

DEVELOPER REQUEST FOR PROPOSAL EVALUATIONS

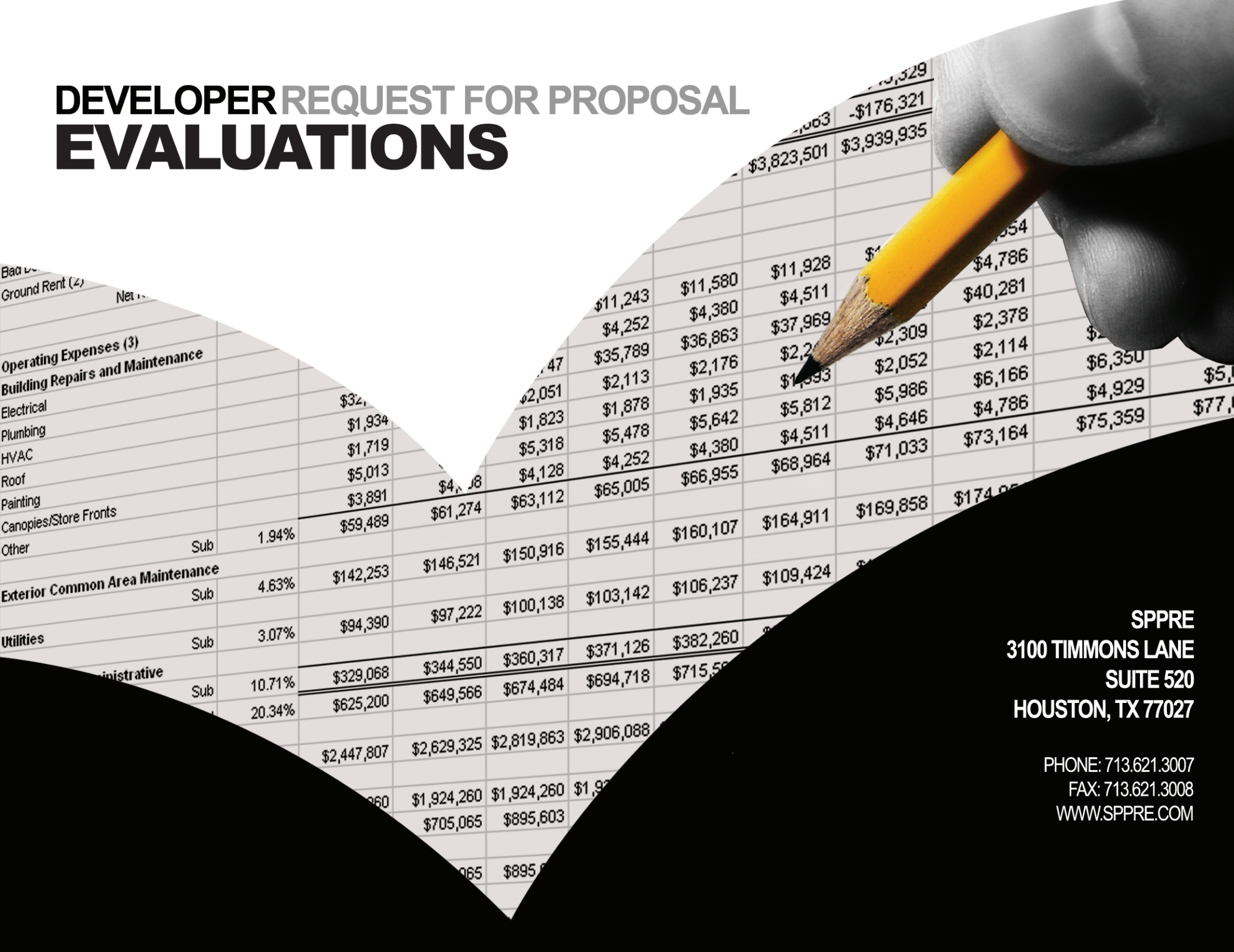


**LOT 5 AND
WALLACE DECK DEVELOPMENT**

CHAPEL HILL, NORTH CAROLINA
JUNE 2, 2005

SPPRE STAINBACK
PUBLIC / PRIVATE
REAL ESTATE

DEVELOPER REQUEST FOR PROPOSAL EVALUATIONS



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Recommended Ranking of Development Teams

June 1, 2005

To: Council Committee
cc: Cal Horton, Chris Berndt and Phil Hervey, Town of Chapel Hill

From: John Stainback and Will Reed, SPPRE

Re: Recommended Ranking of Development Teams for the Redevelopment of Lot 5 and Wallace Deck

In conjunction with the Council Committee and Town staff, Stainback Public/Private Real Estate (SPPRE) issued a developer RFP to five developers on March 10, 2005. Ram Development Company and Grubb Properties/Leyland Alliance submitted proposals on May 2, 2005. Each developer was interviewed by the Town Council, Town Staff and SPPRE on May 23, 2005. SPPRE has completed a 20-page Evaluation Matrix and Financial Analysis of the RFP Proposals submitted by the two developers, and it is SPPRE's recommendation that the Town begin negotiations with Ram Development Company, which was ranked number one. Our recommendation is based on ten categories of evaluation criteria, which included over 300 line items. SPPRE weighted each category of criteria to reflect the level of importance. Then based on the line items included in each category, scored each category. The total score for each developer is as follows:

- Ram Development Company: 85 of 100.
- Grubb Properties/Leyland Alliance: 62 of 100.

The scoring of six of the ten categories was nearly the same for the two developers. The difference in the scoring and corresponding ranking of the developer proposals was based primarily on the following four criteria: 1) the proposed public/private finance plan, 2) approval rights for the Town, 3) financial and development safeguards for the Town, and 4) the level of specificity and subjective criteria. Ram scored significantly higher on all four categories.

SPPRE would like to remind the Council Committee and Town staff that by ranking the developers we are placing pressure on the team ranked number one to negotiate a fair and reasonable sharing of the costs, risks, responsibilities, and economic return. If we are

unable to negotiate the desired Development Agreement with Ram, the Town has the option to terminate negotiations with Ram Development and begin negotiations with Grubb/Leyland Alliance.

SPPRE urges Town staff and members of the Council Committee to study the ten-part evaluation matrix included in this package.

The Ram Business Plan is Not Only the Most Advantageous Plan for the Town but their Assumptions Meet, or Exceed Industry Standards

For Members of the Council Committee and Town staff who may be thinking – while it is great that the Ram proposal offers the Town the highest return on the Town’s investment, do Ram’s assumptions: 1) meet the current requirements of the capital markets, 2) satisfy current industry standards for costs, etc.; and 3) will their proposed development be competitive? The answer is yes.

Ram’s major assumptions:

1. The 20% equity/80% debt split is appropriate for the proposed building uses.
2. The Total Development Budget (TDB) for retail (\$236.88/sf), housing (\$205.12/sf) and parking (\$31,850/space) reflect current industry standards.
3. Contingency factors are on the low end of the range, but are within industry standards.
4. Rental Rate for retail space ranges from \$20/sf to \$35/sf (Average: \$27.58/sf), which should be competitive.
5. Most financial measurements meet the requirements of the current capital markets: For Lot 5 retail space, the Return on Cost (ROC) is 9%. The Return on Equity (ROE) for the Condominium units is 58.6%. For the expansion of Wallace Deck, the ROC for the retail space is 12.1%, and the ROE for the condominium units is 14.9%. While the returns on the condominium units over Wallace Deck need to be enhanced, we believe the parking needs to be reconfigured.
6. Ram has included adequate parking for the new space and has included the replacement parking spaces requested by the Town.

The Council Committee and Town staff should review this report as a comparative analysis of developer proposals. During the negotiation of the Land Lease and Development Agreement, we will have ample opportunity to refine and negotiate all aspects of the proposal submitted by the Ram Development Team in response to the developer Request for Proposals (RFP).

