

| Date: | January 28, 2016 |
|-------|---|
| From: | Jesse Silverstein, Senior Economist, Development Research Partners |
| To: | Kevin Tilson, Kevin Tilson, Director, Castle Rock Downtown Alliance |
| RE: | Development Proforma Review for 221 Wilcox Redevelopment |

Development Research Partners, Inc. (DRP) has been engaged by the Castle Rock Downtown Alliance to review the development budgets and forecast operating proforma for the referenced project.

This memorandum summarizes DRP's review and findings.

PROJECT BASIS

- The proposed redevelopment will replace a multi-tenant, free-standing, former 5,000 +/- square foot former bank building located on a 16,248 square foot site.
- The former 1st bank building was subsequently divided into multi-tenant space and leased by the previous owner. Niebur Development (Niebur) purchased the occupied building in 2015 for redevelopment. Redevelopment also requires asbestos remediation and building demolition, estimated to cost \$50,000.
- Because of the office design and occupancy, Niebur paid market price for the property as an operating investment property, and not as vacant land. DRP estimates Niebur paid approximately \$767,000 more than if the site were vacant.

It is reasonable to assume that Niebur did not pay more than market value for the land, buildings, and income stream; but Niebur does have a vision to replace the building with a higher and better use, a use that may better suit the Town's community vision. Waiting for the former bank building to become functionally and/or physically obsolete, and depreciate to only land value, could take decades with much inherent market risk and little benefit to the Town.

- The completed redevelopment project is proposed to include 12 residential rental units, 9,395 square feet of retail, and 28,128 square feet of office space.
- It is Niebur's stated intentions to seek national credit tenants and use high quality materials and designs, expected by today's quality tenants. Niebur intends to create a top of the market property for Castle Rock's market. This pioneering development activity will likely face pressure in the market, but DRP anticipates the property to do well in the long-run and, complimenting other new developments in downtown, will fill this office niche.

SCOPE OF REVIEW

To benchmark the proposed project to the market, DRP reviewed and provided independent research regarding the following assumptions:

- Land market values
- Market rental rates
- Construction costs
- Commercial mortgage loan rates and terms
- Commercial construction loan rates and terms
- Market survey investment criteria and yield indicators
- Feasibility gap estimates, if any

Methodology used by DRP entails evaluating construction costs, rental rates, and market performance based on the developer's proposed project specifications.

Review Goals

- To provide a third-party objective evaluation to identify potential feasibility gaps in the proposed 221 Wilcox redevelopment project.
- To evaluate the scenarios where up-front public investment of \$450,000 is made, with the balance funded through lender financing.
- Describe the financial components of a debt financed gap described above and inform public investment decision-making.

PROJECT ASSUMPTIONS

The following chart compares the as-proposed development proforma assumptions with DRP's marketderived assumptions.

| MODEL ASSUMPTIONS | Market-Derived* | As-Proposed | Comments | | | | |
|--|----------------------------|---|--|--|--|--|--|
| Rent | | | Offices leases are typically on gross | | | | |
| Residential | \$1,500/mo | \$1,538/mo | basis. There is ample retail competition | | | | |
| Office | \$20/sf/yr/gross | \$19/sf/yr/net | and new spaces under development to reign in retail rents | | | | |
| Retail | \$18.00/yr/net | \$22.00/sf/yr/net | | | | | |
| Average Commercial Lease Term (yrs) | 3 | 7 | Generally leases are 3- to 5-years; longer leases often carry scheduled year 3 rent bumps | | | | |
| Expenses | | | | | | | |
| Residential | \$5,000/unit | \$5,500/unit | Market-derived expenses today are | | | | |
| Office | \$8.50/sf | \$9.00/sf | first fully stabilized operating year 3. | | | | |
| Retail | \$8.50/sf | \$9.00/sf | | | | | |
| Vacancy | 5.0% + 1% economic loss | 5.0% combined vacancy and economic loss | Stabilized vacancy anticipated by end of operating year 2. Year 3 is the first stabilized operating year, similar to Developer's projection | | | | |
| L:V Ratio | 75.00% | 75.00% | For construction and perm financing | | | | |
| Interest | 5.5% | 5.0% | For perm financing | | | | |
| Amortization | 25 yrs | 25 yrs | For perm financing | | | | |
| Construction Loan Rate | 7.00% | 4.00% | Interest only | | | | |
| Pre-Tax Yield | 9.10% | Na | Investment goal | | | | |
| Overall Cap Rate | 6.5% | 8.5% | Applied to single year stabilized income | | | | |
| Terminal Cap Rate | 7.5% | na | Applied to year 10 cash flow to determine liquidation value for the investment | | | | |
| Growth Rate | | | | | | | |
| Market Rent | 3.00% | 3.00% | DRP assume that in the long-run, both | | | | |
| Operating Expenses | 3.00% | 2.00% | market rents and operating expenses ar subject to overall rates of inflation estimated to be 3% | | | | |
| Development Costs | \$11.0 million | \$13.2 million | DRP Market-derived cost source: RS Means Square Foot Costs. | | | | |

* Based on DRP market research

REVIEW SUMMARY

The primary variables of interest in this analysis are construction costs, rental rates, and rates of return.

- DRP has estimated development costs about 15% lower than the developer, which is outside of a simple rounding error. DRP estimates tenant finish costs to average about \$27.60 per rentable square feet for the office and retail space combined, while the developer estimates \$45. This \$17.40 difference totals about \$836,500 or about 6.3% of the developers total costs. The remaining \$28.40 construction cost difference can likely be attributable to higher cost exteriors, higher-grade common area finish, and security system upgrades envisioned by the developer. Because the true level of future finishes is somewhat tenuous, DRP has utilized the market-derived rental rate assumption of \$27.60 per square foot.
- DRP market rent assumptions for commercial space differs by notable amounts. The developer assumes a \$19/sf net office lease, equating to a gross rent of \$28.00 (\$19.00 net + \$9 expenses), which is well above what the current market for office space. Similarly, \$22.00 is above current market rates for the Castle Rock retail market.
- Nationally and regionally, office and mixed-use investors are trading quality properties between about 6.0% and 7.0% on stabilized income. DRP's analysis indicates an imputed cap rate of 6.7% upon stabilization; the developer's proforma indicates a 6.6% imputed cap rate.

The developer indicates that their target overall cap rate is 8.5%. Every developer has their preferred method for measuring investment goals and feasibility gaps. However, this analysis is intended to be a third-party arm's-length analysis of what the overall market would see as a feasibility gap. As such, DRP utilizes a comparison of internal rates of return and cash-on-cash returns, which are the most widely used market indicators.

In using capitalization rates as a target, the developer's proforma potentially understates an important source of investment revenue, the sale of the asset at the end of an investment holding period. Typically in real estate investment analysis, the investment property is assumed to have a 10 year holding period, at which time the investor includes sales proceeds (less outstanding debt) as part of the returns. DRP's analysis assumes a 10-year hold period, typical to this investment type.

ANALYTICAL SUMMARY

To evaluate overall feasibility and potential feasibility gaps, DRP developed a cash flow analysis assuming a 10-year hold with sale of the asset at the end of the hold period.

