116,377	\$119,584	(\$102,457)

sells 80 spaces).

Condominium Construction Loan (Market Rate)

Construction Period:	18 mos
Sellout:	24 mos

Land Costs: (1)	\$3,887,060
Building Costs:	\$13,474,624
Total Costs:	\$17,361,684

LTV:	70%
Interest Rate:	7.00%
Debt	\$12,153,179
Equity:	\$5,208,505

	Date	Construction Cost	Loan Fees (2)	Equity	Loan Draw	Interest	Total Outstanding
		\$17,361,684	\$394,978	\$5,208,505	\$12,548,157	\$645,740	\$13,193,897
1	Aug-07	\$4,635,650	\$394,978	\$5,030,628	\$0	\$0	\$0
2	Sep-07	\$748,590		\$177,877	\$570,713	\$3,329	\$574,043
3	Oct-07	\$748,590		\$0	\$748,590	\$4,367	\$1,327,000
4	Nov-07	\$748,590		\$0	\$748,590	\$4,367	\$2,079,957
5	Dec-07	\$748,590		\$0	\$748,590	\$4,367	\$2,832,914
6	Jan-08	\$748,590		\$0	\$748,590	\$20,892	\$3,602,396
7	Feb-08	\$748,590		\$0	\$748,590	\$25,381	\$4,376,367
8	Mar-08	\$748,590		\$0	\$748,590	\$29,896	\$5,154,853
9	Apr-08	\$748,590		\$0	\$748,590	\$34,437	\$5,937,880
10	May-08	\$748,590			\$748,590	\$39,004	\$6,725,474
11	Jun-08	\$748,590			\$748,590	\$43,599	\$7,517,663
12	Jul-08	\$748,590			\$748,590	\$48,220	\$8,314,473
13	Aug-08	\$748,590			\$748,590	\$52,868	\$9,115,931
14	Sep-08	\$748,590			\$748,590	\$57,543	\$9,922,065
15	Oct-08	\$748,590			\$748,590	\$62,245	\$10,732,900
16	Nov-08	\$748,590			\$748,590	\$66,975	\$11,548,466
17	Dec-08	\$748,590			\$748,590	\$71,733	\$12,368,789
18	Jan-09	\$748,590			\$748,590	\$76,518	\$13,193,897

¹ Land costs are paid in month one and are equal to the percentage of Market Rate Condo use in the building, (80%) and Garage use.

² The Loan Fees are equal to 3.50% of equity and 1.75% of debt.

Condominium Sales Proforma (Affordable Housing)

General Inputs				Financial Inp	uts			Income Factors				
Building value (Affordable Only) Land Lease Payout Grant-FHLB (AHP Grant) Total Value Construction (years):	1 2 -	2,610,072 - 300,000 2,310,072 1.5		LTV: Equity Beginning Load Ending Loan A Senior Mortga Interest Rate Term (years Junior Mortga Interest Rate Term (years Quarterly Pay	Amount ge-FNMA (79 e) ge-FNMA (25 e)	4.25% 20		Sales Price/Ui Price per SF Number of Un Sellout Period Gross Sales	\$101,361 \$81.00 22 22 \$2,209,680			
	Month	Jan-09 0	Feb-09 1	Mar-09 2	Apr-09 3	May-09 4	Jun-09 5	Jul-09 6	Aug-09 7	Sep-09 8		
Income			1	1	1	1	1	1	1	1		
Residential Affordable Condo Home Sales	3		\$101,361	\$101,361	\$101,361	\$101,361	\$101,361	\$101,361	\$101,361	\$101,361		
Garage Parking Sales	4		\$101,301		\$101,301	\$101,301	. ,	\$101,301	\$101,301	\$101,301		
Cash Flow Before Financing			\$101,361	\$101,361	\$101,361	\$101,361	\$101,361	\$101,361	\$101,361	\$101,361		
Interest Calculation During Construction												
Equity Loan Draw Balance with Interest Interest		\$231,007										
Principle Cumulative Balance		\$1,904,726	\$1,818,147	\$1,731,569	\$1,644,990	\$1,558,412	\$1,471,833	\$1,385,255	\$1,298,677	\$1,212,098		
Interest Principal Reduction Debt Service Loan Payoff			\$5,357 \$86,578 \$91,935	\$5,114 \$86,578 \$91,692	\$4,870 \$86,578 \$91,448	\$4,627 \$86,578 \$91,205	\$4,383 \$86,578 \$90,961	\$4,140 \$86,578 \$90,718		\$3,653 \$86,578 \$90,231		
Cash Flow After Financing		-\$231,007	\$9,426	\$9,669	\$9,913	\$10,156	\$10,400	\$10,643	\$10,887	\$11,130		
Net Profit Return on Equity		\$32,613 14.12%										
Footnotes												

- 1 Building value is proportionate to the percentage of Affordable housing in the building.
- 2 Land Value is absorbed by the Market Rate Condo Units at Wallace.
- 3 Assume that the Residents will have an annual association fee covering Exterior maintenance, Insurance, Trash pickup, and B
- 4 Assume that Residents will Lease required spaces, including storage spaces, from Town in Wallace Garage.

Oct-09 9	Nov-09 10	Dec-09 11	Jan-10 12	Feb-10 13	Mar-10 14	Apr-10 15	May-10 16	Jun-10 17	Jul-10 18	Aug-10 19	Sep-10 20	Oct-10 21	Nov-10 22
1	1	1	1	1	1	1	1	1	1	1	1	1	1
\$101,361 \$0		\$101,361 \$0		\$101,361 \$0	\$101,361 \$0	. ,							
\$101,361	\$101,361	\$101,361	\$101,361	\$101,361	\$101,361	\$101,361	\$101,361	\$101,361	\$101,361	\$101,361	\$101,361	\$101,361	\$101,361
\$1,125,520	\$1,038,941	\$952,363	\$865,784	\$779,206	\$692,628	\$606,049	\$519,471	\$432,892	\$346,314	\$259,735	\$173,157	\$86,578	\$0
\$3,409		\$2,922	\$2,679	\$2,435	\$2,192	\$1,948	\$1,705	. ,	\$1,218			\$487	
\$86,578 \$89,987	\$86,578 \$89,744	\$86,578 \$89,500	\$86,578 \$89,257	\$86,578 \$89,013	\$86,578 \$88,770	\$86,578 \$88,526	\$86,578 \$88,283	\$86,578 \$88,039	\$86,578 \$87,796	. ,	. ,	\$86,578 \$87,065	
\$11.374	\$11.618	\$11.861	\$12.105	\$12.348	\$12.592	\$12.835	\$13.079	\$13.322	\$13.566	\$13.809	\$14.053	\$14.296	\$14.540

sasic Cable.

Condominium Construction Loan (Affordable Housing)

Construction Period:	18 mos
Sellout:	22 mos

Land Costs: (1)	\$0
Building Costs:	\$2,610,072
Grant-FHLB (AHP Grant)	\$300,000
Total Costs:	\$2,310,072

LTV: 90	%
---------	---

Senior Loan	75%	
Interest Rate:		4.25%
Debt		\$1,559,299
Equity:		\$173,255

Junior Loan 25%	
Interest Rate:	2.50%
Debt	\$519,766
Equity:	\$57.752

Combined Construction Loan Draw

Senior and Junior Loan

	Date	Construction Cost	Loan Fees (2)	Equity (3)	Loan Draw	Interest	l otal Outstanding
		\$2,079,065	\$6,569	\$231,007	\$1,854,627	\$50,099	\$1,904,726
1	Aug-07	\$115,504	\$6,569	\$122,073	\$0	\$0	\$0
2	Sep-07	\$115,504		\$108,934	\$6,569	\$23	\$6,592
3	Oct-07	\$115,504		\$0	\$115,504	\$368	\$122,463
4	Nov-07	\$115,504		\$0	\$115,504	\$428	\$238,395
5	Dec-07	\$115,504		\$0	\$115,504	\$489	\$354,388
6	Jan-08	\$115,504		\$0	\$115,504	\$1,494	\$471,386
7	Feb-08	\$115,504		\$0	\$115,504	\$1,866	\$588,756
8	Mar-08	\$115,504		\$0	\$115,504	\$2,240	\$706,499
9	Apr-08	\$115,504		\$0	\$115,504	\$2,614	\$824,616
10	May-08	\$115,504		\$0	\$115,504	\$2,989	\$943,109
11	Jun-08	\$115,504		\$0	\$115,504	\$3,366	\$1,061,979
12	Jul-08	\$115,504			\$115,504	\$3,744	\$1,181,227
13	Aug-08	\$115,504			\$115,504	\$4,124	\$1,300,855
14	Sep-08	\$115,504			\$115,504	\$4,504	\$1,420,863
15	Oct-08	\$115,504			\$115,504	\$4,886	\$1,541,253
16	Nov-08	\$115,504			\$115,504	\$5,269	\$1,662,025
17	Dec-08	\$115,504			\$115,504	\$5,654	\$1,783,183
18	Jan-09	\$115,504			\$115,504	\$6,039	\$1,904,726

¹ Land costs are inlouded in the Building Cost because the 10% Equity amount does not equal the Land Lease Payment for Affordable Housing.

² The Loan Fees are equal to 3.50% of equity, (assume no debt fees on Federal Loans).

³ Includes the \$300,000 FHLB Grant (AHP Program) for as non-leveraged equity for Affordable Housing.