Summary of Selected Major Line Items

Category 1: Development Team

Both developers provided the Town teams of high quality and comprehensive expertise.

It should be noted that the Ram Principals assigned to this project have proposed personal equity investment in the form of at-risk cash for the development of Lot 5 and Wallace Deck. This signals a strong commitment to the project and should serve as strong motivation for these Principals to successfully implement the developments.

Category 2: Building Program/Urban Design/Architecture

After careful study, SPPRE believes the master plans submitted by the two developers are good but similar. It is our opinion that the architecture and presentation submitted by the Grubb team was superior to the Ram team. In fact, SPPRE recommends to the Council Committee that the Ram team resubmit, at a minimum, one or two new perspective renderings, which are the caliber of the renderings submitted by the Grubb architecture team.

SPPRE thinks it is important that Ram Development allocated Affordable Housing Units for both Lot 5 and Wallace Deck. While Grubb Properties proposed an equal number of Affordable Housing Units, they did not include any units in the Lot 5 development.

Category 3: Financial Analysis

The presentation of the Financial Analysis by the Grubb team was better organized and more clear than the Ram team. However, SPPRE questions several assumptions made by Grubb Properties. More specifically, the assumption of 66% efficiency for the condominium units was too low; the assumption of 30% equity may be higher than required by the capital markets by a factor of two; and the 10% contingency is higher than industry standards. What concerned SPPRE most about these assumptions was if they were more in line with industry standards the financial returns to Grubb Properties would be even greater. The Council Committee should recognize that the projected returns for Grubb Properties already exceeded industry standards. The imbalance of returns to the Town

versus Grubb Properties would be even greater. For example, the Return on Equity (ROE) for Grubb Properties is 77.16% for the Lot 5 condominium units, yet the Non-Contingent Income to the Town is one-quarter of the income proposed by Ram Development.

Category 4: Proposed Public/Private Finance Plan

The public/private finance plan proposed by Ram Development is far superior to the Grubb/Leyland Alliance team. Ram proposes a land lease payout for the property that is comparable with the amount proposed by the SPPRE financial feasibility proformas. This amount is also comparable with the two valuation methods applied to the project sites, and serves to effectively offset public investment, and hence reduce the town's financial exposure.

While our evaluation for this single criteria category required over 100 line items, for purposes of this memo, we will focus on three factors.

- Factor One: The Total Development Budget (TDB) for Lot 5 proposed by Ram Development includes an 84%/16% public/private split of costs. The TDB proposed by the Grubb team is a 67%/33% split.
- Factor Two: The Total Non-Contingent Income to the Town proposed by Ram Development is \$9,868,796, which when compared to Grubb's proposed \$2,242,342 is over four times greater.
- Factor Three: While Ram Development provides four times more non-tax income to the Town, the required investment by the Town is less than half the amount required by Grubb Properties.

Bottomline, under the Ram proposal the Town's income exceeds the investment required by the Town by \$1,397,961 compared to Grubb's proposal which results in a net investment by the Town equal to \$17,086,096.

Category 5: Plan to Minimize Construction Impact

Both teams provided adequate responses.

Category 6: Preliminary Approval Rights for Town

Again, Ram's proposal was far superior to the proposal submitted by Grubb Properties. Grubb Properties relegated the Town's control primarily to design, while Ram Development covered nine aspects of the development.

Category 7: Preliminary Financial and Development Safeguards

Once again, Ram's proposal was far superior to the proposal submitted by Grubb Properties. Even though it was emphasized in the RFP and examples of safeguards were presented in the RFP, Grubb Properties chose to submit one vague paragraph describing safeguards for the Town.

Category 8: Preliminary Development and Construction Schedule

Both teams provided similar responses.

Category 9: Background Check

Both companies agreed to the Town completing a background check.

Category 10: Level of Specificity and Subjective Criteria

Of the 13 line items for this category, Ram Development received a higher score for five of the line items. For four of the 13 line items, the two developers received the same score. For two of the line items Grubb received a higher score. For two line items neither developer provided the requested information.

SPPRE was impressed with the fact that Ram Development spent 25 days in Chapel Hill meeting with community and business leaders during the developer RFP process.

SPPRE was also impressed with Ram's foresight to include Affordable Retail Space on Rosemary Street, which should facilitate the participation of local businesses.

Bottomline, Ram exhibited the commitment, characteristics and enthusiasm of an excellent private partner for the Town.

Major Items to Address with Ram Development:

- The projected returns on the condominium development on Wallace Deck do not meet the current requirements of the capital markets. While this should be the top priority of SPPRE and Ram Development, SPPRE believes costs can be reduced and cash flow can be enhanced, which should lead to financial feasibility.
- Clearly, Ram Development misinterpreted the amount of funds required to retire the Bond for Wallace Deck. SPPRE, in conjunction with Ram should address creative ways to mitigate the WD debt. Either pay off in full, or possibly incorporate into any new Revenue Bond. This would allow the Town to effectively refinance at a lower interest rate.
- The current Ram design of Wallace Deck wraps the garage with retail and residential units. The current design of the WD does not have a ventilation system in place for this type of design. SPPRE/Town must 1) confirm this cost is present in the hard construction costs proposed by Skanska, 2) introduce as new to the Total Development Budget, and/or 3) consider different design alternatives or solutions to avoid incurring this cost.
- Should the immediate shortfall in existing public parking (126 spaces) be considered in the design of the expanded Wallace Deck? If Ram and the Town were to incur the cost for these replacement parking spaces, adding one full level of parking atop Wallace Deck, (approximately 164 spaces) how would these additional parking spaces be financed?
- Will Council Committee or Town Council accept the concept of shared parking to reduce the number of spaces for replacement parking at Wallace Deck?
- SPPRE believes it is important for the Ram Development team to have at least one, and ideally two or three perspective renderings which are of a higher quality than those submitted in their proposal.
- See the six footnotes included in Section 3.12 of the Evaluation Matrix.

**Weighting the Evaluation
Criteria and
Scoring and Ranking
Developer Proposals**

Development of Lot 5 and Wallace Deck Chapel Hill, NC				
Weighting the Evaluation Criteria				
		Developers		
Evaluation Criteria Categories		Weight	Ram Development Company	Grubb Properties and Leyland Alliance
1.00	Development Team (Designated Architect)	5	5	4
2.00	Building Program/Urban Design/Architecture	25	17	20
3.00	Financial Analysis	10	8	6
4.00	Proposed Public/Private Finance Plan	25	23	12
5.00	Plan to Minimize Construction Impact	10	8	9
6.00	Preliminary Approval Rights for Town	5	5	2
7.00	Preliminary Financial and Development Safeguards	5	5	0
8.00	Preliminary Development and Construction Schedule	5	5	4
9.00	Background Check	0	0	0
10.00	Level of Specificity and Subjective Criteria	10	9	5
Total		100	85	62
Developer Ranking			1st	2nd