Target Rates of Return

Based on investor surveys and market data researched by DRP, the following target rates are used to proxy investment hurdle rates of return. DRP utilizes a comparison of internal rates of return and cashon-cash returns, which are the most widely used market indicators. In other words, it is assumed the cash flow projections must yield rates within the following ranges to be considered attractive to the market:

| Leveraged Cash-on-Cash (return on equity after debt service) | Internal Rate of Return (IRR) |
|---|--|
| First stabilized operating year's Net Operating Income after debt service as % of equity. | The calculated Rate of Return that equates today's investment to future anticipated annual income over the investment holding period. |
| Market Target Rate: 10% to 20% | Market Target Rate: 8% to 12% |

Feasibility Gap Estimate

The table below summarizes DRP's market-derived analysis of potential feasibility gaps for this project and a sensitivity analysis of various levels of up-front gap funding. Market–derived proformas are attached as Exhibit 1.

| Up-Front Public Investment | Leveraged Cash-on-Cash | Internal Rate of Return |
|-------------------------------|---------------------------|----------------------------|
| Market Target Rate | 10% - 20% | 8% - 12% |
| \$0 ⁻ | 3.3% | 5.3% |
| \$450,000 | 3.9% | 5.8% |
| \$2.0mm | 12.0% | 8.0% |
| \$2.1mm | 13.9% | 8.2% |
| \$2.2mm | 16.4% | 8.3% |
| \$2.3mm | 20.0% | 8.5% |

- Without any public investment (waivers, TIF, other incentives), the project is infeasible from a market standpoint.
- Currently, the Town of Castle Rock has offered approximately \$450,000 in public investment. However, this amount is insufficient to make the project feasible.
- A public investment of \$2.0mm up-front is sufficient to just bring the rates of return indicators into a feasible range.
- A public investment of \$2.3mm up-front brings the leveraged cash-on-cash rate of return indicators to the top of the market-derived indicator. At this rate the project should be able to attract any number of developers. Public investment above this level may create a windfall to the developer.

• A range of public investment between \$2.0mm and \$2.3mm is considered reasonable to make this project feasible.

A \$2.2mm public investment should provide a reasonable rate of return to the developer as well as provide a cushion to this project, without providing undue windfall profits.

Bridging the Feasibility Gap

The overall feasibility gap is estimated at \$2.2mm and the Town of Castle Rock has offered approximately \$450,000 in public investment in fee waivers and outright cash for asbestos remediation and demolition. This leaves an unfilled gap of \$1,750,000. This leaves three scenarios for the developer to bridge the gap.

Scenario 1: Developer Self-Funds Gap Up-Front

Requiring the developer to shoulder an additional \$1,750,000 lump sum will most likely result in the project not being developed as planned, with limited economic and community benefit.

Scenario 2: Town Funds the Full Gap Up-Front

Budgetary restrictions and many demands on these limited funds may preclude the Town from having available resources to fund the additional lump sum \$1,750,000 estimated gap. This then reverts to a situation in which the project does not get developed as planned.

Scenario 3: The Developer Finances the Gap through a Loan

This scenario is based on the assumption that the project can support a second loan to cover the remaining \$1,750,000 gap. Further assuming that this is a junior loan, this scenario has been modeled using a slightly higher interest rate (5.75%) than the primary mortgage (5.5%). Additionally it is assumed the loan is amortized over a 20-year period.

The gap balance to be filled is \$1,750,000 in present value. Amortizing this amount over 20 years provides the following indicators:

| | GA | P AMORTIZED (DEB | T/LOAN) | ANNUALIZED GAP |
|--------------------|--|-------------------------------|--------------------------------|---|
| Repayment Year: | Annual Ioan payments principal + Interest | Annual Interest payments only | Annual Principal payments only | Annual amount equal to Present Value Gap Discounted at 3%, the projected long-term economic growth rate |
| 1 | \$147,438 | \$99,371 | \$48,066 | \$117,627 |
| 2 | \$147,438 | \$96,534 | \$50,904 | \$117,627 |
| 3 | \$147,438 | \$93,528 | \$53,909 | \$117,627 |
| 4 | \$147,438 | \$90,345 | \$57,092 | \$117,627 |
| 5 | \$147,438 | \$86,975 | \$60,463 | \$117,627 |
| 6 | \$147,438 | \$83,405 | \$64,033 | \$117,627 |
| 7 | \$147,438 | \$79,624 | \$67,813 | \$117,627 |
| 8 | \$147,438 | \$75,621 | \$71,817 | \$117,627 |
| 9 | \$147,438 | \$71,381 | \$76,057 | \$117,627 |
| 10 | \$147,438 | \$66,890 | \$80,547 | \$117,627 |
| 11 | \$147,438 | \$62,135 | \$85,303 | \$117,627 |
| 12 | \$147,438 | \$57,099 | \$90,339 | \$117,627 |
| 13 | \$147,438 | \$51,765 | \$95,672 | \$117,627 |
| 14 | \$147,438 | \$46,117 | \$101,321 | \$117,627 |
| 15 | \$147,438 | \$40,135 | \$107,303 | \$117,627 |
| 16 | \$147,438 | \$33,799 | \$113,638 | \$117,627 |
| 17 | \$147,438 | \$27,090 | \$120,347 | \$117,627 |
| 18 | \$147,438 | \$19,985 | \$127,453 | \$117,627 |
| 19 | \$147,438 | \$12,460 | \$134,977 | \$117,627 |
| 20 | <u>\$147,438</u> | <u>\$4,491</u> | <u>\$142,946</u> | \$117,627 |
| TOTAL (2016\$) | \$2,948,751 | \$1,198,751 | \$1,750,000 | \$1,750,000 |

As can be seen, the annualized amount that equals the present value of the gap is \$117,627.

If the Developer amortizes the gap with a loan, total debt service would be \$147,438 annually. This is constant over the 20 year term due to the mathematics of amortization. However, the proportion of the payment allocated between principal and interest changes over time. As principal is paid off over time, the amount of annual interest falls with the falling principal, and the amount of principal being paid off increases. This provides several ways that the gap can be bridged and/or shared.

For example, focusing on a scenario where public investment covers the developer's cost of capital (interest) but the developer is still responsible for the project costs (principal):

- the amount of principal the developer pays is rather small in the early years, and grows over time as should the property income.
- This parallels market risk in the project, where the property economics stabilizes over time: the developer takes on more principal as cash flows increases; and the City's annual investment shrinks over time as the property stabilizes.
- The amount of interest the Town pays starts of big (but reasonable compared to the amount of TIF available) and shrinks over time just as more of the financial risk is shifted over to the developer.
- This scenario has the developer shouldering the entire \$1,750,000 and public funds <u>only</u> going to offset his cost of capital, but not paying construction costs. The appearance is one of the RDA enabling the project to happen without actually investing in the project itself. You're merely "greasing the skids."

IN CONCLUSION

The developer has provided an estimate of development costs and anticipated operating cash flows for their opposed mixed-use development at 221 Wilcox. DRP has completed an objective review of current market conditions and evaluated market feasibility.

DRP estimates that there is a total \$2,200,000 feasibility gap. The Town of Castle Rock has offered \$450,000 in fee waivers and cash, which leaves a remaining balance of \$1,750,000. Three scenarios were presented illustrating how that gap balance can be funded.

This information and analysis is provided to inform the Town's and developer's decision-making on ways to share the cost of financing the gap balance. It is DRP understanding that the Town is considering using Tax Increment Financing to help bridge this gap.

Please let me know if you have further questions or desire clarification. I look forward to discussing my review with you.