Proforma (10 years) Retail and Retail Garage Spa	aces	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Potential Gross Income Retail Garage (Retail Spaces) Total	1 2	\$84,640 \$0 \$84,640	\$87,179 \$0 \$87,179	\$89,795 \$0 \$89,795	\$92,488 \$0 \$92,488	\$95,263 \$0 \$95,263	\$98,121 \$0 \$98,121	\$101,065 \$0 \$101,065	\$104,097 \$0 \$104,097	\$107,219 \$0 \$107,219	\$110,436 \$0 \$110,436
Vacancy/Collections Loss (VCL) Vacancy Rate Effective Gross Income (EGI)	3 -	\$12,696 15% \$71,944	\$8,718 10% \$78,461	\$6,286 7% \$83,509	\$6,474 7% \$86,014	\$6,668 7% \$88,595	\$6,868 7% \$91,252	\$7,075 7% \$93,990	\$7,287 7% \$96,810	\$7,505 7% \$99,714	\$7,731 7% \$102,705
Non-Tax Income to Town Land Lease Payment (Base) Total	4 _	\$10,800 \$10,800	\$10,800 \$10,800	\$10,800 \$10,800	\$11,123 \$11,123	\$11,123 \$11,123	\$11,123 \$11,123	\$11,456 \$11,456	\$11,456 \$11,456	\$11,456 \$11,456	\$11,798 \$11,798
Building Maintenance Electrical Plumbing HVAC Roof Painting Canopies/Store Fronts Other Total	_	\$202 \$88 \$534 \$29 \$26 \$76 \$59	\$208 \$91 \$550 \$30 \$27 \$79 \$60	\$215 \$94 \$566 \$31 \$27 \$81 \$62	\$221 \$97 \$583 \$32 \$28 \$83 \$64	\$228 \$99 \$601 \$33 \$29 \$86 \$66	\$235 \$102 \$619 \$34 \$30 \$88 \$68	\$242 \$105 \$637 \$35 \$31 \$91 \$70	\$249 \$109 \$656 \$36 \$32 \$94 \$72	\$256 \$112 \$676 \$37 \$33 \$97 \$74	\$264 \$115 \$696 \$38 \$34 \$100 \$77
Exterior CAM Landscape Trash Removal Sweeping Sidewalk Maintenance Security Lighting Directory/Signs Electricity Water Other Exterior CAM Fire Monitoring Service Total	_	\$416 \$316 \$191 \$169 \$1,454 \$166 \$20 \$696 \$155 \$103 \$84	\$428 \$326 \$197 \$174 \$1,497 \$171 \$21 \$716 \$160 \$106 \$87	\$441 \$336 \$203 \$179 \$1,542 \$176 \$21 \$738 \$164 \$110 \$90 \$4,000	\$454 \$346 \$209 \$185 \$1,588 \$181 \$22 \$760 \$169 \$113 \$92	\$468 \$356 \$215 \$190 \$1,636 \$186 \$22 \$783 \$174 \$116 \$95	\$482 \$367 \$222 \$196 \$1,685 \$192 \$23 \$806 \$180 \$120 \$98	\$497 \$378 \$228 \$202 \$1,736 \$198 \$24 \$830 \$185 \$123 \$101	\$511 \$389 \$235 \$208 \$1,788 \$204 \$25 \$855 \$191 \$127 \$104	\$527 \$401 \$242 \$214 \$1,841 \$210 \$25 \$881 \$196 \$131 \$107	\$543 \$413 \$250 \$220 \$1,897 \$216 \$26 \$907 \$202 \$135 \$110 \$4,919

General & Administrative											
Management Fee	5	\$4,317	\$4,446	\$4,446	\$4,446	\$4,446	\$4,446	\$4,446	\$4,446	\$4,446	\$4,446
Leasing Commissions	6	\$0	\$0	\$0	\$0	\$0	\$250	\$273	\$281	\$289	\$298
Marketing	Ū	\$155	\$160	\$164	\$169	\$174	\$180	\$185	\$191	\$196	\$202
Property Taxes	7	\$7.782	\$7,782	\$7,782	\$8,016	\$8,016	\$8,016	\$8,256	\$8,256	\$8,256	\$8,504
Business & Occupation Tax	8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance		\$1,704	\$1,755	\$1,808	\$1,862	\$1,918	\$1,975	\$2,034	\$2,096	\$2,158	\$2,223
Other		\$70	\$73	\$75	\$77	\$79	\$82	\$84	\$87	\$89	\$92
Total	-	\$14,028	\$14,215	\$14,275	\$14,570	\$14,633	\$14,948	\$15,279	\$15,356	\$15,436	\$15,765
Town Fees											
Recycling Fee	9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Storm Water Fees	10	\$78	\$78	\$78	\$78	\$78	\$78	\$78	\$78	\$78	\$78
Water Service Fee	11	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501
Total	_	\$1,579	\$1,579	\$1,579	\$1,579	\$1,579	\$1,579	\$1,579	\$1,579	\$1,579	\$1,579
Total Operating Expenses	_	\$31,192	\$31,523	\$31,730	\$32,500	\$32,720	\$33,197	\$34,027	\$34,275	\$34,531	\$35,385
OER	=	43%	40%	38%	38%	37%	36%	36%	35%	35%	34%
Net Operating Income (NOI)		\$40,752	\$46,938	\$51,779	\$53,514	\$55,874	\$58,055	\$59,964	\$62,535	\$65,183	\$67,320
Debt Service	12	\$29,402	\$29,402	\$29,402	\$29,402	\$29,402	\$29,402	\$29,402	\$29,402	\$29,402	\$29,402
CFBTD	12	\$11,350	\$17,536	\$22,377	\$24,112	\$26,472	\$28,653	\$30,561	\$33,132	\$35,781	\$383,027
IRR Including Reversion Value	14	20.74%									
•											
Return on Cost (ROC)	15	10.69%									
Debt Coverage Ratio (DCR)		1.39	1.60	1.76	1.82	1.90					
Maximum Loan Amount (Assume 8.75% cap rate, 70% LTV)	16	\$414,229									

Footnotes

- 1 Assumed Retail lease rate in year 1 of \$23.00 per LSF. This includes a CAM Reimburseable in the LSF rate.
- 2 No Income from spaces per Retail Use. Assume Town manages and supplies the (8) spaces.
- 3 Vacancy rate for stabilized year is 7%
- 4 Lease Payment to Town is 8% of appraised value specific to the Retail portion of bldg program ONLY. (NO Ramp-up)
- 5 Management fee of 6.0% of Effective Gross Income.
- 6 Rollover Leasing Commission are paid at 5.0% of Initial Leasing Commissions for Retail space.
- 7 Property Tax is \$1.717 per \$100 of Assessed Market Value.
- 8 No Business & Occupation Tax in Chapel Hill
- 9 Recycling Fee: Basic Service(\$27/unit/yr) (Number of Retail units TBD).
- 10 \$39 per every 2,000 SF of impervious surface (based on Retail GSF only).
- 11 Assume 3" meter size at \$125.12 per month
- 12 Debt Service is calculated on the Retail Reversionary Value Worksheet.
- 14 Assume building is sold in year 10 and Town receives 20% of proceeds.
- 15 Use ROC stabilization year 3.
- 16 Required construction loan is \$338,980 compared to \$414,229 available using stabilization year: 3, cap rate: 8.75%, LTV: 70%

Reversionary Analysis Retail and Retail Garage Spaces

		Year									
		1	2	3	4	5	6	7	8	9	10
Permanent Loan: \$338,980		\$29,402	\$29,402	\$29,402	\$29,402	\$29,402	\$29,402	\$29,402	\$29,402	\$29,402	\$29,402
NOI		\$40,752	\$46,938	\$51,779	\$53,514	\$55,874	\$58,055	\$59,964	\$62,535	\$65,183	\$67,320
Reversion Cash Flow Cap Rate	8.75%	\$465,738	\$536,439	\$591,756	\$611,587	\$638,562	\$663,487	\$685,297	\$714,680	\$744,945	\$769,372
Selling Expense Fee	3%	\$13,972	\$16,093	\$17,753	\$18,348	\$19,157	\$19,905	\$20,559	\$21,440	\$22,348	\$23,081
Remaining Principal Net Proceeds Before Tax	-	, ,		<u> </u>		\$308,268 \$311,137	<u> </u>	<u> </u>	\$285,539 \$407,701		\$267,507 \$478,784
Permanent Loan											

Rate (1)	7.25%
Term	25
LTV	70%

Town's Non-Tax Income(2) 20.00% \$23,949 \$38,731 \$50,606 \$55,679 \$62,227 \$68,473 \$74,217 \$81,540 \$89,152 \$95,757

Footnotes

¹ The Int. Rate, Term and LTV, are based on Realty Rates.com Comm. Mortgage rates and terms sheet are inc 2 Town will receive 20% from Sale of Retail and Retail Garage component, assume year 10.

Income Assumptions-Garage

Income Assumptions for PRIVATE Portion:

Assume that the 80 spaces the Private Partner builds as the Wallace St. Extension are sold with the Market Rate Condominium Sales.

Income Assumptions for PUBLIC Portion:

Public Parking Operations		
# of Monthly Spaces (From Wallace Demand)	1	92
Monthly Parking Rate		\$45
Occupancy Factor	_	90%
Subtotal (Annual)		\$44,712
# of Remaining Public Spaces (upon completion)	2	228
# of Hourly Spaces	3	236
Hourly Parking Rate		\$1.60
Number of Non-work Days per year		115
Non-work Days Parking Hours		14
Non-work Day Occupancy Factor	4	75%
Subtotal	_	\$455,952
Number of workdays per year		250
Workday Parking Hours		10
Work Day Occupancy Factor		75%
Subtotal		\$708,000
Annual Income to City from Lot 5 Garage		\$1,208,664
Garage Operating Expenses	5_	65%
Net Income		\$423,032
	_	

Footnotes

- 1 Monthly Parking space demand from Wallace St. Garage is the total demand (172), minus the Deck Extension (80)
- 2 Amount of existing public parking spaces in Wallace Garage after completion. (Includes Resid, Storage, and Retail parking dema
- 3 Equals Remaining spaces plus Retail spaces (8)
- 4 Include a Vacancy factor for income assumptions for both Public and Private Components.
- 5 Assume a Operating Expense Ratio (OER). Private Garages are typically 40% of Gross Income, assume Town is 65% Expense

Town Non-Tax Income/Tax Revenue

		Year	Year	Year	Year	Year	Year	Year	Year	Year	Year
		1	2	3	4	5	6	7	8	9	10
Income To City											
Property Taxes	1										
Market Rate - Condo		\$231,359	\$231,359	\$231,359	\$238,300	\$238,300	\$238,300	\$245,449	\$245,449	\$245,449	\$252,813
Market Rate - Rental		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Affordable Housing-Ownership		\$44,815	\$44,815	\$44,815	\$46,159	\$46,159	\$46,159	\$47,544	\$47,544	\$47,544	\$48,970
Retail		\$7,782	\$7,782	\$7,782	\$8,016	\$8,016	\$8,016	\$8,256	\$8,256	\$8,256	\$8,504
Total Property Tax		\$283,956	\$283,956	\$283,956	\$292,475	\$292,475	\$292,475	\$301,249	\$301,249	\$301,249	\$310,287
Property Tax Allocations											
Orange County		\$145,534	\$145,534	\$145,534	\$149,900	\$149,900	\$149,900	\$154,397	\$154,397	\$154,397	\$159,029
Chapel Hill/Carrboro School District		\$33,076	\$33,076	\$33,076	\$34,068	\$34,068	\$34,068	\$35,090	\$35,090	\$35,090	\$36,143
Chapel Hill City Revitalization		\$95,093	\$95,093	\$95,093	\$97,946	\$97,946	\$97,946	\$100,884	\$100,884	\$100,884	\$103,911
Downtown Revitalization District		\$10,254	\$10,254	\$10,254	\$10,561	\$10,561	\$10,561	\$10,878	\$10,878	\$10,878	\$11,204
Property Tax Income Available	_	\$105,347	\$105,347	\$105,347	\$108,507	\$108,507	\$108,507	\$111,762	\$111,762	\$111,762	\$115,115
Non-Tax Income											
Land Lease Payment (Condo Units & Garage)	2	\$3,108,331									
Town Sale Proceeds (year 4)	3	*-,,			\$335,544						
Land Lease Payment (Affordable Units & Garage)		\$778,729			, ,						
Land Lease Payment (Retail Component)	4	\$10,800	\$10,800	\$10,800	\$11,123	\$11,123	\$11,123	\$11,456	\$11,456	\$11,456	\$11,798
Potential Retail Component Sale Income	5	. ,	, ,	, ,	, ,	. ,	. ,	. ,	, ,		\$95,757
Parking Income		\$423,032	\$427,263	\$431,535	\$435,851	\$440,209	\$444,611	\$449,057	\$453,548	\$458,083	\$462,664
Total Non-Tax Income		\$4,320,892	\$438,063	\$442,335	\$782,518	\$451,332	\$455,734	\$460,513	\$465,004	\$469,539	\$570,219
Total Income to TCH from Wallace	_	\$4,426,239	\$543,410	\$547,682	\$891,025	\$559,839	\$564,241	\$572,275	\$576,766	\$581,301	\$685,334

Footnotes

1 \$1.717 per \$100 of Assessed Value

0.88000 Orange County

0.20000 Chapel Hill/Carrboro School District0.57500 Chapel Hill City Revitalization

0.06200 Downtown Revitalization District

\$1.71700 Total Property Tax:

This includes the cost of the Garage in each Use Type. Property Taxes increase 3% every 3 years.