Evaluation Matrix for Developer RFP Proposals

Evaluation Matrix for Developer RFP Proposals			
Town of Chapel Hill			
June 2, 2005			
Ref. #	Development Team	Ram Development Company	Grubb Properties and Leyland Alliance
1	Identify proposed multi-disciplinary team members:		
1.1	1 Managing Developer	Ram Development Company	Grubb Properties
1.2	2 Co-developer (if applicable)	n/a	Leyland Alliance
1.3	3 Project Manager for Developer	Depends on Development phase of project. Primary contact is Ivy Greaner and Susan Tjarksen.	Jeff Harris & Macon Toleando
1.4	4 Contractor	Skanska USA	Resolute Builders or Rogers Builders Construction
1.5	5 Operators	Ram Commercial Group (RCG) and Ram Realty Services (RRS)	n/a
1.6	6 Architect	Duany Plater-Zyberk (Lead Architect: Planning and Architecture), Cline Design (Architect of Record: building design and construction documents), GGA Architects	Urban Design Associates (Lead Design) & FMK Architects (Architect of Record)
1.7	7 MEP Engineer	Sigma Engineered Solutions, Columbia, SC (new)	Saber Engineers or Charlotte Engineers
1.8	8 Structural Engineer	Stewart Engineering, Morrisville, NC (new)	Stroud, Pence, and associates
1.9	9 Civil Engineer	Kimley Horn, Raleigh, NC (new)	ColeJenest & Stone
1.10	10 Landscape Architect	Corban & Goode, Toronto, Ontario (new)	n/a
1.11	11 Law Firm	TBD	n/a
1.12	12 Marketing Consultant	Ram Commercial Group	Gibbs Planning Group
1.13	13 Equity investor(s)	Ram Development Company	n/a
1.14	14 Debt investor(s)	TBD	Bank of America, Wachovia, or Regions Bank.
1.15	15 Other consultants	System WorCx, LEED Commissioning Agent (new)	Steven Winter Associates - LEED consultant; Michael Gallis & Associates - Strategic Planning Consultants; Gibbs Planning Group - Retail
1.16	16 Leasing and Management	Ram Commercial Group (RCG) and Ram Realty Services (RRS)	n/a
1.17	17 Identified Tenants	n/a	n/a

Evaluation Criteria		Ram Development Company	Grubb Properties and Leyland Alliance
1.00	Development Team	5	4
	18 New Team Members, if applicable. Additional Info. on Project Manager	Cline Design, GGA Architects, Kimley Horn, System WorCx, Corban & Goode, Stewart Engineering	DESMAN Associates, parking consultant
	19 Principal Point of Contact	Susan Tjarksen	Jeff Harris, Exec. Vice President, Investments
2.00	Building Program	17	20
2.10	Proposed Building Program:		
	20 Total GSF: Lot 5 and WD (excluding parking):	281,390 sf	226,034 sf
	21 Total Retail GLA: Lot 5 and WD (exc. pkg):	28,088 sf	44,400 sf
	22 Total Housing Gross Sales SF: Lot 5 and WD (exc. pkg):	253,302 sf	181,634 sf
	*Assume all parking spaces are approximately 350 sf		
	Private Building Program:		
	Lot 5		
	23 Retail (GSF)	27,320 sf	36,900 sf
	24 Housing - Market Rate (GSF)	107 Units (158,122 gsf)	120 Units (176,050 sf)
	25 Housing - Affordable (GSF)	17 Units (16,264 sf)	0 Units (sf)
	26 Open Space (GSF)	16,275 sf (50%)	20,300 sf (50%)
	27 Parking Spaces for New Retail	70 Spaces (24,500 sf)	0 Spaces (sf)
	28 Parking Spaces for Residential	179 Spaces (62,650 sf)	0 Spaces (sf)
	29 Total Garage Parking Spaces	249 Spaces (87,150 sf)	0 Spaces (sf)
	Wallace Deck		
	30 Retail (GSF)	3,500 sf	7,500 sf
	31 Housing - Market Rate (GSF)	91 Units (104,147 sf)	32 Units (59,866 sf)
	32 Housing - Affordable (GSF)	18 Units (19,470 sf)	28 Units (22,244 sf)
	33 Open Space (GSF)	6,058 sf (50%)	6,500 sf (50%)
	34 Parking Spaces for New Retail	12 Spaces (4,200 sf)	0 Spaces (sf)
	35 Parking Spaces for Residential	38 Spaces (13,300 sf)	0 Spaces (sf)
	36 Total Garage Parking Spaces	50 Spaces (17,500 sf)	0 Spaces (sf)

Evaluation Criteria		Ram Development Company	Grubb Properties and Leyland Alliance
37	Parking Spaces assumed to be leased for Private Use:	126 Spaces (44,100 sf)	65 Spaces (22,750 sf)
Total Private Building Program:			
38	Retail (GSF)	30,820 sf	44,400 sf
39	Housing - Market Rate (GSF)	198 Units (262,269 sf)	152 Units (235,916 sf)
40	Housing - Affordable (GSF)	35 Units (35,734 sf) 18% of total units	28 Units (22,244 sf) 18% of total units
41	Open Space (GSF)	22,333 sf (50%)	26,800 sf (50%)
42	Parking Spaces for Retail	82 Spaces (28,700 sf)	0 Spaces (sf)
43	Parking Spaces for Residential	217 Spaces (75,950 sf)	0 Spaces (sf)
44	Private (Total)	299 Spaces and (455,806 sf)	0 Spaces and (329,360 sf)
45	Parking Spaces assumed to be leased for Private Use(WD):	126 Spaces (44,100 sf)	65 Spaces (22,750 sf)
46	Affordable Housing Units to Market Rate Units:	17.68%	18.42%
Public Building Program:			
Lot 5			
47	Replacement Parking Spaces	173 Spaces (60,550 sf)	40 Spaces (14,000 sf)
48	Parking Spaces for New Retail	0 Spaces (sf)	148 Spaces (51,800 sf)
49	Parking Spaces for Residential	0 Spaces (sf)	196 Spaces (68,600 sf)
50	Open Space (50%)	16,275 sf (50%)	20,300 sf (50%)
51		173 Spaces and (76,825 sf)	384 Spaces and (154,700 sf)
Wallace Deck			
52	Replacement Parking Spaces	0 Spaces (sf)	0 Spaces (sf)
	Parking Spaces for New Retail		30 Spaces (10,500 sf)
	Parking Spaces for Residential		34 Spaces (11,900 sf)
53	Open Space (50%)	6,058 sf (50%)	6,500 sf (50%)
54		0 Spaces and (6,058 sf)	64 Spaces (28,900 sf)
55	Note: Remaining Public Parking Spaces after build out (WD):	195 Spaces (68,250 sf)	255 Spaces (89,250 sf)

Evaluation Criteria		Ram Development Company	Grubb Properties and Leyland Alliance
	Total Public Building Program:		
56	Replacement Parking Spaces:	173 Spaces (60,550 sf)	40 Spaces (14,000 sf)
57	Parking Spaces for New Retail (Private)	0 Spaces (sf)	178 Spaces (62,300 sf)
58	Parking Spaces for Residential (Private)	0 Spaces (sf)	230 Spaces (80,500 sf)
59	Open Space (50%)	22,333 sf (50%)	26,800 sf (50%)
60	Total:	368 Spaces (82,883 sf)	703 Spaces (183,600 sf)
	Total Parking Breakdown (Public and Private):		
	After Buildout		
	Lot 5:		
61	Replacement Public Parking Spaces:	173 Spaces (60,550 sf)	40 Spaces (14,000 sf)
62	Retail Spaces	70 Spaces (24,500 sf)	148 Spaces (51,800 sf)
63	Residential Spaces	179 Spaces (62,650 sf)	196 Spaces (68,600 sf)
64	Total Parking Spaces:	422 Spaces (147,700 sf)	384 Spaces (134,400 sf)
	Wallace Deck:		
65	Replacement Public Parking Spaces:	0 Spaces (sf)	0 Spaces (sf)
66	Retail Spaces	12 Spaces (4,200 sf)	30 Spaces (10,500 sf)
67	Residential Spaces	38 Spaces (13,300 sf)	34 Spaces (11,900 sf)
68	Spaces Assumed to Be leased for Private Use:	126 Spaces (44,100 sf)	65 Spaces (22,750 sf)
69	Remaining Public Spaces in Wallace Deck	195 Spaces (68,250 sf)	255 Spaces (89,250 sf)
70	Total Parking Spaces:	371 Spaces (129,850 sf)	384 Spaces (134,400 sf)
	Total Public and Private Parking at Lot 5 and WD:	793 Spaces (277,550 sf)	768 Spaces (268,800 sf)
	Public and Private Components as a % of Total		
	*This is just for building program, not cost allocation, after build out.		
71	Private (Retail, AFF/MR Units, Parking):	84.61%	64.21%
72	Public (Replacement Public Pkg., 50% of open space):	15.39%	35.79%
	Public Parking Analysis:		
73	Constructed Replacement Public Spaces at Lot 5:	173 Spaces (60,550 sf)	40 Spaces (14,000 sf)
74	Remaining Public Spaces in Wallace Deck after build out:	195 Spaces (68,250 sf)	255 Spaces (89,250 sf)
75	Total Public Parking after build out (WD + Lot 5)	368 Public Parking Spaces (128,800 sf)	295 Public Parking Spaces (103,250 sf)
76	Existing Public Parking Spaces (WD + Lot 5)	494 Spaces (WD: 321, Lot 5: 173)	494 Spaces (WD: 321, Lot 5: 173)
77	Difference in Replacement Public Parking:	-126 Spaces	-199 Spaces