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Exhibit 1: DRP Market Derived Proformas

DRP NOI Projections

| RETAIL SPACE | | | | 1 | RESIDENTIAL SPA | CE | | | OFFICE SPACE | | | | |
|-------------------------------------|--------------------|------------------|-----------------------|---------------------------|----------------------|-----------------------|------------------|------------------------|---|-------------------|------------------|------------------------|-------------------------|
| Rentable Square Feet | 9,395 | | | l l | Units | | | 12 | 2 Rentable Square Feet 28,128 | | | | |
| Current Market Rent | \$18.00 | | | | Current Market R | ent/mo | | \$1,500 | Current Market | Rent | \$20.00 | | |
| Operating/Mgmt/CAM Expenses | \$8.50 | | | | Expenses/Unit | | | \$5.000 | Operating/Mgn | nt/CAM Expense | \$8.50 | | |
| Growth Rate | 3.00% | | | | Growth Rate | | | 3.00% | Growth Rate | | | | |
| Avg Lease Terms (vrs) | 3 | | | | Vacancy | | | 5.00% | Avg Lesse Terms (vrs) 3 | | | | |
| Market Rent Escalations | each lease rollove | r | | | Economic Loss (va | acancy, credit) | | 1.00% | Market Rent Escalations each lease rollover | | | | |
| Vacancy | | 5.00% | | Planned Replacements/Unit | | | | | Stabilized Vaca | ncv | | 5.00% | |
| Economic Loss (vacancy, credit) | | 1 00% | | | | | | | Economic Loss | (vacancy credit) | | 1 00% | |
| | | 1.00% | | | | | | | Leonomic Loss | (vacuncy, creart) | | 1.00% | |
| | | | | | | | | | | | | | |
| YEAR | Ca | onstruction | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| Commercial Space - Retail | | | | | | | | | | | | | |
| Op Expenses/CAM psf | | (\$8.50) | (\$8.76) | (\$9.02) | (\$9.29) | (\$9.57) | (\$9.85) | (\$10.15) | (\$10.45) | (\$10.77) | (\$11.09) | (\$11.42) | (\$11.77) |
| Market Rent | SF | \$18.00 | \$18.54 | \$19.10 | \$19.67 | \$20.26 | \$20.87 | \$21.49 | \$22.14 | \$22.80 | \$23.49 | \$24.19 | \$24.92 |
| 75% | 7,046 | \$0 | \$130,637 | \$130,637 | \$130,637 | \$142,751 | \$142,751 | \$142,751 | \$155,988 | \$155,988 | \$155,988 | \$170,452 | \$170,452 |
| 25% | 2,349 | \$0 | \$43,546 | \$44,852 | \$44,852 | \$44,852 | \$49,011 | \$49,011 | \$49,011 | \$53,556 | \$53,556 | \$53,556 | \$58,522 |
| na | , | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Potential Gross Rental Revenue | | <u>\$0</u> | \$174,183 | \$175.490 | \$175.490 | \$187.603 | \$191.762 | \$191.762 | \$204,999 | \$209.544 | \$209.544 | \$224.008 | \$228.974 |
| Occupancy | | +- | 75.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| Effective Gross Revenue | | | \$130.637 | \$166 715 | \$166 715 | \$178 223 | \$182 174 | \$182 174 | \$194 749 | \$199.067 | \$199.067 | \$212.808 | \$217 526 |
| Less: Vacancy credit Risk leasing | 1% | 0% | (\$1,306) | (\$1,667) | (\$1,667) | (\$1,782) | (\$1,822) | (\$1,822) | (\$1.947) | (\$1,991) | (\$1,991) | (\$2,128) | (\$2,175) |
| Loss: Operating Expanses | 170 | ¢0 | (\$1,300) | (\$1,007) | (\$1,007) | (\$1,702) | (\$1,022) | (\$1,022) | (\$1,347) | (\$1,331) | (\$104,106) | (\$2,120) | (\$2,173) |
| Diver Expense Deimburgemente | | 30 ¢0 | (302,233) | (304,721) | (307,202) | (303,000) | (392,377) | (393,334) | (396,213) | (\$101,101) | (\$104,190) | (3107,322) | (3110,341) |
| Plus: Expense Reimbursements | | <u>50</u> | <u>561,690</u> | 580,485 | <u>582,899</u> | 285,380 | 587,948 | 590,580 | <u>\$93,304</u> | <u>596,103</u> | <u>398,980</u> | <u>\$101,956</u> | <u>\$105,014</u> |
| NOI | | Ş0 | \$108,768 | \$160,812 | \$160,685 | \$171,947 | \$175,724 | \$175,585 | \$187,891 | \$192,018 | \$191,866 | \$205,314 | \$209,823 |
| Commercial Space - Office | | | | | | | | | | | | | |
| On Expenses/SE | | \$8.50 | \$8.76 | \$9.02 | \$9.29 | \$9.57 | \$9.85 | \$10.15 | \$10.45 | \$10.77 | \$11.09 | \$11.42 | \$11 77 |
| Market Rent | SE | \$20.00 | \$20.60 | \$21.22 | \$21.85 | \$22.51 | \$23.19 | \$23.88 | \$24.60 | \$25.34 | \$26.10 | \$26.88 | \$27.68 |
| 75% | 21.096 | \$0 | \$131 578 | \$131 578 | \$131 578 | \$171 875 | \$171 875 | \$171 875 | \$518 908 | \$518 908 | \$518 908 | \$567.025 | \$567.025 |
| 25% | 7 032 | \$0 \$0 | \$111 859 | \$119 205 | \$119 205 | \$1/9 205 | \$163.040 | \$163.040 | \$163.040 | \$178 159 | \$178 159 | \$178 159 | \$194 679 |