- 2 Land Lease Payment for Developer to build Condo Units and required parking on Wallace.
- 3 Town will receive 20% of sale proceeds upon sellout of the Market-Rate Condos.
- 4 Retail Base Rent is increased every 3 yr by the 2004 CPI at 2.99%. (Land lease payment (base rent) would continue after sale).
- 5 This assumes a possible sale of the Retail and Retail Garage Component in Year 10.
- 6 Wallace Deck is currently operating in a deficit, so the revenue above debt service is the opportunity cost.



Lot 2 Development (Phase 2A)



Finance Model **Downtown Chapel Hill Projects**

Town of Chapel Hill, North Carolina

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Town Non-Tax Income/Tax Revenue	18-19



Stainback Public/Private Real Estate (SPPRE)

www.sppre.com

	Type of Use		Gross SF	Units	Efficiency	Lease SF	Sales SF
Lot 2	Residential						
	Market Rate - Condo		67,840	54	1.00		67,840
	Market Rate - Rental		-	-	0.92	-	-
	Affordable Housing-Ownership	1	16,960	14	1.00		16,960
	Retail		20,100	-	0.92	18,492	
	Open Space		14,600	-	-	-	
	Subtotal		119,500	68		18,492	84,800
	Transit Transfer Center		43,560				
	Total GSF		164,300				
	Parking Space/SF		320				
	Average SF per Residential Unit		1,247				
	Footnotes						
		1	Allocation of 2	20% to Af	fordable Housir	ng.	

Development Budget												
,	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	<u>Total</u>	
Site/Building Data												
Total Gross Land Area	1 \$42,000											
Gross Areas (GSF)												
Market Rate - Condo	\$67,840											
Market Rate - Rental	\$0											
Affordable Housing	\$16,960											
Retail	\$20,100											
Subtotal	\$104,900											
Private Partner's Parking GSF	\$44,800											
Parking Spaces	\$140											
Public Partner's Parking GSF	\$0											
Parking Spaces	\$0											
Sales Area (GSF)												
Market Rate - Condo	\$67,840											
Affordable Housing	\$16,960											
Subtotal	\$84,800											
Leaseable Areas (LSF)												
Market Rate - Rental	\$0											
Retail	\$18,492											
Subtotal	\$18,492											

Analytical Consultants Valuation	\$1,600,000											
Pickett-Sprouse Valuation	\$3,147,000											
Median Land Valuation	2 \$2,373,500											
Land Valuation	3 \$2,629,223											
Building Costs												
Residential												
Market Rate - Condo	4 \$6,957,663											
Market Rate - Rental	\$0											
Affordable Housing	5 \$1,425,064											
Retail	6 \$1,964,542											
Retail TI Allowance	\$443,808											
Subtotal	\$10,791,077											
Hard Cost Contingency (3.0%)	7 \$323,732											
Total Hard Costs												
Market Rate - Condo	\$7,166,393											
Market Rate - Rental	\$0											
Affordable Housing	\$1,467,815											
Retail	\$2,480,601											
Subtotal	\$11,114,809	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,114,809	
Total Hard Costs/Condo Sales GSF	\$106											
Total Hard Costs/Affordable Housing GSF	\$87											
Total Hard Costs/Retail GSF	\$123											

i Utai.	\$12,14	2,990	ಫ∠,ɔɔ /	⊅1,∠/ 1	Ф1,309	Ф1,349	\$11	ΦU	ΦU	φU	ΦU	⊅12,149,339	
Total:			\$2,537	\$1,271	\$1,309	\$1,349	\$77	\$0	\$0	\$0	¢Ω	\$12,149,539	
Affordable Housing Retail		7,612											
Market Rate - Rental	64.00												
Market Rate - Condo	\$7,83	\$1,333											
Residential Condo	¢7.00	14 222											
Total Hard and Soft Development Costs													
Catal Hand and Caft Davidammant Contr													
Total Soft Costs	\$1,02	8,186	\$2,537	\$1,271	\$1,309	\$1,349	\$77	\$0	\$0	\$0	\$0	\$1,034,730	
Soft Cost Contingency (3%)	\$2	9,947										\$29,947	
Non-Resd. Sewer Availability Fee		25,678											
Resd. Sewer Availability Fee	20 \$	1,617											
Water Service Availability Fee		0,025											
Traffic Impact Study Fee		5,000											
Site Plan Review	17 \$1	9,533											
Development Review Fees	16 \$1	3,400											
Electrical Fees	15	\$0											
Mechanical Fees		\$150											
Plumbing Fees	14	\$816											
Impact Fee	13	\$0											
Permit Fee		4,694											
Public Art (1%)	\$11	1,148											
Town Fees													
Initial Leasing Commissions (Retail)	12 \$2	2,634	\$2,537	\$1,271	\$1,309	\$1,349	\$77	\$0	\$0	\$0	\$0	\$29,178	
Soil Analysis		0,000											
Materials Testing & Inspection		6,672										\$16,672	
Marketing	\$3	3,344										\$33,344	
Insurance	11	\$0										\$0	
Performance Bond		4,476										\$94,476	
Consultants & Legal Counsel		0,000											
A&E Reimburseables		4,459										Ψ,σσ2	
Architectural & Engineering	8 \$44	4,592										\$444,592	

Indirect Costs								
Development Fee	22 \$425,234							
Developer Project Overhead	23 \$91,122							
Title Insurance	24 \$12,150							
Debt Service Reserve Fund	25 \$0							
Total:	\$528,505							
Equity and Debt Placement Fees								
Market Rate Condos & Parking								
Equity Placement Fee:	\$286,059							
Debt Placement Fee:	\$143,030							
Affordable Housing & Parking								
Equity Placement Fee	\$60,182							
Retail & Retail Parking								
Equity Placement Fee:	\$97,261							
Debt Placement Fee:	\$48,630							
Interest During Construction								
(Public and Private)	26 \$522,637							
Total Development Cost								
Residential								
Market Rate - Condo	\$8,953,582							
Market Rate - Rental	\$0							
Affordable Housing	\$1,824,021							
Retail	\$3,051,696							
Total:	\$13,829,300							
Total Dev. Cost per Market-Rate Condo Unit								
Total Dev. Cost per Market-Affordable Unit	\$134,119							
Total Development Cost/Condo GSF	\$132							
Total Development Cost/Affordable GSF	\$108							
Total Development Cost/Retail GSF	\$152							
Total Development Cost:				-	-			
Public Partner-Transit Transfer Center	0 \$2,141,037							

Footnotes		
	1 Land Area as 1.1 Acres.	
	2 Source of appraised value: Analytical Consultants Inc. (July 22, 2004 Report). SPPRE has increased the price by 3000%	
	3 Assume a discount rate of 2.5% on the estimated Land Lease payments at 9% of appraised value.	
	4 Assume MR Condos are 83% of the const. estimate provided by McDonald York. Cost for Open Space is allocated to Cost.	
	5 Assume Aff. Housing Condos are 17% of the const. estimate provided by McDonald York. Cost for Open Space is allocated to Co	st.
	6 Assume cost for Open Space is allocated in the construction estimate from McDonald-York.	
	7 The Hard Cost Contingency is 3.0% of the Building Costs.	
	8 The A&E Fee is 4.0% of Total Hard Construction Cost.	
	9 A&E Reimburseables cost covers costs such as reproduction of Construction Documents.	
	10 Performance Bonds are a surety company's guarantee of completion or performance of a General Contractor's contract.	
	11 Insurance is included in the McDonald-York estimate.	
	12 Initial Leasing Commission are accrued in years 1-3 for the Retail component only.	
	13 Waived for Town permits?	
	14 Inside Town limits: \$6 per fixture, assume 2 fixtures per unit.	
	15 TBD-Fee is based on meter/amps.	
	16 All Master Land Use Plans- \$5,000 plus \$20 per 100sf of land area.	
	17 Site Plan Review Fee: \$1,700 plus \$17 per 100sf of floor area.	
	18 Town Charges \$10-\$20k per site for a Consultant to complete a Traffic Impact Study.	
	19 Non-Residential Water service availability fee: \$20,025. (Assume 2" meter)	
	20 Residential Sewer Service Availability Fee: \$1,617 (5/8" meter multi-family residential)	
	21 Non-Residential Sewer availability fee: \$2,568.00. (Assume 2" meter)	
	22 This Development fee is 3.50% of the Total Development Budget for Residential/Retail/Garage.	
	23 Developer Project Overhead is .75% of the Total Development Budget.	
	24 Assume fee of \$1.00 per \$1,000, plus binder fee.	
	25 DSRF is a fund for 6-months of Debt Service on permanent loan. (Private Partners option to include)	
	26 This is the sum of varying Interest Rates, Terms, and Financing Instruments per project type.	