Evaluation Criteria		Ram Development Company	Grubb Properties and Leyland Alliance
	Footnotes:		
	(27) Assume that the 12 surface spaces at Lot 5 are not included in Site Cost, not in garage underground cost.		
	(37) (Grubb) Leased for Private Use include 35 for Aff. Condos and 30 for Retail. The 64 for MR Condos are to be built by the Town, and are on the Public Building Program.		
	(41) SPPRE assumes 50% will be paid by developer, however division of private components subsidized by the Town is not illustrated.		
	(45) Neither Developer addresses what happens to the shortfall of replacement public parking (WD or Lot 5).		
	(47) (Ram) Planned for the full replacement of the 173 spaces at Lot 5, Ram is not using any of these spaces for Private use.		
	(59) SPPRE assumes it is reasonable for the Town to pay for 50% of the cost of open space, for the amount exceeding current requirements in the LUMO.		
	(60) (Ram and Grubb) This is such a large difference because Grubb is allocating all of the parking (private and public) as a building component of the Town.		
	(68) (Ram) This includes 114 Residential Spaces, and 12 Retail spaces to accommodate new demand at Wallace Deck.		
	(77) Both Developers assume that existing parking spaces in Wallace Deck will be leased for Private use. Each proposal reduces the existing amount of spaces in WD.		
	(77) Total difference is the number of current public parking spaces (for existing retail and residential) versus the amount that will remain after buildout.		
	(77) Shortfall is to be addressed in Phase 2. (Lot 2/RBC). SPPRE models (based off a similar bldg prgm) allocated 91 spaces to the Lot 2/RBC development.		
2.20	Master Plan and Architectural Design		
2.21	Master Plan		
	78 General assessment of Master Plan	Good	Good
	79 Responsiveness to Town's Guiding Principles	Excellent	Excellent
	80 Rationale for Plan	Good	Good
	81 Proposed Character in perspective sketch	Fair	Good
	82 Proposed Massing	Good	Scale of Lot 5 is massive, WD is Good, combined Fair assessment
2.22	Architectural Design		
	83 General assessment of Architectural design	Good	Excellent (issue with building scale)
	84 Level of design development to date	Good	Excellent
	85 Conceptual Building Elevation on Franklin St.-Lot 5	Good: 4-7 story on Franklin St.	Fair: 2-9 story Apartment building on Franklin St.
	86 Conceptual Building Elevation on Rosemary St.-Lot 5	Good: 3-story	Fair: 5 story, no elevation step back on Rosemary
	87 Pedestrian Spaces at Lot 5	Excellent	Good
	88 Conceptual Building Elevation, Rosemary St.-WD	Excellent	Good. Row housing style lacks character.
	89 Conceptual Building Elevation, Henderson St. -WD	Fair	Excellent, corner retail and residential
	90 Pedestrian Spaces at Wallace Deck	Fair	Good. Open space on garage could be more visible from Rosemary
	91 Structural Grid System	Yes	Yes
	92 Floor Plate Efficiency	Condos: 85%; Retail 90%	Lot 5 Condos: 66%; Lot 5 Retail: 100% WD Condos: 79%; WD Retail: 100%
	93 Building Materials	Fair, use of brick, cornices.	Good, significant use of brick
	94 Proposed working rel. w/ Town thru Urban Design Process	Excellent	Good

Evaluation Criteria		Ram Development Company	Grubb Properties and Leyland Alliance
3.00	Financial Analysis	8	6
3.10	Development Cost - Public and Private		
95	Total Development Budget (TDB) all projects	\$74,961,694	\$62,638,091
96	Total Development Budget (TDB) private dev.	\$66,490,859	\$42,009,654
97	Total Development Budget (TDB) public dev.	\$8,470,835	\$19,328,438
98	Total Hard Cost and % of TDB	\$54,901,943 (73%)	\$42,951,469 (69%)
99	Total Soft Cost and % of TDB	\$12,909,751 (17%)	\$18,386,622 (29%)
100	Land Lease Payout to Town and % of TDB	\$7,150,000 (10%)	\$1,300,000 (2%)
101	Method used to determine Land Value	Not specified, indicate approx. \$53.08 psf at Lot 5	Residual Land Value based on required returns for Grubb
	Development Cost - Lot 5		
102	Total Development Budget (TDB)	\$50,531,386	\$45,393,632
103	Total Development Budget (TDB) private dev.	\$42,242,197 (84%)	\$30,530,322 (67%)
104	Total Development Budget (TDB) public dev.	\$8,289,190 (16%)	\$13,563,310 (30%)
105	Total Hard Cost and % of TDB	\$37,971,832 (75%)	\$31,948,532 (70%)
106	Total Soft Cost and % of TDB	\$8,559,554 (17%)	\$12,145,100 (27%)
107	Land Lease Payout and % of TDB	\$4,000,000 (8%)	\$1,300,000 (3%)
	Development Cost - Wallace Deck		
108	Total Development Budget (TDB) all projects	\$24,430,308	\$17,244,459
109	Total Development Budget (TDB) private dev.	\$24,248,663 (99%)	\$11,479,333 (67%)
110	Total Development Budget (TDB) public dev.	\$181,646 (1%)	\$5,765,128 (33%)
111	Total Hard Cost and % of TDB	\$16,930,111 (69%)	\$12,302,937 (71%)
112	Total Soft Cost and % of TDB	\$4,350,197 (18%)	\$4,941,522 (29%)
113	Land Lease Payout and % of TDB	\$3,150,000 (13%)	\$0 (0%)
	Footnotes:		
	(95) (Ram)The Total Development budget is slightly different, \$281,760, because of the 10 parking spaces (Skanska vs. Building Program)		

Evaluation Criteria		Ram Development Company	Grubb Properties and Leyland Alliance
3.12	Budget and Cost per GSF - Lot 5		
114	Retail Building Cost (Hard, Soft, Land, Pkg)	\$6,471,537 (\$236.88 /gsf)	\$9,071,028 (\$245.83 /gsf)
115	Retail Building Cost (Hard only)	104.00 /sf	92.25 /sf
116	Residential Building Cost (Hard, Soft, Land, Pkg)	\$35,770,660 (\$205.12 /gsf)	\$25,834,294 (\$146.74 /gsf)
117	Residential Building (Hard Only)	104.00 /sf	153.75 /sf
118	Residential Cost Per Unit (Hard, Soft, Land, Pkg)	\$288,473 /Unit	\$215,286 /Unit
119	Garage (Private Portion, Hard+Soft)	\$7,930,759 (\$31,850.44 /space)	\$0 (\$0.00 /space)
120	Garage (Retail, Hard+Soft)	\$1,940,861	\$0
121	Garage (Residential Hard+Soft)	\$5,989,898	\$0
122	Total Private (includes Parking):	\$42,242,197	\$34,905,322
123	Garage (Public Portion - Hard)	\$4,395,584 (\$25,408.00 /space)	\$10,488,309 (\$27,313.30 /space)
124	Cost per parking stall (Hard +Soft)	410 spaces below-grade \$30,064 /space	384 spaces, combination above- and below-grade \$27,313 /space
125	Town Responsibilities:	Town pays for Underground Parking Delta (\$3,577,448), 50% of open space(\$316,158) and 173 underground spaces(\$4,395,584)	Town pays for all parking at Lot 5 (1 level of underground parking and 4 level garage at Lot 5) (\$10,488,309), contribute a subsidy to Residential project(\$4,375,000), and sell Lot 5 land to the Retail component (\$1,300,000).
126	Total Investment required by Town (Lot 5):	\$8,289,190	\$10,488,309 (subsidy not included)
127	Total Public and Private (Lot 5):	\$50,531,386	\$45,393,631
	Footnotes:		
	(114) (Ram) There is no land cost allocated in the Retail component.		
	(118) (Ram and Grubb) This average cost includes both Affordable and Market Rate Units.		
	(119) (Ram) Cost per space is higher because they have land, soft costs, etc. included. Ram did not allocate any other costs to the Town other than Hard.		
	(120) (Ram) There are 12 surface parking spaces that Ram projects at Lot 5 (70-12) totaling 58 spaces in underground. Assume cost is absorbed in the site work budget.		
	(125) (Ram) Did not clearly illustrate how they derived the Parking Delta Cost.		
	(125) (Grubb) Grubb uses a land residual value to determine the value of the Lot 5 land.		
	(126) (Ram) There is some differences in the numbers provided by Ram for the cost of the Lot 5 Garage, it is minor and may impact the budget only 2%.		