| 2370 | 7,032 | \$0 \$0 | \$0 | \$0 | \$0 | \$145,205 | \$0 \$0 | \$105,040 \$0 | \$0 | \$0 | \$0 | \$0 | \$10,7,0,75 \$0 |
| Potential Gross Pental Peyenue | | <u>50</u> \$0 | \$570 /27 | ¢592 792 | \$592 792 | \$624.080 | \$627.015 | \$627.015 | \$681 040 | \$607.067 | \$607.067 | \$745 184 | \$761 704 |
| | | ŲΟ | ,5,7,5,457 7E 09/ | ,505,705 | 9303,703 | \$024,000 | ,057,515 | 2037,313 | \$001,545 | \$057,007 | \$057,007 | 9749,104 OF 09/ | \$701,704 |
| Effective Gross Pevenue | | | \$121 579 | \$55.0% | \$554 502 | \$502.976 | \$606 010 | \$606 010 | \$647.951 | \$662 214 | \$667.214 | \$707 925 | \$722.610 |
| | 10/ | 09/ | 3434,376 (\$4.346) | 3334,333 (CE EAC) | 3554,595 (CE EAC) | 3392,870 (¢r. 020) | 3000,019 | 3000,019 | 3047,831 (¢C 470) | 3002,214 | 3002,214 | \$707,923 (\$7,070) | \$725,019 |
| Less: Vacancy, credit Risk, leasing | 1% | 0% | (\$4,340) | (\$5,540) | (\$5,540) | (\$5,929) | (\$0,000) | (\$0,000) | (\$0,479) | (\$0,022) | (\$0,022) | (\$7,079) | (\$7,230) |
| Less: Operating Expenses | | \$0 ć0 | (\$246,261) | (\$253,648) | (\$261,258) | (\$269,096) | (\$277,169) | (\$285,484) | (\$294,048) | (\$302,870) | (\$311,956) | (\$321,314) | (\$330,954) |
| NOI | | ŞU | \$183,971 | \$295,399 | \$287,790 | \$317,851 | \$322,791 | \$314,475 | \$347,325 | \$352,722 | \$343,030 | \$379,531 | \$385,429 |
| Residential Units | | | | | | | | | | | | | |
| Expenses/Unit | | \$5,000 | \$5,150 | \$5,305 | \$5,464 | \$5,628 | \$5,796 | \$5,970 | \$6,149 | \$6,334 | \$6,524 | \$6,720 | \$6,921 |
| Market Rent/mo | | \$1,500 | \$1,545 | \$1,591 | \$1,639 | \$1,688 | \$1,739 | \$1,791 | \$1.845 | \$1,900 | \$1,957 | \$2.016 | \$2.076 |
| Renlacement Reserves | | \$250 | \$258 | \$265 | \$273 | \$281 | \$290 | \$299 | \$307 | \$317 | \$326 | \$336 | \$346 |
| Potential Gross Bental Revenue | | ¢_50 | \$222 480 | \$229 154 | \$236,029 | \$243 110 | \$250,403 | \$257 915 | \$265,653 | \$273 622 | \$281 831 | \$290,286 | \$298 995 |
| | | 0 | 75 0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% | 95.0% |
| Effective Gross Pevenue | | <u></u> | \$166.860 | \$217 607 | \$224 228 | \$220.054 | \$227 992 | \$245.020 | \$252 270 | \$250.041 | \$267 729 | \$275 772 | \$284.045 |
| Loss Vacanov, credit Pick, loasing | 10/ | 0 | (\$1,660) | (\$2,177) | (\$2,242) | (\$2,30,334 | (\$2,37,003 | \$243,020 (\$2.4E0) | (\$2,570 | (\$2,50) | (\$2,677) | (\$2,759) | (\$2.940) |
| Loss: Operating Expanses | 170 | 0 | (\$1,009) | (\$2,177) | (\$2,242) | (\$2,310) | (\$2,373) | (\$2,430) | (\$2,324) | (\$2,399) | (\$2,077) | (\$2,730) | (\$2,040) (\$22,040) |
| Less. Operating Expenses | | 0 | (\$01,800) | (\$05,054) | (\$05,504) | (\$07,331) | (\$09,550) | (\$71,045) | (\$75,792) | (\$70,000) | (\$76,260) | (\$60,055) | (\$65,054) |
| Less: Planned Replacements | | <u>0</u> | (\$3,090) | <u>(\$3,183)</u> | (\$3,278) | (\$3,377) | <u>(\$3,478)</u> | (\$3,582) | (\$3,690) | (\$3,800) | <u>(\$3,914)</u> | (\$4,032) | (\$4,153) |
| NOI | | 0 | \$100,301 | \$148,683 | \$153,144 | \$157,738 | \$162,470 | \$167,344 | \$172,364 | \$177,535 | \$182,861 | \$188,347 | \$193,998 |
| RESIDENTIAL + COMMERCIAL | | | | | | | | | | | | | |
| Commercial NOI - Office | | 0 | \$183,971 | \$295.399 | \$287,790 | \$317,851 | \$322,791 | \$314,475 | \$347,325 | \$352.722 | \$343,636 | \$379,531 | \$385,429 |
| Commercial NOI - Retail | | 0 | \$108 768 | \$160,812 | \$160 685 | \$171 947 | \$175 724 | \$175 585 | \$187 891 | \$192.018 | \$191 866 | \$205 314 | \$209,423 |
| Residential NOI | | 0 | \$100,700 | \$148 683 | \$153 144 | \$157 738 | \$162.470 | \$167 344 | \$172.364 | \$177 525 | \$187.861 | \$188 347 | \$193,992 |
| | | ۰ ۱ | \$393 040 | \$604 894 | \$601 618 | \$647 536 | \$660.984 | \$657.404 | \$707 580 | \$722 275 | \$718 363 | \$773 197 | \$789 250 |
| Imputed CAP Rate/Annualized Values | | 6.50% | \$6,046.775 | \$9,306.063 | \$9,255.662 | \$9,962.092 | \$10,168.986 | \$10,113.912 | \$10,885.846 | \$11,111.925 | \$11,051.744 | \$11,895.258 | \$12,142.301 |
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221 Wilcox analyzed with market-derived assumptions and \$0 in up-front public investment