orn	na (Markot-Pa	to)								
OH	ia (iviai ket-ka	ite)								
			Financial Inpu	uts			Income Facto	ors		
1	\$8,173,123		LTV:		70%		Sales Price/U	Jnit	\$224,471	
					\$2,962,041		Price per SF		\$180.00	
				an Amount					54	
							Sellout Perio	d (years)	2	
							Gross Sales	,	\$12,211,200	
			Term		30				. , ,	
			Quarterly Pay	/ment	\$137,946					
	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	Mav-12	Jun-12
onth	0	1	2	3	4	5	6	7	8	9
				-						
		3	3	3	2	2	2	2	2	2
2		-								
es		\$673,412	\$673,412	\$673,412	\$448,941	\$448,941	\$448,941	\$448,941	\$448,941	\$508,800
3				\$0	\$0			\$0	\$0	
		\$673,412	\$673,412	\$673,412	\$448,941	\$448,941	\$448,941	\$448,941	\$448,941	\$508,800
uctio	n									
	\$2,962,041									
	\$7,487,421	\$7,175,446	\$6,863,470	\$6,551,494	\$6,239,518	\$5,927,542	\$5,615,566	\$5,303,590	\$4,991,614	\$4,679,638
		\$43,677	\$41,857	\$40,037	\$38,217	\$36,397	\$34,577	\$32,757	\$30,938	\$29,118
		\$311,976		\$311,976	\$311,976	\$311,976	\$311,976	\$311,976	\$311,976	
		\$355,653	\$353,833	\$352,013	\$350,193	\$348,373	\$346,553	\$344,733	\$342,914	\$341,094
	-\$2,962,041	\$317,759	\$319,579	\$321,399	\$98,748	\$100,568	\$102,388	\$104,208	\$106,028	\$167,706
	\$1.111.027									
4		20%								
		2070								
	00.0170									
1	Building value is t	he ratio of SE	to total buildi	ng cost as esti	mated by McD	onald-York				
							enance. Insur	ance. Trash i	oickup, and Bas	sic Cable.
									z.cap, and bac	500.0.
_	. aiiig Opadoo ii	20 100000								
	1 2 es 3 uctio	1 \$8,173,123 \$1,700,348 \$9,873,470 1.5 Sep-11 onth 0 2 es 3 3 suction \$2,962,041 \$7,487,421 \$7,487,421 \$1,111,027 4 \$222,205 \$888,821 30.01% 1 Building value is t 2 Assume that the f	\$1,700,348 \$9,873,470 1.5 Sep-11 Oct-11 onth 0 1 32 es \$673,412 3 \$673,412 uction \$2,962,041 \$7,487,421 \$7,175,446 \$43,677 \$311,976 \$355,653 -\$2,962,041 \$317,759 \$1,111,027 4 \$222,205 20% \$888,821 30.01% 1 Building value is the ratio of SF 2 Assume that the Residents will	Financial Inpu \$8,173,123	Financial Inputs 1 \$8,173,123	Financial Inputs	Financial Inputs 1 \$8.173,123	Sep-11	Financial Inputs Financial Inputs Financial Inputs Income Factors Sales Price/Unit \$1,700,348 \$9,873,470 Beginning Loan Amount \$6,911,429 Number of Units Seliout Perice per SF Ending Loan Amount \$7,487,421 Seliout Perice (years) Interest Rate Tom 30 Quarterly Payment \$137,946 Sep-11 Oct-11 Nov-11 Dec-11 Jan-12 Feb-12 Mar-12 Apr-12 Apr-12 Apr-12 Seps \$673,412 \$673,41	Financial Inputs

Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13
10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
\$508,800	\$508,800	\$508,800	\$508,800	\$508,800	\$508,800	\$508,800	\$508,800	\$508,800	\$508,800	\$448,941	\$448,941	\$448,941	\$448,941	\$448,941
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$0	\$0
\$508,800	\$508,800	\$508,800	\$508,800	\$508,800	\$508,800	\$508,800	\$508,800	\$508,800	\$508,800	\$448,941	\$448,941	\$448,941	\$448,941	\$448,941
* 4 007 000	* 4 055 007	00 740 744	A 0.404.705	00 110 750	A 0.007.700	#0.405.007	Φ0.400.004	A4 074 055	#4.550.070	1 4 0 4 7 00 4	#	#	\$0.14.070	00
\$4,367,662	\$4,055,687	\$3,743,711	\$3,431,735	\$3,119,759	\$2,807,783	\$2,495,807	\$2,183,831	\$1,871,855	\$1,559,879	\$1,247,904	\$935,928	\$623,952	\$311,976	\$0
\$27,298	\$25,478	\$23,658	\$21,838	\$20,018	\$18,199	\$16,379	\$14,559	\$12,739	\$10,919	\$9,099	\$7,279	\$5,460	\$3,640	\$1,820
\$311,976		\$311,976	\$311,976			\$311,976		\$311,976	\$311,976			\$311,976		
\$339,274	\$337,454	\$335,634	\$333,814	\$331,994	\$330,174	\$328,355	\$326,535	\$324,715	\$322,895	\$321,075	\$319,255	\$317,435	\$315,616	\$313,796
* 100 - 500	* 1 = 1 = 1 =	A .=aaa	^	4.70.000	*	0.00.1.5	^	^	A	^	A	* • • • • • • • • • • • • • • • • • • •	* * * * * * * * * * * * * * * * * * *	* • • • • • • • • • • • • • • • • • • •
\$169,526	\$171,346	\$173,166	\$174,986	\$176,806	\$178,626	\$180,445	\$182,265	\$184,085	\$185,905	\$127,866	\$129,686	\$131,506	\$133,326	\$135,145
				_										-

Construction Period	:	18	mos								
Sellout:	1		mos								
ocilout.		27	11100								
and Costs: (1)		\$1,700,348									
Building Costs:		\$8,173,123									
otal Costs:		\$9,873,470									
otal Costs.	1	ψ9,073,470									
TV:		70%									
terest Rate:		7.00%									
ebt		\$6,911,429									
quity:		\$2,962,041									
	Date	Construction Cost	Loan Fees (2)	Equity	Loan Draw	Interest	Total Outstanding				
	Date	\$9,873,470	\$224,621	\$2,962,041	\$7,136,051	\$351,371	\$7,487,421				
1	Apr-10		\$224,621	\$2,379,031	\$0	\$0	\$0				
	May-10		Ψ22-1,02 1	\$454,062	\$0	\$0	\$0				
	Jun-10			\$128,947	\$325,115	\$1,897	\$327,012				
				\$0	\$454,062	\$2,649	\$783,723				
5	Aug-10			\$0	\$454,062	\$2,649	\$1,240,434				
	Sep-10			\$0	\$454,062	\$9,885	\$1,704,381				
7				\$0	\$454,062	\$12,591	\$2,171,034				
8	Nov-10	\$454,062		\$0	\$454,062	\$15,313	\$2,640,409				
9	Dec-10			\$0	\$454,062	\$18,051	\$3,112,523				
10		\$454,062		-	\$454,062	\$20,805	\$3,587,390				
11	Feb-11	\$454,062			\$454,062	\$23,575	\$4,065,028				
12	Mar-11	\$454,062			\$454,062	\$26,361	\$4,545,452				
13	Apr-11	\$454,062			\$454,062	\$29,164	\$5,028,678				
14	May-11	\$454,062			\$454,062	\$31,983	\$5,514,723				
15	Jun-11	\$454,062			\$454,062	\$34,818	\$6,003,603				
16	Jul-11	\$454,062			\$454,062	\$37,670	\$6,495,335				
17	Aug-11	\$454,062			\$454,062	\$40,538	\$6,989,936				
	Sep-11	\$454,062			\$454,062	\$43,423	\$7,487,421				
ootnotes		1 1 1		I Daniela and d	handard and			de Dete O		0 - 1 - 1 - 2	(0.00()
		Land costs are included The Loan Fees are				e equal to the	e percentage of Ma	rket Rate Co	ondo use in	tne building	j, (80%).

2	\$1,719,498 \$425,087 \$100,000 \$2,044,585		Financial Input LTV: Equity	s	0001		Income Facto	rs	
2	\$425,087 \$100,000 \$2,044,585		LTV:		0001			. •	
2	\$425,087 \$100,000 \$2,044,585				90%		Sales Price/Ur	nit	\$89,788
	\$100,000 \$2,044,585		Edully		\$204,458		Price per SF		\$72.00
	\$2,044,585		Beginning Loan	Amount	\$2,044,585		Number of Uni	ts	14
			Ending Loan An		\$1,685,823		Sellout Period		22
	1.5			e-FNMA (75% of del			Gross Sales	()	1,221,120
			Interest Rate	,	4.25%				
			Term (years)		20				
				FNMA (25% of deb	ot)				
			Interest Rate	,	2.50%				
			Term (years)		25				
			Quarterly Paym	ent	\$35,366				
			, ,						
	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12
onth	0	1	2	3	4	5	6	7	8
	·	1	1	1	1	1	1	1	1
3									
		\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788
4		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788
	\$204,458								
	\$1,685,823	\$1,609,195	\$1,532,567	\$1,455,938	\$1,379,310	\$1,302,682	\$1,226,053	\$1,149,425	\$1,072,797
		\$4,741	\$4,526	\$4,310	\$4,095	\$3,879	\$3,664	\$3,448	\$3,233
		\$76,628	\$76,628	\$76,628	\$76,628	\$76,628	\$76,628	\$76,628	\$76,628
		\$81,370	\$81,154	\$80,939	\$80,723	\$80,508	\$80,292	\$80,077	\$79,861
	(\$204,458)	\$8,419	\$8,634	\$8,850	\$9,065	\$9,281	\$9,496	\$9,712	\$9,927
	\$30.534								
	14.5576								
1 R	uilding value is	proportionate	to the percentag	e of Affordable bous	ing in the buildin	a			
							ırance Trash r	oickup and Ras	sic Cable
								nonap, and bas	no Gubio.
	1 B 2 L 3 A	\$204,458 \$1,685,823 \$1,685,823 (\$204,458) \$30,534 14.93% 1 Building value is the 2 Land Value is the 3 Assume that the	Same that the Residents will Same that the Residents Same that the R	Junior Mortgage Interest Rate Term (years) Quarterly Paym	Junior Mortgage-FNMA (25% of deb Interest Rate Term (years) Quarterly Payment Sep-11	Junior Mortgage-FNMA (25% of debt) Interest Rate 2.50% Term (years) 25	Junior Mortgage-FNMA (25% of debt) Interest Rate	Junior Mortgage-FNMA (25% of debt) Interest Rate 2.50% Term (years) 25 Quarterly Payment \$35,366	Junior Mortgage-FNMA (25% of debt) Interest Rate 2.50% Term (years) 25

Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13
9	10	11	12	13	14	15	16	17	18	19	20	21	22
	1 1	1	1	1	1	1	1	1	1	1	1	1	1
\$89,		\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788				\$89,788		\$89,788
	\$0 \$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
#00.700													
WXU /XX	\$80,788	\$80,788	\$80.788	\$80.788	\$20,722	\$80,788	\$80 788	\$20 722	\$20 722	\$20 722	\$20 722	\$80 788	\$80 788
\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788
\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788
\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788
\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788
\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788	\$89,788
\$996,			\$89,788 \$766,283	\$89,788	\$89,788	\$89,788			\$89,788 \$306,513				\$89,788
\$996,	\$919,540	\$842,912	\$766,283	\$689,655	\$613,027	\$536,398	\$459,770	\$383,142	\$306,513	\$229,885	\$153,257	\$76,628	\$0
\$996, \$3,	168 \$919,540 017 \$2,802	\$842,912 \$2,586	\$766,283 \$2,371	\$689,655 \$2,155	\$613,027 \$1,940	\$536,398 \$1,724	\$459,770 \$1,509	\$383,142 \$1,293	\$306,513 \$1,078	\$229,885	\$153,257 \$647	\$76,628 \$431	\$0 \$216
\$996, \$3, \$76,	\$2,802 \$28 \$76,628	\$842,912 \$2,586 \$76,628	\$766,283 \$2,371 \$76,628	\$689,655 \$2,155 \$76,628	\$613,027 \$1,940 \$76,628	\$536,398 \$1,724 \$76,628	\$459,770 \$1,509 \$76,628	\$383,142 \$1,293 \$76,628	\$306,513 \$1,078 \$76,628	\$229,885 \$862 \$76,628	\$153,257 \$647 \$76,628	\$76,628 \$431 \$76,628	\$0 \$216 \$76,628
\$996, \$3,	\$2,802 \$28 \$76,628	\$842,912 \$2,586	\$766,283 \$2,371	\$689,655 \$2,155	\$613,027 \$1,940	\$536,398 \$1,724	\$459,770 \$1,509	\$383,142 \$1,293 \$76,628	\$306,513 \$1,078 \$76,628	\$229,885 \$862 \$76,628	\$153,257 \$647 \$76,628	\$76,628 \$431 \$76,628	\$0 \$216
\$996, \$3, \$76,	\$2,802 \$28 \$76,628	\$842,912 \$2,586 \$76,628	\$766,283 \$2,371 \$76,628	\$689,655 \$2,155 \$76,628	\$613,027 \$1,940 \$76,628	\$536,398 \$1,724 \$76,628	\$459,770 \$1,509 \$76,628	\$383,142 \$1,293 \$76,628	\$306,513 \$1,078 \$76,628	\$229,885 \$862 \$76,628	\$153,257 \$647 \$76,628	\$76,628 \$431 \$76,628	\$0 \$216 \$76,628
\$996, \$3, \$76,	\$168 \$919,540 1017 \$2,802 528 \$76,628 546 \$79,430	\$842,912 \$2,586 \$76,628	\$766,283 \$2,371 \$76,628	\$689,655 \$2,155 \$76,628	\$613,027 \$1,940 \$76,628	\$536,398 \$1,724 \$76,628	\$459,770 \$1,509 \$76,628	\$383,142 \$1,293 \$76,628	\$306,513 \$1,078 \$76,628	\$229,885 \$862 \$76,628	\$153,257 \$647 \$76,628	\$76,628 \$431 \$76,628	\$0 \$216 \$76,628
\$996, \$3, \$76, \$79,	\$168 \$919,540 1017 \$2,802 528 \$76,628 546 \$79,430	\$842,912 \$2,586 \$76,628 \$79,215	\$766,283 \$2,371 \$76,628 \$78,999	\$689,655 \$2,155 \$76,628 \$78,784	\$613,027 \$1,940 \$76,628 \$78,568	\$536,398 \$1,724 \$76,628 \$78,352	\$459,770 \$1,509 \$76,628 \$78,137	\$383,142 \$1,293 \$76,628 \$77,921	\$306,513 \$1,078 \$76,628 \$77,706	\$229,885 \$862 \$76,628 \$77,490	\$153,257 \$647 \$76,628 \$77,275	\$76,628 \$431 \$76,628 \$77,059	\$0 \$216 \$76,628 \$76,844
\$996, \$3, \$76, \$79,	\$168 \$919,540 1017 \$2,802 528 \$76,628 546 \$79,430	\$842,912 \$2,586 \$76,628 \$79,215	\$766,283 \$2,371 \$76,628 \$78,999	\$689,655 \$2,155 \$76,628 \$78,784	\$613,027 \$1,940 \$76,628 \$78,568	\$536,398 \$1,724 \$76,628 \$78,352	\$459,770 \$1,509 \$76,628 \$78,137	\$383,142 \$1,293 \$76,628 \$77,921	\$306,513 \$1,078 \$76,628 \$77,706	\$229,885 \$862 \$76,628 \$77,490	\$153,257 \$647 \$76,628 \$77,275	\$76,628 \$431 \$76,628 \$77,059	\$0 \$216 \$76,628 \$76,844
\$996, \$3, \$76, \$79,	\$168 \$919,540 1017 \$2,802 528 \$76,628 546 \$79,430	\$842,912 \$2,586 \$76,628 \$79,215	\$766,283 \$2,371 \$76,628 \$78,999	\$689,655 \$2,155 \$76,628 \$78,784	\$613,027 \$1,940 \$76,628 \$78,568	\$536,398 \$1,724 \$76,628 \$78,352	\$459,770 \$1,509 \$76,628 \$78,137	\$383,142 \$1,293 \$76,628 \$77,921	\$306,513 \$1,078 \$76,628 \$77,706	\$229,885 \$862 \$76,628 \$77,490	\$153,257 \$647 \$76,628 \$77,275	\$76,628 \$431 \$76,628 \$77,059	\$0 \$216 \$76,628 \$76,844
\$996, \$3, \$76, \$79,	\$168 \$919,540 1017 \$2,802 528 \$76,628 546 \$79,430	\$842,912 \$2,586 \$76,628 \$79,215	\$766,283 \$2,371 \$76,628 \$78,999	\$689,655 \$2,155 \$76,628 \$78,784	\$613,027 \$1,940 \$76,628 \$78,568	\$536,398 \$1,724 \$76,628 \$78,352	\$459,770 \$1,509 \$76,628 \$78,137	\$383,142 \$1,293 \$76,628 \$77,921	\$306,513 \$1,078 \$76,628 \$77,706	\$229,885 \$862 \$76,628 \$77,490	\$153,257 \$647 \$76,628 \$77,275	\$76,628 \$431 \$76,628 \$77,059	\$0 \$216 \$76,628 \$76,844
\$996, \$3, \$76, \$79,	\$168 \$919,540 1017 \$2,802 528 \$76,628 546 \$79,430	\$842,912 \$2,586 \$76,628 \$79,215	\$766,283 \$2,371 \$76,628 \$78,999	\$689,655 \$2,155 \$76,628 \$78,784	\$613,027 \$1,940 \$76,628 \$78,568	\$536,398 \$1,724 \$76,628 \$78,352	\$459,770 \$1,509 \$76,628 \$78,137	\$383,142 \$1,293 \$76,628 \$77,921	\$306,513 \$1,078 \$76,628 \$77,706	\$229,885 \$862 \$76,628 \$77,490	\$153,257 \$647 \$76,628 \$77,275	\$76,628 \$431 \$76,628 \$77,059	\$0 \$216 \$76,628 \$76,844
\$996, \$3, \$76, \$79,	\$168 \$919,540 1017 \$2,802 528 \$76,628 546 \$79,430	\$842,912 \$2,586 \$76,628 \$79,215	\$766,283 \$2,371 \$76,628 \$78,999	\$689,655 \$2,155 \$76,628 \$78,784	\$613,027 \$1,940 \$76,628 \$78,568	\$536,398 \$1,724 \$76,628 \$78,352	\$459,770 \$1,509 \$76,628 \$78,137	\$383,142 \$1,293 \$76,628 \$77,921	\$306,513 \$1,078 \$76,628 \$77,706	\$229,885 \$862 \$76,628 \$77,490	\$153,257 \$647 \$76,628 \$77,275	\$76,628 \$431 \$76,628 \$77,059	\$0 \$216 \$76,628 \$76,844
\$996, \$3, \$76, \$79,	\$168 \$919,540 1017 \$2,802 528 \$76,628 546 \$79,430	\$842,912 \$2,586 \$76,628 \$79,215	\$766,283 \$2,371 \$76,628 \$78,999	\$689,655 \$2,155 \$76,628 \$78,784	\$613,027 \$1,940 \$76,628 \$78,568	\$536,398 \$1,724 \$76,628 \$78,352	\$459,770 \$1,509 \$76,628 \$78,137	\$383,142 \$1,293 \$76,628 \$77,921	\$306,513 \$1,078 \$76,628 \$77,706	\$229,885 \$862 \$76,628 \$77,490	\$153,257 \$647 \$76,628 \$77,275	\$76,628 \$431 \$76,628 \$77,059	\$0 \$216 \$76,628 \$76,844

Construction Period:		mos						
ellout:	24	mos						
and Costs: (1)	-							
Building Costs:	\$2,144,585							
Grant-FHLB (AHP Grant)	\$100,000							
otal Costs:	\$2,044,585							
TV:	90%							
enior Loan 75%				Junior Loan	25%			
nterest Rate:	4.25%			Interest Rate:	-	2.50%		
Debt	\$1,380,095			Debt		\$460,032		
Equity:	\$153,344			Equity:		\$51,115		
	_							
Combined Construction Loa	an Draw							
Senior and Junior Loan								
Date	Construction Cost	Loan Fees (2)	Equity (3)	Loan Draw	Interest	Total Outstanding		
Bate	\$1.840.126	\$5,814	\$204,458		\$44.341	\$1.685.823		
1 Apr-10	\$102,229	\$5,814	\$108,044	\$0	\$0	\$0		
2 May-10	\$102,229	ψ0,014	\$96,415	\$5,814	\$20	\$5,834		
3 Jun-10	\$102,229		\$0	\$102,229	\$326			
4 Jul-10	\$102,229		\$0	\$102,229	\$379	\$210,998		
5 Aug-10	\$102,229		\$0	\$102,229	\$433			
6 Sep-10	\$102,229		\$0	\$102,229	\$1,323	\$417,211		
7 Oct-10	\$102,229		\$0	\$102,229	\$1,652	\$521,092		
8 Nov-10	\$102,229		\$0	\$102,229	\$1,982	\$625,304		
9 Dec-10	\$102,229		\$0	\$102,229	\$2,313	\$729,847		
10 Jan-11	\$102,229		\$0	\$102,229	\$2,646			
11 Feb-11	\$102,229		\$0 \$0	\$102,229	\$2,040	\$939,930		
12 Mar-11	\$102,229		ΨΟ	\$102,229	\$3,314	\$1,045,474		
13 Apr-11	\$102,229			\$102,229	\$3,650	\$1,151,353		
14 May-11	\$102,229			\$102,229	\$3,030	\$1,257,569		
15 Jun-11	\$102,229			\$102,229	\$4,325	\$1,364,123		
16 Jul-11	\$102,229			\$102,229	\$4,664	\$1,471,016		
17 Aug-11	\$102,229			\$102,229	\$5,004	\$1,578,249		
18 Sep-11	\$102,229			\$102,229	\$5,345	\$1,685,823		
Contratos								
ootnotes	Land costs are inte	ided in the Buildi	na Cost boss	use the 100/. E	auity amount	t does not oqual tha	Land Lago Paymo	ent for Affordable Hous
	The Loan Fees are				quity arriount	uoes not equal the	Lanu Lease Fayine	THE TOT ATTOTUABLE HOUS
	Includes the \$200,0							