Evaluation Criteria		Ram Development Company	Grubb Properties and Leyland Alliance
3.13	Budget and Cost per GSF - Wallace Deck		
128	Retail Building Cost (Hard, Soft, Land, Pkg)	\$599,551 (\$171.30 gsf)	\$1,385,219 (\$184.70 gsf)
129	Retail Building Cost (Hard only)	104.00 /sf	92.25 /sf
130	Residential Building Cost (Hard, Soft, Land, Pkg)	\$23,649,111 (\$191.31 gsf)	\$13,440,113 (\$163.68 gsf)
131	Residential Building (Hard Only)	104.00 /sf	143.50 /sf
132	Residential Cost Per Unit (Hard, Soft, Land, Pkg)	\$216,964 /Unit	\$224,002 /Unit
133	Garage (Private Portion, Hard+Soft)	\$1,795,813 (\$35,916.26 /space)	\$0 (\$0.00 /space)
134	Garage (Retail, Hard+Soft)	\$0	\$0
135	Garage (Residential Hard+Soft)	\$1,795,813	\$0
136	Total Private (includes Parking):	\$24,248,663	
137	Garage (Public Portion - Hard+Soft)	\$0	\$2,419,127
138	Cost per parking stall	50 underground spaces \$35,916 /space	64 above grade on 4th level, \$37,799 /space
139	Town responsibilities:	Town pays for 50% of open space (\$181,646)	Town pays for a half level, 64 spaces, of parking on top of WD(\$2,419,128), contribute a subsidy to the Residential project (\$2,940,000), and contribute a subsidy to the Retail project (\$406,000).
140	Total Investment required by Town (WD):	\$181,646	\$2,419,127 (subsidy not included)
141	Total Public and Private (WD):	\$24,430,308	\$17,244,459
	Footnotes:		
	(132) (Ram and Grubb) This average cost includes both Affordable and Market Rate Units.		
	(138) (Ram) There is a 1 space parking difference in the Skanska estimate and the building program. SPPRE assumes this difference is negligible.		
	(138) (Grubb) SPPRE questions the total cost of \$37,799 /space for the 64 space above grade extension on level 4.		

Evaluation Criteria		Ram Development Company	Grubb Properties and Leyland Alliance
3.20	Pro Forma - Lot 5		
	Retail Rental Rates (LSF):		
142	Retail	\$35 on Franklin St. ; \$25 on Church St.; \$20 on Rosemary St. (Average: \$27.58)	\$30 on Lot 5 Square, \$22 on Rosemary
	Sales Price Point:		
143	Market Rate Housing	\$348,266	\$246,509
144	Affordable Housing	\$100,300	There does not appear to be affordable housing in Lot 5.
145	Assumed Inflation Rate (Retail)	3% CPI Annually	3% CPI Annually
146	Projected Loan-to-Value (LTV)	80%/20% Construction Loan & Permanent Debt	70%/30% Construction Loan ---- 75%/25% Permanent Debt
	Equity (includes Private Parking costs)		
147	Amount of Equity (Residential)	\$7,154,132	\$3,375,288
148	Amount of Equity (Retail)	\$1,294,307	\$2,721,308
149	Total Equity:	\$8,448,439	\$6,096,597
	Debt (includes Private Parking costs)		
150	Amount of Debt (Residential)	\$28,616,528	\$18,084,006
151	Amount of Debt (Retail)	\$5,177,230	\$6,349,720
152	Total Debt:	\$33,793,757	\$24,433,725
	Construction Loan:		
153	Interest Rate:	not provided	6.50%
154	Term:	not provided	Interest only
155	Loan to Cost (LTC):	Assume 80%/20%	70%
	Permanent Loan (Retail):		
156	Interest Rate:	Not Provided (Retail, SPPRE Assumes 6.75%)	7.00%
157	Term:	Not Provided Assume 20 Years	20 years
158	Loan To Value (LTV):	Assume 80%/20%	75% / 25%
159	Cap Rate for Reversion (Retail):	7.50%	9.00%

Evaluation Criteria		Ram Development Company	Grubb Properties and Leyland Alliance
	Financial Measurements:		
	Retail		
160	Unleveraged IRR 10yr:	8.67%	10.52%
161	Leveraged IRR 10yr:	19.74%	20.58%
162	Return on Cost (Yr. 3):	8.96%	10.36%
163	Debt Coverage Ratio (Yr. 3):	1.23	1.29 (year 4 after refinance)
	Condo		
164	IRR (yrs 1-3)	25.94%	66.48%
165	Pretax Net Income	10.03%	20.00%
166	Return on Equity	58.62%	77.16%
167	Return on Cost	11.72%	23.15%
168	Town Owner Rep. Fee included	Yes (based on TDB, excludes land and marketing cost)	No
	Footnotes:		
	(146) (Ram) Does not offer a financing structure for each component. Ram outlines an 80%/20% on the total project costs.		
	(153) (Ram) For the purposes of this analysis, SPPRE only assumes a permanent debt structure on the project. (no construction loan or refinance).		
	(159) (Grubb) Uses a 9% cap rate which lowers the resale value of the Retail Component, potentially understating returns. The nat'l avg. is approx. 8.0% (RE Forum 11/04)		
	(167) (Ram) This Return on Cost includes the cost of the affordable housing component and the smaller returns associated with its disposition		
	(168) (Grubb) There is a 1.5% Construction Management Fee that is not clear whether it includes the Owner Rep fee for the Town.		
3.21	Pro Forma - Wallace Deck		
	Rental Rates (PSF):		
169	Retail	\$25.00 sf on Rosemary	\$22.00 sf
	Sales Price Point:		
170	Market Rate Housing	\$268,926	\$134,835
171	Affordable Housing	\$110,133	\$254,670
172	Assumed Inflation Rate (Retail)	3% CPI Annually	3% CPI Annually