| Reade: Submary Value Value <th< th=""><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th></th<> | | | | | | | | | | | | | | |
|---|---|---------------|---------------------|------------------------|-------------------|----------------|--|--------------------|-------------|-------------|-------------|-------------|---------------|-----------------|
| Property (mathema in the carbon large in the carbon large is a set of the carbo | PROJECT SUMMARY | | | | | | | | | | | | | |
| No. Units Variants Later: contractance later finds Total Mandel S Mandel | Property Summary | | Construction Loan S | ummary | | | | | | | | | | |
| Bernalle SP 4.6073 Contruction (income (m/m)) 1.2 Heretter Her 1.00 Ordin Contruction (income (m/m)) 3.2.7.000 Construction (income (m/m)) S.2.7.000 S.2.7.000 </td <td>No. Units</td> <td>Various</td> <td></td> <td>Loan : Cost Ratio</td> <td></td> <td></td> <td>75%</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> | No. Units | Various | | Loan : Cost Ratio | | | 75% | | | | | | | |
| Unit Description (and (and (b) 1000,000) Construction interest Rule Usage and (b) 2000,000 Construction (b) | Rentable SF | 48,073 | | Contruction Loan Ter | rm (mos) | | 12 | | | | | | | |
| Construction per Supare Fool Subtraction per Subtraction per Subtractin per Subtraction per Subtra | Total Construction Cost | \$11,000,000 | | Construction Interes | t Rate | | 7.00% | interest only | | | | | | |
| Construction liquity S2,250,000 Construction liquity S2,912,14 Construction liquity Name | Construction per Square Foot | \$229 | | Construction Loan Ar | mount | | \$8,250,000 | | | | | | | |
| Constructional constructonal constructional constructional constructional constructional | Construction Equity | \$2,750,000 | | Construct Loan Per R | RSF | | \$171.61 | | | | | | | |
| Perton Perton Set Salaria 70% Sard Salaria Perro 50.93 (1.94 (1.96 | ConstructionDebt | \$8,250,000 | | | | | | | | | | | | |
| Pertuse: Pertuse: 77% 98.0001 3.0001 9.0011 9.00111 9.0 | | | | Perm Loan Summary | Y | | | | | | | | | |
| Products Pert Lion Amoant Sch 24, 746 Wers Sachling Ca Pert Lion Amontation (Name) 52, 537 Stabilier Ca Second 5, 507 Stabilier Ca Sch 200 5, 507 Stabilier Ca Sch 200 5, 507 Stabilier Ca Sch 200 5, 507, 500 Stabilier Ca Sch 200 5, 507, 500 Stabilier Ca Sch 200, 500 5, 507, 700 Stabilier Ca Sch 200, 500 500 50 | | | | Perm Loan : Value Ra | atio | | 75% | | | | | | | |
| Year Sabilized Sol | Proforma | | | Perm Loan Amount | | | \$6,941,746 | | | | | | | |
| Stabilized ONI Sp0(r, 18) Perm Interest Rate S.50% Stabilized ONI Sp0(r, 100 Perm Term 10 Stabilized ONI Sp2.55.62 Perm Term 10 Stabilized ONI Sp0(r, 100 Perm Term 10 Stabilized Viale Perm Term 10 2.0% Stabilized Viale Perm Term 10 Stabilized Viale Perm Term 10 Stabilized Viale Perm Term 100 Stabilized Viale Perm Term 2.0% Stabilized Viale Perm Term 2.0% GAP PUNDING - spiled to contruction equity Stabilized Viale Perm Term Stabilized Viale Perm Term 118.8% Britism on Equity Indicators (10 Y hold) 118.8% Description Term Term 100 Stabilized Viale Perm Term 118.8% Britism on Equity Indicators (10 Y hold) 118.8% Description Term Term 118.8% Perm Term Term Term Term Term Term Term T | Year Stabilized | 3 | | Perm Loan Ammortiz | zation (yrs) | | 25 | | | | | | | |
| Stabilized propries SS11.541 SS11.541 <ths11.541< th=""> SS11.541 <ths11.541< th=""></ths11.541<></ths11.541<> | Stabilized NOI | \$601,618 | | Perm Interest Rate | | | 5.50% | | | | | | | |
| Stabilized Value (\$9,255,662 Perm Term 10 Stabilized Value (\$9,000,000,000,000,000,000,000,000,000,0 | Stabilized Cap Rate | 6.50% | | Perm Loan Yearly Par | yment | | \$511,541 | | | | | | | |
| Stabilize Qual Capit Res S5,217,14 Value Qual Capit Res 2,0% Stabilize Qual Capit Res 11.8% Stabilize Qual Capit Res 11.8% Return to Rept4V (leveraged Cash-on-cash)* 3.3% Mile Capit Notice 3.3% Mile Capit Notice 11.8% Notice Capit Notice 3.3% Notice Capit Notice 3.3% Notice Capit Notice 3.3% Notice Capit Notice 1.0% Notice Cap | Stabilized Proforma Value | \$9,255,662 | | Perm Term | | | 10 | | | | | | | |
| Value groompletion Reservance part of the free / Costs / Auler Growth Rate Costs / Auler Status | Stabilized Value Per RSF | \$193 | | Perm Loan Balance | | | \$5,217,141 | | | | | | | |
| Reversion Loga Rate South Rate 7.50% 3.00% GAP FUNDING - applied to contruction equity Feast- South Rate South Rate | Value upon Completion | \$6,046,775 | | Loan Fees/Closing Co | osts | | 2.0% | | | | | | | |
| Growth Rate 3.00% GAP FUNDING - applied to contruction equity Peabling indication for project (niprovance ash "on "project (| Reversion Cap Rate | 7.50% | | | | | | | | | | | | |
| AGP FUNDING - applied to contruction equity 50 Perform Support (Deveraged cash on-cash) 118.8% (18.8%) Market Target Rate 118.8% (18.8%) 10% to 20% Support 18.8% | Growth Rate | 3.00% | | | | | | | | | | | | |
| GAP FUNDING - applied to contruction equity S0 Feasibility indicators (10 y rolls) Return on Equity (leveraged cash on cash) ¹ for 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 | | | | | | | | | | | | | | |
| Cost/Value" Titls asset (intervan Figurity) Titls asset (intervan Figurity) <th>GAP FUNDING - applied to contruction equity</th> <th>\$0</th> <th></th> <th>Feasibility Indicators</th> <th>s (10 yr hold)</th> <th></th> <th>1</th> <th>Market Target Rate</th> <th>2</th> <th></th> <th></th> <th></th> <th></th> <th></th> | GAP FUNDING - applied to contruction equity | \$0 | | Feasibility Indicators | s (10 yr hold) | | 1 | Market Target Rate | 2 | | | | | |
| Beturn on Equity (lever-aged 2.5 hor 0.5 hor 0. | | | | Cost/Value* | | | 118.8% | | | | | | | |
| URR on Project (univeraged) 'stabilized Year 5.338 9% to 12% OPEATION PROFORMA Site of the project (univeraged) 'stabilized Year 9% to 12% OPEATION PROFORMA 0005TRUCT 1 2 3 4 5 6 7 8 9 10 11 Mestiment (construction Deguity) (2,750,000) (2,751,541) (2,511,541) (2,511,541) (2,511,541) (2,511,541) (2,511,541) (2,511,541) (2,511,541) (2,511,541) (2,511,541) (2,511,541) (2,511,541) (2,511,541) (2,511,541) (2,511,541) (2,511,541) (2,511,541) (2,511,541) (2,511,541) (2,511,541 | | | | Return on Equity (lev | veraged cash-on-c | ash)* | 3.3% | 10% to 20% | | | | | | |
| "stabilized trans "stabilized trans Porforma Year CONSTRUCT 1 2 3 4 5 6 7 8 9 10 11 Proforma Year CONSTRUCT 1 2 3 4 5 6 7 8 9 10 11 Investment Construction Debt (8,250,000) (8,250,000) Construction Debt (8,250,000) Construction Debt (8,250,000) (8,07,500) (5,07,500) (5,07,500) (5,07,500) (5,07,500) (5,01,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) | | | | IRR on Project (unlev | veraged) | Г | 5.3% | 8% to 12% | | | | | | |
| OPERATING PROFORMAD OPERATING PROFORMAD CONSTRUCT 1 2 3 4 5 6 7 8 9 10 11 Proforma Yam (2,750,000) (2,77,000) (2,77,0 | | | | *Stabilized Year | | - | | | | | | | | |
| Proform Vear CONSTRUCT 1 2 3 4 5 6 7 8 9 10 11 Investment Construction Equity (2,750,000) (2,757,500) (5,77,500) (5,77,500) (5,77,500) (5,77,500) (5,77,500) (5,77,500) (5,77,500) (5,77,500) (5,77,500) (5,77,500) (5,77,500) (5,77,500) (5,77,500) (5,21,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) (5,511,541) | OPERATING PROFORMA | | | | | | | | | | | | | |