Proforma (10 years)		Year									
Potential Gross Income											
Retail	1	\$443,808	\$457,122	\$470,836	\$484,961	\$499,510	\$514,495	\$529,930	\$545,828	\$562,203	\$579,069
Garage (Retail Spaces)	2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total		\$443,808	\$457,122	\$470,836	\$484,961	\$499,510	\$514,495	\$529,930	\$545,828	\$562,203	\$579,069
Vacancy/Collections Loss (VCL)	3	\$66,571	\$45,712	\$32,959	\$33,947	\$34,966	\$36,015	\$37,095	\$38,208	\$39,354	\$40,535
Vacancy Rate		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Gross Income (EGI)		\$377,237	\$411,410	\$437,877	\$451,014	\$464,544	\$478,480	\$492,835	\$507,620	\$522,849	\$538,534
Non-Tax Income to Town											
Land Lease Payment (Base)	4	\$40,303	\$40,303	\$40,303	\$41,508	\$41,508	\$41,508	\$42,749	\$42,749	\$42,749	\$44,027
Total		\$40,303	\$40,303	\$40,303	\$41,508	\$41,508	\$41,508	\$42,749	\$42,749	\$42,749	\$44,027
Building Maintenance											
Electrical		\$1,017	\$1,048	\$1,079	\$1,111	\$1,145	\$1,179	\$1,214	\$1,251	\$1,288	\$1,327
Plumbing		\$444	\$457	\$471	\$485	\$500	\$514	\$530	\$546	\$562	\$579
HVAC		\$2,681	\$2,762	\$2,845	\$2,930	\$3,018	\$3,108	\$3,202	\$3,298	\$3,397	\$3,499
Roof		\$147	\$152	\$156	\$161	\$166	\$171	\$176	\$181	\$187	\$192
Painting		\$130	\$134	\$138	\$142	\$146	\$150	\$155	\$160	\$164	\$169
Canopies/Store Fronts		\$383	\$395	\$407	\$419	\$431	\$444	\$458	\$471	\$486	\$500
Other		\$295	\$304	\$313	\$322	\$332	\$342	\$352	\$363	\$373	\$385
Total		\$5,097	\$5,250	\$5,408	\$5,570	\$5,737	\$5,909	\$6,087	\$6,269	\$6,457	\$6,651
Exterior CAM											
Landscape		\$2,090	\$2,152	\$2,217	\$2,283	\$2,352	\$2,422	\$2,495	\$2,570	\$2,647	\$2,726
Trash Removal		\$1,590	\$1,638	\$1,687	\$1,738	\$1,790	\$1,844	\$1,899	\$1,956	\$2,015	\$2,075
Sweeping		\$962	\$990	\$1,020	\$1,051	\$1,082	\$1,115	\$1,148	\$1,183	\$1,218	\$1,255
Sidewalk Maintenance		\$849	\$875	\$901	\$928	\$956	\$984	\$1,014	\$1,044	\$1,076	\$1,108
Security		\$7,304	\$7,523	\$7,749	\$7,982	\$8,221	\$8,468	\$8,722	\$8,983	\$9,253	\$9,531
Lighting		\$832	\$857	\$883	\$909	\$937	\$965	\$994	\$1,023	\$1,054	\$1,086
Directory/Signs		\$100	\$103	\$106	\$110	\$113	\$116	\$120	\$123	\$127	\$131
Electricity		\$3,495	\$3,600	\$3,708	\$3,819	\$3,934	\$4,052	\$4,173	\$4,298	\$4,427	\$4,560
Water		\$778	\$802	\$826	\$851	\$876	\$902	\$929	\$957	\$986	\$1,016
Other Exterior CAM		\$519	\$534	\$551	\$567	\$584	\$602	\$620	\$638	\$657	\$677
Fire Monitoring Service		\$425	\$437	\$450	\$464	\$478	\$492	\$507	\$522	\$538	\$554
Total		\$18,944	\$19,512	\$20,098	\$20,701	\$21,322	\$21,961	\$22,620	\$23,299	\$23,998	\$24,718

(Assume 8.75% cap rate, 70% LTV)											
Maximum Loan Amount	16	\$2,310,914									
Debt Coverage Ratio (DCR)		1.25	1.42	1.56	1.61	1.68					
Return on Cost (ROC)	15										
Poturn on Cost (POC)	15	9.47%									
IRR Including Reversion Value	14	16.26%									
CFBTD		\$45,671	\$78,153	\$103,578	\$113,004	\$125,429	\$136,914	\$147,261	\$160,795	\$174,734	\$1,946,774
Debt Service	12	\$185,286	\$185,286	\$185,286	\$185,286	\$185,286	\$185,286	\$185,286	\$185,286	\$185,286	\$185,286
Net Operating Income (NOI)		\$230,957	\$263,439	\$288,864	\$298,290	\$310,715	\$322,200	\$332,547	\$346,081	\$360,020	\$371,582
OER		39%	36%	34%	34%	33%	33%	33%	32%	31%	31%
Total Operating Expenses		\$146,280	\$147,971	\$149,013	\$152,723	\$153,829	\$156,280	\$160,288	\$161,539	\$162,828	\$166,952
Total		\$1,893	\$1,893	\$1,893	\$1,893	\$1,893	\$1,893	\$1,893	\$1,893	\$1,893	\$1,893
Water Service Fee	11	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501	\$1,501
Storm Water Fees	10	\$392	\$392	\$392	\$392	\$392	\$392	\$392	\$392	\$392	\$392
Recycling Fee	9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Town Fees											
Total		\$80,042	\$81,011	\$81,311	\$83,051	\$83,369	\$85,008	\$86,938	\$87,328	\$87,730	\$89,663
Other		\$354	\$364	\$375	\$387	\$398	\$410	\$422	\$435	\$448	\$462
Insurance		\$8,562	\$8,819	\$9,083	\$9,356	\$9,636	\$9,926	\$10,223	\$10,530	\$10,846	\$11,171
Business & Occupation Tax	8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Property Taxes	7	\$47,713	\$47,713	\$47,713	\$49,145	\$49,145	\$49,145	\$50,619	\$50,619	\$50,619	\$52,138
Marketing		\$778	\$802	\$826	\$851	\$876	\$902	\$929	\$957	\$986	\$1,016
Leasing Commissions	6	\$0	\$0	\$0	\$0	\$0	\$1,312	\$1,431	\$1,474	\$1,518	\$1,563
General & Administrative Management Fee	5	\$22,634	\$23,313	\$23,313	\$23,313	\$23,313	\$23,313	\$23,313	\$23,313	\$23,313	\$23,313

Footnotes									
	1	Assumed Retai	l lease rate in	ear 1 of \$24.0	00 per LSF. This includes a CAM Reimburs	eable in the LSI	rate.		
	2	No Income fron	n spaces per R	etail Use. Ass	sume Town manages and supplies the (38)	spaces.			
;		Vacancy rate for							
					I value specific to the Retail portion of bldg p	rogram ONLY.	(NO Ramp-up))	
Į.	5	Management fe	e of 6.0% of E	ffective Gross	s Income.				
	6	Rollover Leasin	g Commission	are paid at 5.	.0% of Initial Leasing Commissions for Reta	il space.			
					ed Market Value.				
		No Business &							
					Number of Retail units TBD).				
					ce (based on Retail GSF only).				
		Assume 3" met							
					versionary Value Worksheet.				
				ar 10 and Towi	n receives 20% of proceeds.				
	_	Use ROC stabi							
1	16	The required co	onstruction loai	n is \$2,136,18	37 compared with \$2,310,914 available using	g stabilization ye	ear: 3, cap rate	e: 8.75%, LTV:	70%

Reversionary Analysi	is										
		Year									
		1	2	3	4	5	6	7	8	9	10
Permanent Loan :		\$185,286	\$185,286	\$185,286	\$185,286	\$185,286	\$185,286	\$185,286	\$185,286	\$185,286	\$185,286
\$2,136,187											
NOI		\$230,957	\$263,439	\$288,864	\$298,290	\$310,715	\$322,200	\$332,547	\$346,081	\$360,020	\$371,582
Reversion Cash Flow		\$2,639,511	\$3,010,735	\$3,301,306	\$3,409,034	\$3,551,028	\$3,682,288	\$3,800,538	\$3,955,209	\$4,114,519	\$4,246,646
Cap Rate	8.75%										
Selling Expense		\$79,185	\$90,322	\$99,039	\$102,271	\$106,531	\$110,469	\$114,016	\$118,656	\$123,436	\$127,399
Fee	3%										
Remaining Principal		\$2,092,342	\$2,058,750	\$2,022,724	\$1,984,085	\$1,942,645	\$1,898,201	\$1,850,534	\$1,799,412	\$1,744,583	\$1,685,779
Net Proceeds Before Tax		\$467,984								\$2,246,501	
Permanent Loan											
Rate (1)	7.25%										
Term LTV	25 70%										
Town's Non-Tax Income(2)	20.00%	\$93,597	\$172,333	\$235,909	\$264,536	\$300,370	\$334,724	\$367,198	\$407,428	\$449,300	\$486,693
Footnotes											
		The Interest Rate Town will receive							s and terms s	sheet include	d in this bind

Income Assumptions-Garage										
Income Assumptions for PRIVATE Portion:										
Assume that the 140 spaces from the Demand at L	ot 2	are leased at RBC	Garage.							
Income Assumptions for PUBLIC Portion:										
income Assumptions for Public Portion:										
Public Parking Operations										
# of Monthly Spaces (From Lot 2 Demand)	1	102								
Monthly Parking Rate		\$45								
Occupancy Factor		90%								
Subtotal (Annual)		\$49,572								
# of Hourly Spaces	2	38								
Hourly Parking Rate		\$1.60								
Number of Non-work Days per year		115								
Non-work Days Parking Hours		14								
Non-work Day Occupancy Factor	3	75%								
Subtotal		\$73,416								
Number of models in a sure		250								
Number of workdays per year Workday Parking Hours		250 10								
Work Day Occupancy Factor		75%								
Subtotal		\$114,000								
Subiolai		\$114,000								
Annual Income to City from Lot 2 Development		\$236,988								
Garage Operating Expenses	4	65%								
Net Income		\$82,946								
Footnotes										
	1 Monthly Parking space demand from Lot 2 is the total Residential and Retail demand. We have assumed no storage at RBC.									
				erring to RBC Garage fr						
				income assumptions for						
	4	Assume a Operat	ing Expens	se Ratio (OER). Private	Garages are	typically 40	% of Gross	Income, assume Tow	n is 65% Ex	penses.