Evaluation Criteria		Ram Development Company	Grubb Properties and Leyland Alliance
	173 Projected Loan-to-Value (LTV)	80% / 20% Construction Loan & Permanent Debt	70% / 30% Construction Loan ----- 75% / 25% Permanent Debt
	Equity (includes Private Parking costs)		
	174 Amount of Equity (Residential)	\$4,729,822	\$1,092,034
	175 Amount of Equity (Retail)	\$119,910	\$9,566
	176 Total Equity:	\$4,849,733	\$1,101,600
	Debt (includes Private Parking costs)		
	177 Amount of Debt (Residential)	\$18,919,289	\$9,408,079
	178 Amount of Debt (Retail)	\$479,641	\$969,654
	179 Total Debt:	\$19,398,930	\$10,377,733
	Construction Loan:		
	180 Interest Rate:	Not Provided	6.50%
	181 Term:	Not Provided	Interest only
	182 LTC:	Assume 80%/20%	70% / 30%
	Permanent Loan:		
	183 Interest Rate:	Not Provided (SPPRE assumes 6.75%)	7.00%
	184 Term:	Not Provided (SPPRE assumes 20 yrs)	20 years
	185 LTV:	Assumes 80%/20%	75% / 25%
	186 Cap Rate for Reversion (Retail):	7.50%	9.00%
	Financial Measurements:		
	Retail		
	187 Unleveraged IRR 10yr:	12.24%	9.98%
	188 Leveraged IRR 10yr:	27.62%	20.00%
	189 Return on Cost (Yr. 3):	12.08%	10.79%
	190 Debt Coverage Ratio (Yr. 3):	1.66	1.29% (year 4 after refinance)
	Condo		
	191 IRR (yrs 1-3)	7.20%	91.82%
	192 Pretax Net Income	2.77%	20.00%
	193 Return on Equity	14.91%	72.57%
	194 Return on Cost	2.98%	21.77%

Evaluation Criteria		Ram Development Company	Grubb Properties and Leyland Alliance
195	Town Owner Rep. Fee included	Yes (excludes land and marketing cost)	No
	Footnotes:		
	(191) (Ram) Returns are significantly impacted on WD because of the underground parking.		
	(194) (Ram) This Return on Cost includes the cost of the affordable housing component and the smaller returns associated with its disposition.		
3.30	Town Income (Years 1-40)		
	See Following Section "Public/Private Finance Plan"		
4.00	Public/Private Finance Plan	23	12
4.10	Land Lease Payments- Lot 5 and WD		
	Non Contingent, Non-Tax Income to Town (Yrs. 1-10)		
	Land Lease Terms (A-L)		
196	A) Base Rent (Yr. 1)	Land Lease Payout	\$0
197	Method for Calculation:	\$/sf of Retail LSF	None
198	Land Lease Payout Lot 5 (Year 1)	\$4,000,000 (non-contingent)	\$1,300,000 (purchase)
199	Land Lease Payout WD (Year 1)	\$3,000,000 (non-contingent)	\$0
200	WD Bond Retirement	\$150,000 (non-contingent)	\$0
201		\$7,150,000	\$1,300,000
202	A) Base Rent (Yrs. 3-10)	Base Rent equal to \$2.50 per square foot of Retail Net LSF at both sites, plus CPI increase.	\$0
203	Contingent or Non-Contingent	Non-Contingent	\$0
204	Total Base Rent to TCH - Lot 5	\$546,612	\$0
205	Average Annual Base Rent to TCH - WD	\$77,808	\$0
206	Cumulative Base Rent (Lot 5 and WD)	\$624,420 over 7 years of operations (including annual CPI increase)	\$0

Evaluation Criteria		Ram Development Company	Grubb Properties and Leyland Alliance
207	B) Periodic adjustment to Base Rent	3% per year	None
208	C) Percentage Rent	None	None
	D) Periodic adjustments to Percentage Rent		
209	E) Construction Rent	\$0	\$0
210	F) Subordination of any payments to Town?	No subordination, however mortgagor will require recourse in the event of loan default.	n/a
211	Land Lease Payout on Resid. Component?	Yes	Proposed a fee-ownership structure.
212	G1) Residential Land Lease Term	99 Years	
213	Land Lease Payout on Retail Component?	Yes, at Sale	Developer allocates \$1,300,000 for the purchase of Lot 5 from TCH. This offsets the TCH level of financial commitment to the other projects.
214	G2) Retail Land Lease Term	40 Years	n/a
215	H1) Town participation in sale proceeds (Housing)	(See Contingent Income line item, below)	\$0
216	H2) Town participation in sale proceeds (Retail)	Yes, the base rent in the current year divided by an 8.75% cap rate. (year 7 of operations, total proceeds of \$986,991)	\$0
217	Lot 5:	\$864,004	\$0
218	Wallace Deck:	\$122,987	\$0

Evaluation Criteria		Ram Development Company	Grubb Properties and Leyland Alliance
219	Total Share of Net Sales Proceeds:	\$986,991	\$0
220	I) Maintenance/ Repairs	Addressed in Section 4.2	Addressed in Section 4.2
221	J) Insurance and Bond Requirements	Insurance will be satisfactory to the Town	Not Provided
222	K) Performance and Payment Bonds	Will obtain a Performance Bond and Guaranteed Maximum Price (GMP).	Not Provided
223	L) Detailed proposed lease terms	99 years Residential, 40 years Retail	Proposed a fee-ownership basis
Other Income:			
224	Public Art Fund:	\$629,794	Not mentioned in TDB
225	Contribution for Programming of Public Space:	\$200,000	\$0
226	Town Permit and Impact Fee:	\$277,591	\$942,342
227	Total Other Income:	\$1,107,385	\$942,342
228	Total Non-Contingent. Non-Tax Income to Town: (Yrs. 1-10)	\$9,868,796	\$2,242,342
Investment by Town (1-40)			
SPPRE Estimated Land Value (1)			
ACS Land Appraisal			
229	Lot 5:	\$3,150,000	\$3,150,000
230	Wallace Deck:	n/a	n/a
Pickett Sprouse Valuation Method			
231	Lot 5:	\$7,628,275	\$5,831,250
232	Wallace Deck:	\$3,766,863	\$2,402,750
Combined Land Valuation			
233	Median Valuation Lot 5	\$5,389,138	\$4,490,625
234	Wallace Deck:	\$3,766,863	\$2,402,750
235	Total estimated land value:	\$9,156,000	\$6,893,375

Evaluation Criteria		Ram Development Company	Grubb Properties and Leyland Alliance
	Other Investment Required by Town:		
236	Lot 5:	\$8,289,190	\$13,563,310
237	Wallace Deck:	\$181,646	\$5,765,128
238	Subtotal:	\$8,470,835	\$19,328,438
239	Total Investment required by Town (In 217+220):	\$17,626,835	\$26,221,813
	SPPRE Estimated Land Value (2)		
	ACS Appraisal		
240	Lot 5	\$3,150,000	\$3,150,000
241	(SPPRE valuation) Wallace Deck	\$2,184,965	\$2,184,965
242		\$5,334,965	\$5,334,965
	Other Investment Required by Town:		
243	Lot 5:	\$8,289,190	\$13,563,310
244	Wallace Deck:	\$181,646	\$5,765,128
245	Subtotal:	\$8,470,835	\$19,328,438
246	Total Investment required by Town:	\$13,805,800	\$24,663,403
	Parking Income (Yrs. 1-10)		
247	Net Income from Operations (Parking Yrs 1-10)	\$3,214,683	\$3,762,150
248	Total Parking Income	\$3,214,683	\$3,762,150
249	Revenue Bond (Supportable Amount)	\$4,772,897	\$4,573,783
	Term: 25 years, Coupon Rate: 5.0%, DCR: 1.20)		
	Returns for Town using SPPRE Valuation (1)(ACS and PS)		
	Town Return on Investment		
250	Internal Rate of Return (IRR) (1-10)	5.27%	Negative return
	Returns for Town using SPPRE Valuation (2) (ACS)		
	Town Return on Investment		
251	Internal Rate of Return (IRR) (Yr. 1-10)	12.02%	Negative return