| Immestiment Construction flogity (2,750,000) Construction Debt (8,250,000) Construction Cost (11,000,000) Operating Income (8,250,000) Construction Cost (11,000,000) Sol | Proforma Year | | CONSTRUCT | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| Construction betit (2,750,000) Construction betit (3200,000) Construction betit (31,000,000) Construction betit (11,000,000) Operating Income 50 503 500 50 | Investment | | | | | | | | | | | | | |
| Construction Debt (8,250,000) Construction Cost (11,000,000) Operating Income Second Status St | Construction Equity | | (2,750,000) | | | | | | | | | | | |
| Construction Cost (11,000,000) Operating Income S00 \$393,040 \$604,894 \$601,618 \$667,536 \$605,984 \$507,500 \$722,275 \$718,363 \$773,192 \$789,250 AP Funding \$0 \$393,040 \$604,894 \$601,618 \$647,536 \$605,984 \$507,404 \$707,580 \$722,275 \$718,363 \$773,192 \$789,250 AP Funding \$0 \$393,040 \$604,894 \$601,618 \$647,536 \$660,984 \$507,404 \$707,580 \$722,275 \$718,363 \$773,192 \$789,250 NOI \$0 \$393,040 \$604,894 \$601,618 \$647,536 \$660,984 \$507,404 \$707,580 \$722,77 \$718,363 \$773,192 \$789,250 (less) Construction Loan Interest Payment (\$577,500) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) \$511,541 \$511,541 \$511,541 \$511,541 \$511,541 \$511,541 \$511,541 \$511,541 \$511,541 \$511,541 \$511,541 \$510,523,227< | Construction Debt | | (8,250,000) | | | | | | | | | | | |
| Operating Income So \$393,040 \$604,894 \$601,618 \$647,536 \$657,404 \$707,580 \$722,275 \$718,363 \$773,192 \$789,250 GAP Funding \$0 \$90 \$70 \$0 \$115,541 \$511,54 | Construction Cost | | (11,000,000) | | | | | | | | | | | |
| Operating income Second S | | | | | | | | | | | | | | |
| Net Income from Property Operations So Sign3,040 Sc604,894 Sc601,618 Sc647,536 Sc600,894 Sc72, 27 S718,363 S773,192 S789,250 GAP Funding So <td>Operating Income</td> <td></td> | Operating Income | | | | | | | | | | | | | |
| GAP Funding \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$00 | Net Income from Property Operations | | \$0 | \$393,040 | \$604,894 | \$601,618 | \$647,536 | \$660,984 | \$657,404 | \$707,580 | \$722,275 | \$718,363 | \$773,192 | \$789,250 |
| NOI \$0 \$393,040 \$604,894 \$601,618 \$647,536 \$657,040 \$707,580 \$722,275 \$718,363 \$773,192 \$789,250 (less) Construction Loan Interest Payments (\$577,500) (\$577,500) (\$511,541) | GAP Funding | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| (less) Construction Loan Interest Payment (\$577,500) (\$577,500) (\$511,541) (\$51 | NOI | | \$0 | \$393,040 | \$604,894 | \$601,618 | \$647,536 | \$660,984 | \$657,404 | \$707,580 | \$722,275 | \$718,363 | \$773,192 | \$789,250 |
| (fess) Construction Loan Interest Payment (fs577,500) (fs577,500) (fs511,541) | | | | | | | | | | | | | | |
| (jes) <th< td=""><td>(less) Construction Loan Interest Payment</td><td></td><td></td><td>(\$577,500)</td><td>(\$577,500)</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></th<> | (less) Construction Loan Interest Payment | | | (\$577,500) | (\$577,500) | | | | | | | | | |
| Operating Cash Flow \$0 \$138,460 \$484,147 \$90,077 \$135,995 \$149,443 \$145,863 \$196,039 \$210,734 \$206,823 \$261,651 \$277,709 Refinance/Gross Reversion Proceeds 2.00% 2.00% 2.00% 5.00% | (less) Perm Loan Payments | | | | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) |
| Refinance/Gross Reversion Proceeds 2.00% \$10,523,327,571 \$21,527,579 \$ | Operating Cash Flow | | \$0 | (\$184,460) | (\$484,147) | \$90,077 | \$135,995 | \$149,443 | \$145,863 | \$196,039 | \$210,734 | \$206,823 | \$261,651 | \$277,709 |
| Refinance/Gross Reversion Proceeds \$10,523,327 \$10,523,527 \$10,523,527 \$10,523,527 \$10,523,527 \$10,523,527 \$10,523,527 \$10,523,527 \$10,523,527 \$10,523,527 \$10,523,527 \$10,523,527 \$10,523,527 \$10,523,527 \$11,086,053,523,573,71 \$277,709 \$10,526,53,57,371 \$277,709 \$10,526,53,57,371 \$277,709 \$10,526,53,57,371 \$277,709 \$10,526,53,57,371 \$277,709 \$10,526,53,57,371 \$277,709 \$10,526,53,57,371 \$277,709 \$10,526,53,57,371 \$277,709 \$10,526,53,57,571 \$277,709 \$10,526,53,57,571 \$277,709 | | | | | | | | | | | | | 640 533 337 | |
| (less) Losing | Refinance/Gross Reversion Proceeds | a aaa/ | | | | | | | | | | | \$10,523,327 | |
| Return on Cost -6.71% -17.61% 3.28% 4.95% 5.43% 5.30% 7.13% 7.66% 7.52% 194.81% 10.10% RR on Project (unleveraged) 5.29% 5.37% 5.50% 5.47% 5.89% 6.01% 5.98% 6.43% 6.57% 6.53% 7.03% | (less) Closing Costs | 2.00% | | | | | | | | | | | (\$210,467) | |
| Net Refr/Reversion Proceeds \$\$,095,720 \$\$,005,731 \$\$,206,823 \$\$,5,357,371 \$\$,277,09 Rates of Return Analysis | (less) Loan Balance | | | | | | | | | | | | (\$5,217,141) | |
| Unleveraged Cash Flow (NET OF CONST GAP FUNDING) (\$11,000,000) \$393,040 \$604,894 \$601,618 \$660,984 \$657,404 \$707,580 \$722,275 \$718,363 \$11,086,053 \$789,250 Leveraged Cash Flow (NET OF CONST GAP FUNDING) (\$2,750,000) (\$184,460) (\$484,147) \$90,077 \$135,995 \$149,443 \$145,863 \$196,039 \$210,734 \$206,823 \$5,357,371 \$277,790 Rates of Return Analysis - - - - 7.17,61% 3.28% 4.95% 5.43% 5.30% 7.13% 7.66% 7.52% 194.81% 10.10% IRR on Project (unleveraged) 5.29% - - - 7.51% 5.50% 5.43% 5.08% 6.43% 6.57% 6.53% 7.03% 7.03% 7.03% 7.03% 7.03% 7.03% 7.03% 7.52% 194.81% 10.10% 10.10% 10.10% 10.10% 10.10% 10.10% 10.10% 10.10% 10.10% 10.10% 10.10% 10.10% 10.10% 10.10% 10.10% 10.10% | Net Reti/Reversion Proceeds | | | | | | | | | | | | \$5,095,720 | |
| Concernaged cash How (NET OF CONST GAP FUNDING) (\$12,00,000) \$353,000 \$300 | Lipleveraged Cash Flow (NET OF CONST GAP FUNDING) | | (\$11,000,000) | \$393.040 | \$604 894 | \$601 618 | \$647 536 | \$660.984 | \$657.404 | \$707 580 | \$772 275 | \$718 363 | \$11.086.053 | \$789.250 |
| Rates of Return Analysis (1207) (1207) (1207) (1207) (1207) (1207) (1207) (1207)< | Leveraged Cash Flow (NET OF CONST GAP FUNDING) | | (\$2,750,000) | (\$184,460) | (\$484 147) | \$90.077 | \$135,995 | \$149 443 | \$145 863 | \$196.039 | \$210 734 | \$206 823 | \$5 357 371 | \$277 709 |
| Return on Equity (cash-on-cash) -6.71% -17.61% 3.28% 4.95% 5.43% 5.30% 7.13% 7.66% 7.52% 194.81% 10.10% IRR on Project (unleveraged) 5.29% 1 | Rates of Return Analysis | | (22,730,000) | (7107,700) | (7707,177) | <i>450,011</i> | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | ,J | ¥143,003 | ÷130,033 | y210,/ J4 | ¥200,023 | 10,001,011 | <i>42,1,103</i> |
| IRR on Project (unleveraged) 5.29% 5.45% 5.45% 5.45% 5.45% 7.15% 7.52% 7.52% 194.61% 10.10% IRR on Project (unleveraged) 5.29% 7.41% | Return on Equity (cash-on-cash) | | | -6 71% | -17 61% | 3 78% | 4 95% | 5 43% | 5 30% | 7 1 2% | 7 66% | 7 52% | 194 81% | 10 10% |
| IRR on Equity (leveraged) 7.41% Return on Cost 3.57% 5.50% 5.47% 5.89% 6.01% 5.98% 6.43% 6.57% 6.53% 7.03% 7.17% | IRR on Project (unleveraged) | | 5 20% | 0.7170 | 17.01/0 | 5.20/0 | 4.5570 | 5.4570 | 5.50% | ,.13/0 | 7.00/0 | 7.5270 | 134.0170 | 10.1070 |
| Return on Cost 3.57% 5.50% 5.47% 5.89% 6.01% 5.98% 6.43% 6.57% 6.53% 7.03% 7.17% | IRR on Equity (leveraged) | | 7/1% | | | | | | | | | | | |
| | Return on Cost | | 7.41/0 | 3 57% | 5 50% | 5 47% | 5 80% | 6.01% | 5 9.8% | 6 4 3 % | 6 57% | 6 53% | 7 03% | 7 17% |
| Imputed Cap Rate (cost less incentives) 3.57% 5.50% 5.47% 5.89% 6.01% 5.98% 6.43% 6.57% 6.53% 7.03% | Imputed Cap Rate (cost less incentives) | | | 3.57% | 5.50% | 5.47% | 5.89% | 6.01% | 5.98% | 6.43% | 6.57% | 6.53% | 7.03% | ,.1,70 |