Town Non-Tax Income/Tax Revenue											
		Year	Year	Year	Year	Year	Year	Year	Year	Year	Year
		1	2	3	4	5	6	7	8	9	10
Transit Transfer Center	\$	(2,141,037)									
	,	() ,== ,									
Income To City											
Property Taxes	1										
Market Rate - Condo		\$140,333	\$140,333	\$140,333	\$144,542	\$144,542	\$144,542	\$148,879	\$148,879	\$148,879	\$153,345
Market Rate - Rental		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Affordable Housing-Ownership		\$29,524	\$29,524	\$29,524	\$30,409	\$30,409	\$30,409	\$31,322	\$31,322	\$31,322	\$32,261
Retail		\$47,713	\$47,713	\$47,713	\$49,145	\$49,145	\$49,145	\$50,619	\$50,619	\$50,619	\$52,138
Total Property Tax		\$217,570	\$217,570	\$217,570	\$224,097	\$224,097	\$224,097	\$230,820	\$230,820	\$230,820	\$237,744
Property Tax Allocations											
Orange County		\$111,509	\$111,509	\$111,509	\$114,854	\$114,854	\$114,854	\$118,300	\$118,300	\$118,300	\$121,849
Chapel Hill/Carrboro School District		\$25,343	\$25,343	\$25,343	\$26,103	\$26,103	\$26,103	\$26,886	\$26,886	\$26,886	\$27,693
Chapel Hill City Revitalization		\$72,861	\$72,861	\$72,861	\$75,047	\$75,047	\$75,047	\$77,298	\$77,298	\$77,298	\$79,617
Downtown Revitalization District		\$7,856	\$7,856	\$7,856	\$8,092	\$8,092	\$8,092	\$8,335	\$8,335	\$8,335	\$8,585
Property Tax Income Available		\$80,717	\$80,717	\$80,717	\$83,139	\$83,139	\$83,139	\$85,633	\$85,633	\$85,633	\$88,202
Non-Tax Income											
Land Lease Payment (Condo Units & Garage)	2	\$1,700,348									
Town Sale Proceeds MR-Condo (year 4)	3				\$222,205						
Land Lease Payment (Affordable Units & Garage	ge)	\$425,087	\$0								
Base Rent (Retail Component)	4	\$40,303	\$40,303	\$40,303	\$41,508	\$41,508	\$41,508	\$42,749	\$42,749	\$42,749	\$44,027
Potential Retail Component Sale Income	5										\$486,693
Parking Income (From Lot 2 Demand to RBC)		\$82,946	\$83,775	\$84,613	\$85,459	\$86,314	\$87,177	\$88,049	\$88,929	\$89,818	\$90,717
Total Non-Tax Income		\$2,248,683	\$124,078	\$124,916	\$349,173	\$127,822	\$128,685	\$130,798	\$131,678	\$132,568	\$621,438
Total Income to TCH from Lot 2		\$2,329,401	\$204,796	\$205,634	\$432,312	\$210,961	\$211,824	\$216,431	\$217,311	\$218,201	\$709,640
Lot 2 Current Current Income	6	\$285,000	\$285,000	\$285,000	\$293,522	\$293,522	\$293,522	\$302,298	\$302,298	\$302,298	\$311,336
Town Opportunity Cost for Lot 2 Land Investmen		817%	72%	72%	147%	72%	72%	72%	72%	72%	228%

Footnotes									
1	\$1.717 per \$100 o	f Assessed Va	alue						
	0.88000	Orange Cou	unty						
	0.20000	Chapel Hill/	Carrboro School District						
	0.57500	Chapel Hill	City Revitalization						
	0.06200	Downtown I	Revitalization District						
	\$1.71700	Total Prope	erty Tax:						
	This includes the	ost of the Gar	rage in each Use Type. Prop	erty Taxes in	crease 3% ev	very 3 years.			
			per to build Condo Units an) -•			
3	Town will receive 2	20% of sale pr	roceeds upon sellout of the I	Market-Rate C	ondos.				
			very 3 yr by the 2004 CPI at	ent (base ren	t) would cont	tinue after sale	e)		
5	This assumes a po	ssible sale of	the Retail and Retail Garag	e Component	in Year 10.				
6	Lot 2 Current Reve	enues							

Development Scenario: C-3

RBC Garage (Phase 2B)



Finance Model **Downtown Chapel Hill Projects**

Page

Town of Chapel Hill, North Carolina

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Building Program	1
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Contents:



Stainback Public/Private Real Estate LLC (SPPRE)

RBC Garage

Buildin	g Program							
	Townselles		0	11	F(() - 1	L OF		
	Type of Use		Gross SF	Units	Efficiency	Lease SF		
RBC	Retail Space-Ground Level	1	8,400		0.92	7,728		
	Parking-Market Rate Condos (Lot 2)	2	25,920	81	1.00	25,920		
	Parking-Affordable Housing (Lot 2)		6,720	21	1.00	6,720		
	Parking-Retail (Lot2)		12,160	38	1.00	12,160		
	Parking-Retail (RBC)		3,200	10	1.00	3,200		
	Parking-Replacement (Wallace)		29,440	92	1.00	29,440		
	Parking-Replacement (Lot 2)		32,320	101	1.00	32,320		
	Totals after completion		109,760	343		109,760		
	Total GSF		118,160					
	Parking Space/SF	3	320					
	Footnotes	1	Retail Space	on Ground	Ll ovol (6 lo	vol garago	/ 5 5 lovels o	of parking)
	i outilities	2	Replacemen			vei garage	J.J IEVEIS C	n parking)
		3	Parking SF u					

Total Development Budget			<u>Total</u>				
Site/Building Data							
Total Land Area GSF			26,055				
Value of Opinion	1	\$	990,090				
McDonald York Cost Estimates							
RBC Garage per SF	2	\$	35.00				
Lot 2 Retail per SF	3	\$	72.95				
Duilding Coate							
Building Costs RBC Garage Cost		Φ.	2.044.000				
RBC Garage Cost Retail	1		3,841,600 612,780				
Retail TI	5	\$	193,200				
Total	5	\$	4,647,580				
IUIAI		\$	4,047,360				
Hard Cost Contingency (3.0%)		¢	139,427				
Hard Cost Contingency (3.0%)		\$	139,421				
RBC Garage Cost		\$	3,956,848				
Retail		\$	631,163				
Retail TI		\$	198,996				
Total Hard Costs		\$	4,787,007				
Total Hard Costs		Ψ	4,707,007				
Total Hard Construction Costs/Garage GSF		\$	43.61				
Total Hard Construction Costs/Garage GSF		Ф	43.01				
Soft Costs							
Architectural & Engineering		\$	100,000				
A&E Reimburseables		\$	10,000				
Bonds		\$	80,000				
Materials Testing & Inspection		\$	50,000				
Leasing Commissions		\$	11,592				
Demolition & Sitework		\$	100,000				
Soil Analysis		\$	10,000				
Soft Cost Contingency (3%)		\$	10,848				
Total		\$	372,440				
10141		Ť	0.2,0				
RBC Garage Cost	1	\$	4,264,700				
Retail		\$	894,748				
Total Hard and Soft Development Costs			5,159,447				
		*	-,,				
Total Development Cost (Inc. Land)		\$	6,149,537				
		T	-,,				
Cost per Parking Space		\$	12,434				
1 2 2 3 -1 2 2		Ĺ	-,				

Footnotes												
	1	Value of Opinion from CBF	E not yet ob	tained. As	sumed \$38/s	sf. Assume	TCH/RBC c	an arrange	deal.			
	2	rom McDonald York Cost estimate for RBC Garage.										
	3	Used Lot 2 Retail SF costs	Jsed Lot 2 Retail SF costs to estimate RBC Retail Cost.									
	4	Assume the garage at RB0	will be buil	t around the	current RB	C Building.						
	5	Retail LSF at \$25.00										

Proforma (20 Years)		Year									
		1	2	3	4	5	6	7	8	9	10
Income											
Retail Income	1	193,200	198,996	204,966	211,115	217,448	223,972	230,691	237,612	244,740	252,082
Garage Parking Income	2	1,363,334	1,404,234	1,446,361	1,489,751	1,534,444	1,580,477	1,627,891	1,676,728	1,727,030	1,778,841
Potential Gross Income (PGI)		1,556,534	1,603,230	1,651,326	1,700,866	1,751,892	1,804,449	1,858,582	1,914,340	1,971,770	2,030,923
Vacancy/Collections Loss (7.0%)	3	13,524	13,930	14,348	14,778	15,221	15,678	16,148	16,633	17,132	17,646
Effective Gross Income (EGI)		1,570,058	1,617,159	1,665,674	1,715,644	1,767,114	1,820,127	1,874,731	1,930,973	1,988,902	2,048,569
Garage O&E											
Payroll		335,925	346,003	356,383	367,075	378,087	389,430	401,112	413,146	425,540	438,306
Benefits		91,616	94,364	97,195	100,111	103,115	106,208	109,394	112,676	116,056	119,538
Utilties		91,616	94,364	97,195	100,111	103,115	106,208	109,394	112,676	116,056	119,538
Maintenance		68,712	70,773	72,897	75,083	77,336	79,656	82,046	84,507	87,042	89,654
Insurance		53,443	55,046	56,697	58,398	60,150	61,955	63,813	65,728	67,700	69,731
Supplies		22,904	23,591	24,299	25,028	25,779	26,552	27,349	28,169	29,014	29,885
Miscellaneous		7,635	7,864	8,100	8,343	8,593	8,851	9,116	9,390	9,671	9,962
Total Expenses		763,467	692,006	712,766	734,149	756,174	778,859	802,225	826,292	851,080	876,613
OER		49%	43%	43%	43%	43%	43%	43%	43%	43%	43%
Building Maintenance											
Electrical		325	335	345	355	366	377	388	400	412	424
Plumbing		123	127	131	135	139	143	147	152	156	161
HVAC		1,035	1,066	1,098	1,131	1,165	1,200	1,236	1,273	1,311	1,350
Roof		62	63	65	67	69	71	74	76	78	80
Painting		54	56	58	59	61	63	65	67	69	71
Canopies/Store Fronts		160	165	170	175	180	186	191	197	203	209
Other		123	127	131	135	139	143	147	152	156	161
Total		1,883	1,939	1,997	2,057	2,119	2,183	2,248	2,315	2,385	2,456
Exterior CAM											
Landscape		873	899	926	954	983	1,012	1,043	1,074	1,106	1,139
Trash Removal		665	685	705	726	748	770	794	817	842	867
Sweeping		402	414	426	439	452	466	480	494	509	524

Sidewalk Maintenance		355	365		376		388	399		411		424	436	450	463
Security		177	183		188		194	200		206		212	218	225	232
Lighting		348	358		369		380	391		403		415	428	441	454
Directory/Signs		42	43		44		46	47		49		50	52	53	55
Electricity		951	979		1,008		1,039	1,070		1,102		1,135	1,169	1,204	1,240
Water		325	335		345		355	366		377		388	400	412	424
Other Exterior CAM		217	223		230		237	244		251		259	267	275	283
Fire Monitoring Service		177	183		188		194	200		206		212	218	225	232
Total		4,532	4,668		4,808		4,952	5,101		5,254		5,411	5,573	5,741	5,913
General & Administrative															
Management Fee		62,802	64,686		66,627		68,626	70,685		72,805		74,989	77,239	79,556	81,943
Marketing		325	335		345		355	366		377		388	400	412	424
Other		148	152		157		162	166		171		177	182	187	193
Total		63,275	65,174		67,129		69,143	71,217		73,354		75,554	77,821	80,155	82,560
Total Retail Operating Expenses		69,690	71,781		73,934		76,152	78,437		80,790		83,213	85,710	88,281	90,929
Total Expenses(Retail & Garage)		833,157	763,787		786,700		810,301	834,611		859,649	8	385,438	912,001	939,361	967,542
Net Operating Income (NOI)		\$ 736,901	\$ 853,372	\$	878,974	\$	905,343 \$	932,503	\$	960,478	\$ 9	989,292	\$ 1,018,971	\$ 1,049,540	\$ 1,081,027
Debt Service		\$ 614,954	\$ 599,580	\$	584,206	\$	568,832 \$	553,458	\$	538,085	\$ 5	522,711	\$ 507,337	\$ 491,963	\$ 476,589
Net Cash Flow to Town	4	\$ 121,947			294,768	_	336,511 \$	379,045		422,394		166,582	511,634	557,577	\$ 604,437
Debt Coverage Ratio:		1.20	1.42		1.50		1.59	1.68							
Debt Goverage Italio.		1.20	1.42		1.50		1.55	1.00							
Footnotes															
		Refer to Incom				Rate	e includes Rein	nburseable (CAM	allocation.					
		See Income As													
		Retail Vacancy							to In	come Assu	mptions	s			
		Assume Opera					tial Gross incor	ne.							
	4	Financial Perfo	ormance Meas	sure	to the town.										