Evaluation Criteria		Ram Development Company	Grubb Properties and Leyland Alliance
	Tax Revenue		
	Sales Tax (Yrs. 1-40)		
252	Total Sales Tax	\$16,026,043	\$22,880,554
253	Total Property Tax to Town (Yrs 1-25)	\$11,733,517	\$5,406,050
254	Self Financing Bond (Supportable Amount) Term: 25 years, Coupon Rate: 5.0%, DCR: 1.20)	\$5,512,385	\$2,539,752
255	Property Income, Parking Income, Sales Tax	\$19,240,726	\$26,642,705
256	Total Supportable Bond(s): (Parking Income and Property Tax)	\$10,285,281	\$7,113,536
257	Net Present Value of Future Cash Flow to Town: (As indicated by Developer proposals)	\$33,685,000	\$30,592,124
258	Contingent Income	Town may receive 20% of the net profits of Condominium sales contingent on Ram first reaching an ROC of 15%. (Current ROC calculated by SPPRE on Condo Units; Lot 5: 11.72%, WD: 2.98.%)	In the event the projected Property Tax, Sales Tax and Parking Income does not support the Bond debt service, Grubb offers Town back-end participation once equity investor's returns are met.
	Footnotes:		
	(216) (Ram) Only illustrate 7 years of operation. The Town has significantly less participation if the developer sells the Retail early in operations.		
	(216) (Ram) SPPRE suggests that this payment be based on the following year's base rent, and consider using a more competitive cap rate for the Town.		
	(226) (Ram) Ram needs to add \$2,000 per unit for School Impact Fees .		
	(231) (Ram) (Grubb) Pickett-Sprouse method is \$25.00/sf of private building area.		
	(236) (Grubb) The Town contributes a subsidy to the developments and then are privately owned and taxed.		
	(241) (Ram) (Grubb) This is just the area of the Wallace Deck parcel at \$41.00/sf, equal to that of Lot 5 (ACS Appraisal).		
	(249) (Ram) (Grubb) This bond amount is based off the 25 year income stream of Net Parking Income.		
	(247) (Ram) It is not clear wether this is gross or net parking income projected		
	(247) (Ram)(Grubb) It is not clear if both developers have included the significant non-operating expenses on the parking balance sheets.		
	(253) (Grubb) Illustrate 95% of assessed value going to Town (Town Income Summary), but only show 85% of value being paid to Town (cash flow proforma).		
	(253) (Ram)(Grubb) SPPRE recalculated at 85% of value, and .673 per \$100 (.673 = CH Downtown Revitalization, and Downtown Revitalization District).		
	(254) (Ram) SPPRE recalculated at total private development budget of \$66,490,000 for all private components. .		
	(253) (Ram)(Grubb) This number is significantly different between the two proposals because Ram is paying for the Private Parking Garage		
	(257) (Ram)(Grubb) Not weighted because the allocation of Sales Tax, Property Tax were not calculated, non-operating expenses of public parking income excluded.		
	(258) (Ram) Does not explain what components (total project, residential, or retail) an ROC of 15% would have to be achieved on for the Town to participate in proceeds.		

Evaluation Criteria		Ram Development Company	Grubb Properties and Leyland Alliance
4.20	Proposed Responsibilities		
	Town Responsibilities		
	Ownership / Operational Responsibilities:		
259	Management of Public Facilities	Will be divided between the 'building owners' and the Town. Building owners are Ram and the occupants.	TCH would manage the Public and Retail Parking.
260	Management of Public Space	Ram will own certain public portions of Lot 5 and WD. Ram will lease other public space back to the Town for \$10/year. The Town will eventually manage this public space. Ram has offered \$200,000 in initial programming for public space. Public space for the condominium units will be owned and maintained by the HOA.	Residential and Retail CAM charges would help pay for costs associated with maintenance of Public Space. Program Management is not described.
261	Public Art	TCH will assist Ram with managing this process with Town constituents. (is included in Total Dev. Budget)	Not Provided in Private Development Budget.
262	Management of Condominium Units	HOA	Assume HOA or Management Co.
263	Management of Retail	Ram Realty Company	Assume Grubb Management Co.
264	Construction	Developer	Developer
265	Financial Investment	Ram has offered to assist the Town to obtain financing.	Grubb has offered to look for grant funding for parking and other infrastructure costs to offset Town "subsidy". Indicates success in other projects.
266	Total Town Investment:	Responsible for financing public components, replacement spaces and public space. TCH will manage public and residential parking, and open space program management and maintenance.	Town "contributes" subsidies to the residential components at both sites, a subsidy to the retail component at Wallace Deck, and receives a purchase price of \$1,300,000 at Lot 5 on the retail components.

Evaluation Criteria		Ram Development Company	Grubb Properties and Leyland Alliance
	Developer Responsibilities		
267	Design	Work with Town and Public Arts Committee	Developer will work with TCH through design process
268	Finance	Ram responsible for private debt (80%) and equity (20%),	Grubb Responsible for all debt and equity
269	Development Management	Ram and Skanska responsible for Construction and Development	Grubb and Resolute or Rogers Construction Co. (No info on Rogers Construction Co.)
270	Construction	Ram and Skanska, with Town rep present at meetings if desired.	Indicate TCH will be partner during construction like debt and equity partners.
271	Facility Operation	Mainly Retail Component	Mainly Retail Component
4.30	Equity and Debt		
272	Amount of Debt	\$53,192,687	\$34,811,458
273	Amount of Developer Equity	\$13,298,172	\$7,198,196
4.40	Finance Commitments		
274	Letter of Intent for Equity Investment	Provided, Comercia Bank, Prudential Bank	Provided, Regions Bank, Wachovia Bank, and Bank of America
275	Letter of Intent for Construction Loan	Provided, Comercia Bank, Prudential Bank	Provided, Regions Bank, Wachovia Bank, and Bank of America
4.50	Capital Investment Required by Town		
276	Town's required capital investment	\$8,515,000 Gross (after land lease payments by Ram: \$1,100,000)	\$19,328,438 (This includes subsidy for Lot 5 and WD)
277	Public financing instrument suggested	GO Bond or Revenue Bond covered by Base Rent and Parking Income.	Tax Increment Finance Bonds
	Revenue Bond Supported by:		
278	Non-tax income paid to Town	Yes (Parking Revenue and Retail Base Rent)	Parking Income, Sales Tax
279	Property Tax generated by projects	Alternative sources of funding	Yes

Evaluation Criteria		Ram Development Company	Grubb Properties and Leyland Alliance
5.00	Plan to Minimize Construction Impact	8	9
		Blasting is required. Offer many techniques to minimize impact.	Want to minimize blasting and construction disruption in Town, hence, they plan these major actives during the summer months.
	280 Perceived impact from construction		
	281 Is blasting chosen for Lot 5 bedrock removal?	Yes	Yes, would like to minimize
	282 If so, then plan to minimize impact offered?	Yes	Yes
6.00	Preliminary Approval Rights for Town	5	2
	*Listing of Rights unique to this project		
	283	1. Easements	1. Master Declaration
	284	2. Parking Agreements	2. Reciprocal Operating Agreement between the condominiums, retail spaces and parking decks.
	285	3. Retail Property Management Agreement	3. Air Rights Agreements
	286	4. Condominium Association Documents	4. Public Offering Statements
	287	5. Workforce Housing Agreements	
	288	6. Development team members	
	289	7. Selection of a General Contractor	
	290	8. Sale, transfer and/or assignment of the leasehold	
	291	9. Types of retail tenants	
	292	Ram has experience with negotiating complex parking agreements with public entities.	
	293	Notes: Overall Assessment	Poor
		Excellent	
7.00	Town Financial and Dev. Safeguards	5	0
			"We will be able to provide specific details for minimizing the Town's risk exposure at the next stage of the process"
	294 1	Ram will obtain GMP from contractor	
	295 2	Ram will be solely responsible financially.	
	296 3	Guaranteed completion date will be explored. There may be additional costs with this option.	