221 Wilcox analyzed with market-derived assumptions and \$450,000 in up-front public investment

| PROJECT SUMMARY | | | | | | | | | | | | | |
|--|--------------|----------------|------------------------|------------------|------------------------------|-----------------|--------------------|---|-------------|-------------|-----------------|---------------|---------------|
| Property Summary | | | Construction Loan Su | ummary | | | | | | | | | |
| No. Units | Various | | Loan : Cost Ratio | | | 75% | | | | | | | |
| Rentable SF | 48,073 | | Contruction Loan Ter | m (mos) | | 12 | | | | | | | |
| Total Construction Cost | \$11,000,000 | | Construction Interest | t Rate | | 7.00% | interest only | | | | | | |
| Construction per Square Foot | \$229 | | Construction Loan Ar | nount | | \$8,250,000 | | | | | | | |
| Construction Equity | \$2,750,000 | | Construct Loan Per R | SF | | \$171.61 | | | | | | | |
| ConstructionDebt | \$8,250,000 | | | | | | | | | | | | |
| | | | Perm Loan Summary | 1 | | | | | | | | | |
| | | | Perm Loan : Value Ra | itio | | 75% | | | | | | | |
| Proforma | | | Perm Loan Amount | | | \$6,941,746 | | | | | | | |
| Year Stabilized | 3 | | Perm Loan Ammortiz | ation (yrs) | | 25 | | | | | | | |
| Stabilized NOI | \$601,618 | | Perm Interest Rate | | | 5.50% | | | | | | | |
| Stabilized Cap Rate | 6.50% | | Perm Loan Yearly Pay | yment | | \$511,541 | | | | | | | |
| Stabilized Proforma Value | \$9,255,662 | | Perm Term | | | 10 | | | | | | | |
| Stabilized Value Per RSF | \$193 | | Perm Loan Balance | | | \$5,217,141 | | | | | | | |
| Value upon Completion | \$6,046,775 | | Loan Fees/Closing Co | osts | | 2.0% | | | | | | | |
| Reversion Cap Rate | 7.50% | | | | | | | | | | | | |
| Growth Rate | 3.00% | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| GAP FUNDING - applied to contruction equity | \$450,000 | | Feasibility Indicators | ; (10 yr hold) | | | Market Target Rate | 2 | | | | | |
| | | | Cost/Value* | | _ | 118.8% | | | | | | | |
| | | | Return on Equity (lev | eraged cash-on-c | ash)* | 3.9% | 10% to 20% | | | | | | |
| | | | IRR on Project (unlev | eraged) | | 5.8% | 8% to 12% | | | | | | |
| | | | *Stabilized Year | | | | | | | | | | |
| OPERATING PROFORMA | | | | | | | | | | | | | |
| Proforma Year | | CONSTRUCT | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| Investment | | | | | | | | | | | | | |
| Construction Equity | | (2,750,000) | | | | | | | | | | | |
| Construction Debt | | (8,250,000) | | | | | | | | | | | |
| Construction Cost | | (11,000,000) | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| Operating Income | | | | | | | | | | | | | |
| Net Income from Property Operations | | \$0 | \$393,040 | \$604,894 | \$601,618 | \$647,536 | \$660,984 | \$657,404 | \$707,580 | \$722,275 | \$718,363 | \$773,192 | \$789,250 |
| GAP Funding | | \$450,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| NOI | | \$450,000 | \$393,040 | \$604,894 | \$601,618 | \$647,536 | \$660,984 | \$657,404 | \$707,580 | \$722,275 | \$718,363 | \$773,192 | \$789,250 |
| | | | (4 | | | | | | | | | | |
| (less) Construction Loan Interest Payment | | | (\$577,500) | (\$577,500) | | | | | | | | | |
| (less) Perm Loan Payments | | | (4 | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) |
| Operating Cash Flow | | \$450,000 | (\$184,460) | (\$484,147) | \$90,077 | \$135,995 | \$149,443 | \$145,863 | \$196,039 | \$210,734 | \$206,823 | \$261,651 | Ş277,709 |
| Pafinanca/Cross Deversion Drasads | | | | | | | | | | | | 610 522 227 | |
| (lass) Classics Casts | 2.00% | | | | | | | | | | | \$10,525,527 | |
| (less) Loss Balance | 2.00% | | | | | | | | | | | (\$210,467) | |
| (less) Loan Balance | | | | | | | | | | | | (\$5,217,141) | |
| Net Refi/Reversion Proceeds | | | | | | | | | | | | \$5,095,720 | |
| Unleveraged Cash Flow (NET OF CONST GAP FUNDING) | | (\$10 550 000) | \$393.040 | \$604 894 | \$601 618 | \$647 536 | \$660 984 | \$657 404 | \$707 580 | \$722 275 | \$718 363 | \$11 086 053 | \$789 250 |
| Leveraged Cash Flow (NET OF CONST GAP FUNDING) | | (\$2.300.000) | (\$184.460) | (\$484.147) | \$90.077 | \$135,995 | \$149.443 | \$145.863 | \$196.039 | \$210.734 | \$206.823 | \$5.357.371 | \$277.709 |
| Rates of Return Analysis | | (+_,000,000) | (#=0.1,100) | (* | <i><i><i>qsc,c,i</i></i></i> | <i>+200,000</i> | <i>41.0,.10</i> | <i>,</i> <u>,</u> , , , , , , , , , , , , , , , , , , | 7200,000 | | <i>7200,020</i> | ÷0,000,007 I | <i>,,.</i> 05 |
| Return on Equity (cash-on-cash) | | | -8.02% | -21.05% | 3.92% | 5.91% | 6.50% | 6.34% | 8.52% | 9.16% | 8.99% | 232.93% | 12.07% |
| IRR on Project (unleveraged) | | 5.84% | /0 | / | | | | 1/0 | | 2.20/0 | 2.2370 | | |
| IRR on Equity (leveraged) | | 9.19% | | | | | | | | | | | |
| Return on Cost | | 0.1070 | 3.57% | 5.50% | 5.47% | 5.89% | 6.01% | 5.98% | 6.43% | 6.57% | 6.53% | 7.03% | 7.17% |
| Imputed Cap Rate (cost less incentives) | | | 3.73% | 5.73% | 5.70% | 6.14% | 6.27% | 6.23% | 6.71% | 6.85% | 6.81% | 7.33% | //0 |