RBC Garage Finan	ce					
Permanent Loan Debt		Year	Principal	Interest	Payment	Balance
\$ 6,149,537		1	307,477	307,477	614,954	5,842,060
		2	307,477	292,103	599,580	5,534,583
		3	307,477	276,729	584,206	5,227,107
		4	307,477	261,355	568,832	4,919,630
Rate	5.00%	5	307,477	245,981	553,458	4,612,153
Term (yrs)	20	6	307,477	230,608	538,085	4,304,676
		7	307,477	215,234	522,711	3,997,199
		8	307,477	199,860	507,337	3,689,722
		9	307,477	184,486	491,963	3,382,245
		10	307,477	169,112	476,589	3,074,769
		11	307,477	153,738	461,215	2,767,292
		12	307,477	138,365	445,841	2,459,815
		13	307,477	122,991	430,468	2,152,338
		14	307,477	107,617	415,094	1,844,861
		15	307,477	92,243	399,720	1,537,384
		16	307,477	76,869	384,346	1,229,907
		17	307,477	61,495	368,972	922,431
		18	307,477	46,122	353,598	614,954
		19	307,477	30,748	338,225	307,477
		20	307,477	15,374	322,851	-

Income Assumptions												
Retail Income		Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	
		1	2	3	4	5	6	7	8	9	10	
Rate per SF		\$25.00	\$25.75	\$26.52	-	_		-	-	\$31.67	\$32.62	
Parking Income	1			Effective Incor	me (Yr. 1)	Notes						
Parking-Market Rate Condos (Lot 2)		81	Monthly/Yearly	\$49,572		*From Lot 2	2 Garage Inc	come works	sheet.			
Parking-Affordable Housing (Lot 2)		21	Monthly/Yearly									
Parking-Retail (Lot2)		38	Hourly	\$187,416		*From Lot 2	2 Garage Inc	come works	sheet.			
Parking-Retail (RBC)		10	Hourly —									
Parking-Replacement (Wallace)		92	Hourly -	→ \$1,126,346								
Parking-Replacement (Lot 2)		101	Hourly —	1,363,334								
Totals after completion		343										
# of Hourly Spaces	3	203										
Hourly Parking Rate		\$ 1.80										
Number of Non-work Days per year		115										
Non-work Days Parking Hours		14										
Non-work Day Occupancy Factor		75%										
Subtotal		441,221										
Number of workdays per year		250										
Workday Parking Hours		10										
Work Day Occupancy Factor		75%										
Subtotal		685,125										
Annual Income to City from Lot 5 Garage		1,126,346										
Effective Income		\$1,126,346										
Encouve moone		ψ1,120,040										
Factories		A = == = 4 ¹ = -1	there are no let	O Danidanti I O		in DDC (2					
Footnotes	1		there are no Lot					-1- 000			-1-9	
	2		the elimination of			BC Garage (can be 5 lev	eis, 300 spa	aces, with or	ne floor of R	etail.	
	3	118 spaces	are charged an h	ourly parking rat	te.							

Wallace Deck Extension

Town Non-Tax/Tax Income										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Income To City										
Cost of RBC Property	\$ (990,090)									
Sales Tax at RBC										
Non-Tax Income										
Net Income from Parking and Retail Operations	\$121,947	\$253,793	\$294,768	\$336,511	\$379,045	\$422,394	\$466,582	\$511,634	\$557,577	\$604,437
Total Non-Tax Income	\$121,947	\$253,793	\$294,768	\$336,511	\$379,045	\$422,394	\$466,582	\$511,634	\$557,577	\$604,437
Total Income to TCH from RBC	\$121,947	\$253,793	\$294,768	\$336,511	\$379,045	\$422,394	\$466,582	\$511,634	\$557,577	\$604,437

Summary of Finance Models					
(Stabilized Year 3)					
,					
	Lot 5	Wallace	Lot 2	RBC	Total
Private Partner					
Residential	1				
Market-Rate Condo					
Equity	\$6,906,037	\$5,208,505	\$2,962,041	n/a	\$15,076,583
Debt	\$16,114,086	\$12,153,179	\$6,911,429	n/a	\$35,178,694
Affordable Housing					
Equity	\$104,301	\$231,007	\$153,344	n/a	\$488,652
Debt	\$938,712	\$1,559,299	\$1,380,095	n/a	\$3,878,106
Grants	\$800,000	\$300,000	\$100,000	n/a	\$1,200,000
Retail					
Equity	\$1,570,773	\$145,277	\$915,509	n/a	\$2,631,559
Debt	\$3,665,136	\$338,980	\$2,136,187	n/a	\$6,140,304
Total Private Development Budget	\$30,099,046	\$19,936,247	\$14,558,605	\$0	\$64,593,898
Public Partner					
Public Investment (RBC Development)	n/a	n/a	n/a	\$5,159,447	\$5,159,447
Public Investment (173 Spaces at Lot 5)	\$ 4,411,457	n/a	n/a	n/a	\$4,411,457
Parking Delta Cost (Lot 5)	2 \$ 4,539,014	n/a	n/a	n/a	\$4,539,014
Pedestrian Bridge (Lot 2)	n/a	n/a	\$457,679	n/a	\$457,679
Transit Transfer Center (Lot 2)	n/a	n/a	\$2,141,037	n/a	\$2,141,037
RBC Land Purchase (RBC)	3 n/a	n/a	n/a	\$990,090	\$990,090
Total Public Investment	\$8,950,471	\$0	\$2,598,716	\$6,149,537	\$17,698,724
Total Development Cost					
Public and Private Investment	\$39,049,517	\$19,936,247	\$17,157,321	\$6,149,537	\$82,292,622
Private Development Components	, , , , , , , , , , , , , , , , , , , ,	, , , , , , , , , , , , , , , , , , ,	, , , , , ,	, , , , , , , , , , , , , , , , , , ,	, , , , ,
PUBLIC DEVELOPMENT PERCENTAGE	22.92%	0.00%	15.15%	100.00%	21.51%
PRIVATE DEVELOPMENT PERCENTAGE	77.08%	100.00%	84.85%	0.00%	78.49%
Non-Tax Income to Town					
Public Partner			+ +	+	
Land Lease Payout			+ +	+	
Market-Rate Condo (yr. 1)	4 \$4,414,171	\$3,108,331	\$1,964,542	n/a	\$9,487,043
Affordable Housing (yr. 1)	\$800,000	\$778,729	\$443,808	n/a	\$2,022,537
	\$5,214,171	\$3,887,060	\$2,408,350	\$0	\$11,509,580
Net Proceeds-RBC (yr. 3)				\$294,768	
Lease of 92 Parking Spaces		\$44,712		4_0 1,7 00	
Lease of 140 Parking Spaces	 	Ψττ,112	+	1	

Replacement Parking Net Income (yr. 3)	5	\$ 257,425	\$0	n/a	n/a	
Retail Base Rent (yr 3)		\$0	\$10,800	\$40,303	n/a	
Property Tax to Town (yr. 3)		-	\$105,347	\$80,717	n/a	\$186,064
Proceeds from Retail Sales Component		204,131	\$95,757	\$486,693		
Proceeds from MR Condo Sale		0	\$335,544	\$222,205	n/a	

Sales Performance Measures					
ROE (Sales)					
Market-Rate Condo	0.00%	25.77%	30.01%	n/a	
Affordable Housing	0.00%	14.12%	14.93%	n/a	
Allordable Flodsling	0.0078	14.1270	14.9370	11/a	
Retail Performance Measures					
Internal Rate of Return (IRR) (yr. 3)	15.04%	20.74%	16.26%	n/a	
Debt Coverage Ratio (DCR)(yr. 3)	1.54	1.76	1.56	1.50	
Return on Cost (ROC)(yr. 3)	9.33%	10.69%	9.47%		
Maximum Loan Amount	0				
Retail	\$ 3,909,350	\$414,229	\$2,310,914	n/a	\$6,634,493
Required Debt	\$ 3,665,136	\$338,980	\$2,136,187	n/a	\$6,140,304
	=Surplus	=Surplus	=Surplus	n/a	=Surplus
Gap Financing	\$0	\$0	\$0		\$0
	* -		* -		* -
0.1					
Sales per SF (yr. 1)	0.00000	A 400.00	A.00.00		
Market-Rate Condo	\$180.00	\$180.00	\$180.00		
Affordable Housing	\$85.00	\$81.00	\$72.00		
Retail Lease Rates psf (yr. 1)					
Retail	4 \$26.00	\$23.00	\$24.00	\$25.00	
Years 1-30 Summary Information	Lot 5	Wallace	Lot 2	RBC	Total
Property Tax					
Orange County	\$8,618,944	\$5,005,149	\$3,834,985	n/a	\$17,459,078
Chapel Hill/Carrboro School District	\$1,958,851	\$1,137,534	\$871,587	n/a	\$3,967,972
Chapel Hill Revitalization District	\$5,631,697	\$3,270,409	\$2,505,814	n/a	\$11,407,919
Downtown Revitalization District	\$607,244	\$352,635	\$270,192	n/a	\$1,230,071
Total Property Tax (1-30)	\$16,816,736	\$9,765,727	\$7,482,578	n/a	\$34,065,041
Non Toy Income					
Non-Tax Income	#2 F00 C04	to 400 004	¢4 700 040	- /-	₾0.004.040
Land Lease Payout Proceeds (MR Condos & Garage)	\$3,582,634	\$3,108,331	\$1,700,348	n/a	\$8,391,312
Town Sale proceeds 20% for MR Condos	\$714,047	\$335,544	\$222,205	n/a	\$1,271,797
Land Lease Payout Proceeds (AFF Condos)	\$831,537	\$778,729	\$425,087		\$2,035,353
Base Rent Retail	\$2,304,132	\$371,263	\$1,385,450	n/a	\$4,060,845
Potential Retail Component Sale Income	\$765,362	\$95,757	\$425,087	n/a	\$1,286,205
Parking Income	\$6,492,439	\$14,715,136	\$1,385,450	n/a	\$22,593,025
Year 1-30 Total	\$14,690,151	\$19,404,760	\$5,543,626	n/a	\$39,638,537
Net Cash Flow RBC Development (1-30)				\$14,204,380	\$53,842,917
				, ,== :,===	, , , , , , , , , , , , , , , , , , , ,

Footnotes		
	Garage Costs are included in Private Partners Total Development Budgets.	
	2 This is the cost difference of developing an underground garage versus an above grade garage.	
	3 This is the 'transfer price' that the Town will pay for RBC Garage to move to Lot 5 Development.	
	4 Land Lease Payment for Aff. Housing are included in MR Condo Unit Development Cost.	
	5 RBC Replacement Parking Income is included in the Net Proceeds line item for RBC	