Evaluation Criteria		Ram Development Company	Grubb Properties and Leyland Alliance
297	4	Construction contract will be open to the Town.	
298	5	Ram responsible for construction loan.	
299	6	Ram will pay off WD bond of \$150,000	
300	7	Retail Base Rent (with CPI increase) not contingent on performance.	
301	Overall Assessment	Excellent	Poor
8.00	Preliminary Dev. and Construction Schedule	5	4
302	Construction Term:	Lot 5: July 2007 - August 2009 (21 months); WD: July 2007 - Nov. 2008 (16 months)	Lot 5: August 2007 - March 2009 (17 months); WD: Feb. 2008 - March 2009 (13 months)
9.00	Statement to Allow a Background Check	0	0
303	A305 provided	Yes	Yes
10.00	Level of Specificity/Subj.Criteria	9	5
	Level of Specificity		
304	Urban Design	Good	Good
305	Architecture	Fair	Excellent
306	Tenant Mix	not specified	not specified
307	Financing Commitments	Good	Good
308	Tenant Commitments	not specified	not specified
309	Financial Analysis	Good	Excellent
310	Approval Rights/Safeguards for Town	Excellent	Poor
311	Public/Private Finance Plan	Good	Fair-Poor
312	Proposed Interaction with Town	Excellent	Good
313	Level of Enthusiasm of Developer	Excellent, Ram personnel were in CH for 25 business days.	Good
	Level of Creativity:		
314	Finance Plan	Good	Poor
315	Design	Fair	Fair
316	Perceived Level of Flexibility	Good	Fair
317	Assumptions: Aggressive. or Conservative?	Conservative	Conservative

Appendix

PARKING LOT #5				
Residential Housing Analysis provided by Town Staff				
	Lot 5	Grubb	Ram	
	CONDOS			
	Total Units	120		124
	Affordable	0		17
	% Affordable	-		13.71%
	1 Bed-Market	44		24
	1 Bed-Market Sf	28,424		20,400
	1 Bed-Market Avg Sf	646		850
	1 Bed Price	\$ 144,347	\$	255,000
	Avg. Price / Avg. SF	223	\$	300
	2 Bed-Market	52		51
	2 Bed-Market SF	46,355		62,985
	2 Bed-Market Avg SF	891		1,235
	2 Bed Price	\$ 222,366	\$	345,800
	Avg. Price / Avg. SF	249	\$	280
	3 Bed-Market	24		32
	3 Bed-Market SF	41,569		50,976
	3 Bed-Market Avg SF	1,732		1,593
	3 Bed Price	\$ 486,177	\$	422,145
	Avg. Price / Avg. SF	281	\$	265
	AFFORDABLE UNITS			
	1 Bed Units	0		11
	1 Bed SF	-		7,975
	1 Bed Avg SF	-		725
	1 Bed Price	-	\$	85,550
	Avg. Price / Avg. SF	-	\$	118
	2 Bed Units	0		6
	2 Bed SF	-		5,850
	2 Bed Avg SF	-		975
	2 Bed Price	-	\$	115,050
	Avg. Price / Avg. SF	-	\$	118
	3 Bed Units	0		0
	3 Bed SF	-		-
	3 Bed Avg SF	-		-
	3 Bed Price	-		-
	Avg. Price / Avg. SF	-		-
	Total Affordable Units	0		17
	Avg Beds	-		1.83
	Total SF	-		13,825
	Avg. SF	-		813
	Avg Price	-	\$	95,962
	Avg. Price / Avg. SF	-	\$	118

WALLACE PARKING DECK			
Wallace Deck	Grubb	Ram	
CONDOS			
Total Units (including Townhomes)	60		91
Affordable	28		18
% Affordable	47%		19.8%
1 Bed-Market	0		38
1 Bed-Market Sf	-		27,037
1 Bed-Market Avg Sf	-		712
1 Bed Price	-		\$ 188,548
Avg. Price / Avg. SF	-		\$ 265
2 Bed-Market	8		49
2 Bed-Market Sf	10,388		55,566
2 Bed-Market Avg Sf	1,299		1,134
2 Bed Price	\$ 298,655		\$ 277,830
Avg. Price / Avg. SF	\$ 230		\$ 245
3 Bed-Market	11		4
3 Bed-Market Sf	16,470		5,920
3 Bed-Market Avg Sf	1,497		1,480
3 Bed Price	\$ 344,373		\$ 340,400
Avg. Price / Avg. SF	\$ 230		\$ 230
Total Market Rate Units	19		91
Avg Beds	2.6		1.6
Total SF	26,858		88,523
Avg. SF	1,414		973
Avg Price	\$ 325,123		\$ 243,298
Avg. Price / Avg. SF	\$ 230		\$ 250
TOWNHOUSES (Market Rate)			
2 Bed Units	13		0
2 Bed SF	20,540		-
2 Bed Avg SF	1,580		-
2 Bed Price	\$ 347,600		\$ -
Avg. Price / Avg. SF	220		-

AFFORDABLE UNITS				
1 Bed Units	21			5
1 Bed SF	11,613			3,625
1 Bed Avg SF	553			725
1 Bed Price	\$ 127,713	\$		\$ 85,550
Avg. Price / Avg. SF	231	\$	\$	118
2 Bed Units	7			11
2 Bed SF	5,992			10,725
2 Bed Avg SF	856			975
2 Bed Price	\$ 171,200	\$	\$	\$ 115,050
Avg. Price / Avg. SF	200	\$	\$	118
3 Bed Units	0			2
3 Bed SF	-			2,200
3 Bed Avg SF	-			1,100
3 Bed Price	-	\$	\$	\$ 129,800
Avg. Price / Avg. SF	-	\$	\$	118
Total Affordable Units	28			18
Avg Beds	1.25			1.83
Total SF	17,605			16,550
Avg. SF	629			919
Avg Price	\$ 138,585	\$	\$	\$ 108,494
Avg. Price / Avg. SF	220	\$	\$	118
TOTAL PROGRAM				
		Grubb		Ram
CONDOS				
Total Units	180			215
Affordable	28			35
% Affordable	16%			16.3%
1 Bed-Market	44			62
1 Bed-Market Sf	28,424			47,437
1 Bed-Market Avg SF	646			765
1 Bed Price	144,347	\$	\$	\$ 188,548
Avg. Price / Avg. SF	223	\$	\$	246
2 Bed-Market	60			100
2 Bed-Market SF	56,743			118,551
2 Bed-Market Avg SF	946			1,186
2 Bed Price	232,538	\$	\$	\$ 312,495
Avg. Price / Avg. SF	246	\$	\$	264

3 Bed-Market		35	36
3 Bed-Market SF		58,039	56,896
3 Bed-Market Avg SF		1,658	1,580
3 Bed Price	\$	441,610	\$ 413,062
Avg. Price / Avg. SF	\$	266	\$ 261
Total Market Rate Units		139	198
Avg Beds		1.9	1.9
Total SF		143,206	222,884
Avg. SF		1,030	1,126
Avg Price	\$	257,265	\$ 291,968
Avg. Price / Avg. SF	\$	250	\$ 259
TOWNHOUSES (Market Rate)			
2 Bed Units		13	0
2 Bed SF		20,540	-
2 Bed Avg SF		1,580	-
2 Bed Price	\$	347,600	\$ -
Avg. Price / Avg. SF	\$	220	\$ -
AFFORDABLE UNITS			
1 Bed Units		21	16
1 Bed SF		11,613	11,600
1 Bed Avg SF		553	725
1 Bed Price	\$	127,713	\$ 85,550
Avg. Price / Avg. SF	\$	231	\$ 118
2 Bed Units		7	17
2 Bed SF		5,992	10,725
2 Bed Avg SF		856	631
2 Bed Price	\$	171,200	\$ 115,050
Avg. Price / Avg. SF	\$	200	\$ 182
3 Bed Units		0	2
3 Bed SF		-	2,200
3 Bed Avg SF		-	1,100
3 Bed Price	\$	-	\$ 129,800
Avg. Price / Avg. SF	\$	-	\$ 118
Total Affordable Units		28	35
Avg Beds		1.25	1.60
Total SF		17,605	24,525
Avg. SF		629	701
Avg Price	\$	138,585	\$ 102,407
Avg. Price / Avg. SF	\$	220	\$ 146