221 Wilcox analyzed with market-derived assumptions and \$2,000,000 in up-front public investment

| PROJECT SUMMARY | | | | | | | | | | | | | |
|--|------------------|---------------|------------------------|-------------------|-------------|-------------|--------------------|-------------|-------------|-------------|-------------|---------------|-------------|
| Property Summary | Property Summary | | | | | | | | | | | | |
| No. Units | Various | | Loan : Cost Ratio | | | 75% | | | | | | | |
| Rentable SF | 48,073 | | Contruction Loan Ter | rm (mos) | | 12 | | | | | | | |
| Total Construction Cost | \$11,000,000 | | Construction Interest | t Rate | | 7.00% | interest only | | | | | | |
| Construction per Square Foot | \$229 | | Construction Loan Ar | mount | | \$8,250,000 | | | | | | | |
| Construction Equity | \$2,750,000 | | Construct Loan Per R | RSF | | \$171.61 | | | | | | | |
| ConstructionDebt | \$8,250,000 | | | | | | | | | | | | |
| | | | Perm Loan Summary | Y | | | | | | | | | |
| | | | Perm Loan : Value Ra | atio | | 75% | | | | | | | |
| Proforma | | | Perm Loan Amount | | | \$6,941,746 | | | | | | | |
| Year Stabilized | 3 | | Perm Loan Ammortiz | zation (yrs) | | 25 | | | | | | | |
| Stabilized NOI | \$601,618 | | Perm Interest Rate | | | 5.50% | | | | | | | |
| Stabilized Cap Rate | 6.50% | | Perm Loan Yearly Par | yment | | \$511,541 | | | | | | | |
| Stabilized Proforma Value | \$9,255,662 | | Perm Term | | | 10 | | | | | | | |
| Stabilized Value Per RSF | \$193 | | Perm Loan Balance | | | \$5,217,141 | | | | | | | |
| Value upon Completion | \$6,046,775 | | Loan Fees/Closing Co | osts | | 2.0% | | | | | | | |
| Reversion Cap Rate | 7.50% | | | | | | | | | | | | |
| Growth Rate | 3.00% | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| GAP FUNDING - applied to contruction equity | \$2,000,000 | | Feasibility Indicators | s (10 yr hold) | | I | Market Target Rate | 2 | | | | | |
| | | | Cost/Value* | | _ | 118.8% | | | | | | | |
| | | | Return on Equity (lev | veraged cash-on-c | ash)* | 12.0% | 10% to 20% | | | | | | |
| | | | IRR on Project (unley | veraged) | | 8.0% | 8% to 12% | | | | | | |
| | | | *Stabilized Year | | | | | | | | | | |
| OPERATING PROFORMA | | | | | | | | | | | | | |
| Proforma Year | | CONSTRUCT | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| Investment | | | | | | | | | | | | | |
| Construction Equity | | (2,750,000) | | | | | | | | | | | |
| Construction Debt | | (8,250,000) | | | | | | | | | | | |
| Construction Cost | | (11,000,000) | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| Operating income | | ćo | 6202.040 | ¢604.004 | ¢604.640 | 6647 536 | ¢660.004 | 66F7 404 | 6707 500 | 6722 275 | 6740.262 | 6772 402 | 6700 250 |
| Net Income from Property Operations | | \$U | \$393,040 | \$604,894 | \$601,618 | \$647,536 | \$660,984 | \$657,404 | \$707,580 | \$722,275 | \$/18,363 | \$773,192 | \$789,250 |
| GAP Funding | | \$2,000,000 | \$U | \$U | \$U | \$0 | \$U | \$0 | \$U | \$0 | \$0 | \$0 | \$0 |
| NOI | | \$2,000,000 | \$393,040 | \$604,894 | \$601,618 | \$647,536 | \$660,984 | \$657,404 | \$707,580 | \$722,275 | \$718,363 | \$773,192 | \$789,250 |
| (loss) Construction Loop Interact Roymont | | | (\$577 500) | (\$577 500) | | | | | | | | | |
| (less) Construction Loan Interest Payment | | | (3377,300) | (\$577,500) | (\$511 541) | (\$511 541) | (\$511 541) | (\$511 541) | (\$511 541) | (\$511 541) | (\$511 541) | (\$511 541) | (\$511 541) |
| Operating Cash Flow | | \$2,000,000 | (\$184.460) | (\$191 1.541) | \$90.077 | \$125 995 | \$1/9 //3 | \$145 863 | \$196 039 | \$210 734 | \$206 823 | \$261 651 | \$277 709 |
| Operating cash Flow | | \$2,000,000 | (3184,400) | (3484,147) | \$50,077 | \$133,555 | \$145,445 | \$145,805 | \$150,035 | 3210,734 | 3200,823 | \$201,051 | 3211,105 |
| Refinance/Gross Reversion Proceeds | | | | | | | | | | | | \$10 523 327 | |
| (less) Closing Costs | 2 00% | | | | | | | | | | | (\$210,467) | |
| (less) Loan Balance | 2.00% | | | | | | | | | | | (\$5 217 141) | |
| Net Refi/Reversion Proceeds | | | | | | | | | | | | \$5,095,720 | |
| het help heversion i rocceds | | | | | | | | | | | | \$5,055,720 | |
| Unleveraged Cash Flow (NET OF CONST GAP FUNDING) | | (\$9,000,000) | \$393,040 | \$604,894 | \$601,618 | \$647,536 | \$660,984 | \$657,404 | \$707,580 | \$722,275 | \$718,363 | \$11,086,053 | \$789,250 |
| Leveraged Cash Flow (NET OF CONST GAP FUNDING) | | (\$750,000) | (\$184,460) | (\$484,147) | \$90,077 | \$135,995 | \$149,443 | \$145,863 | \$196,039 | \$210,734 | \$206,823 | \$5,357,371 | \$277,709 |
| Rates of Return Analysis | | • | | | | | | | | | | | |
| Return on Equity (cash-on-cash) | | | -24.59% | -64.55% | 12.01% | 18.13% | 19.93% | 19.45% | 26.14% | 28.10% | 27.58% | 714.32% | 37.03% |
| IRR on Project (unleveraged) | | 8.00% | | | | | | | | | | | |
| IRR on Equity (leveraged) | | 19.95% | | | | | | | | | | | |
| Return on Cost | | | 3.57% | 5.50% | 5.47% | 5.89% | 6.01% | 5.98% | 6.43% | 6.57% | 6.53% | 7.03% | 7.17% |
| Imputed Cap Rate (cost less incentives) | | | 4.37% | 6.72% | 6.68% | 7.19% | 7.34% | 7.30% | 7.86% | 8.03% | 7.98% | 8.59% | |

221 Wilcox analyzed with market-derived assumptions and \$2,100,000 in up-front public investment

| PROJECT SUMMARY | | | | | | | | | | | | | |
|--|--------------|---------------------|------------------------|-------------------|------------------------|-------------|--------------------|-------------|-------------|-------------|-------------|---|-------------|
| Property Summary | | Construction Loan S | ummary | | | | | | | | | | |
| No. Units | Various | | Loan : Cost Ratio | | | 75% | | | | | | | |
| Rentable SF | 48,073 | | Contruction Loan Te | rm (mos) | | 12 | | | | | | | |
| Total Construction Cost | \$11,000,000 | | Construction Interes | t Rate | | 7.00% | interest only | | | | | | |
| Construction per Square Foot | \$229 | | Construction Loan A | mount | | \$8,250,000 | | | | | | | |
| Construction Equity | \$2,750,000 | | Construct Loan Per R | SF | | \$171.61 | | | | | | | |
| ConstructionDebt | \$8,250,000 | | | | | | | | | | | | |
| | | | Perm Loan Summary | / | | | | | | | | | |
| | | | Perm Loan : Value Ra | atio | | 75% | | | | | | | |
| Proforma | | | Perm Loan Amount | | | \$6,941,746 | | | | | | | |
| Year Stabilized | 3 | | Perm Loan Ammortia | zation (yrs) | | 25 | | | | | | | |
| Stabilized NOI | \$601,618 | | Perm Interest Rate | | | 5.50% | | | | | | | |
| Stabilized Cap Rate | 6.50% | | Perm Loan Yearly Pa | yment | | \$511,541 | | | | | | | |
| Stabilized Proforma Value | \$9,255,662 | | Perm Term | | | 10 | | | | | | | |
| Stabilized Value Per RSF | \$193 | | Perm Loan Balance | | | \$5,217,141 | | | | | | | |
| Value upon Completion | \$6,046,775 | | Loan Fees/Closing Co | osts | | 2.0% | | | | | | | |
| Reversion Cap Rate | 7.50% | | | | | | | | | | | | |
| Growth Rate | 3.00% | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| GAP FUNDING - applied to contruction equity | \$2,100,000 | | Feasibility Indicators | s (10 yr hold) | | | Market Target Rate | 5 | | | | | |
| | | | Cost/Value* | | | 118.8% | | | | | | | |
| | | | Return on Equity (lev | veraged cash-on-c | ash)* | 13.9% | 10% to 20% | | | | | | |
| | | | IRR on Project (unley | veraged) | | 8.2% | 8% to 12% | | | | | | |
| | | | *Stabilized Year | | | | | | | | | | |
| OPERATING PROFORMA | | | | | | | | | | | | | |
| Proforma Year | | CONSTRUCT | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| Investment | | | | | | | | | | | | | |
| Construction Equity | | (2,750,000) | | | | | | | | | | | |
| Construction Debt | | (8,250,000) | | | | | | | | | | | |
| Construction Cost | | (11,000,000) | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| Operating Income | | | | | | | | | | | | | |
| Net Income from Property Operations | | \$0 | \$393,040 | \$604,894 | \$601,618 | \$647,536 | \$660,984 | \$657,404 | \$707,580 | \$722,275 | \$718,363 | \$773,192 | \$789,250 |
| GAP Funding | | \$2,100,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| NOI | | \$2,100,000 | \$393,040 | \$604,894 | \$601,618 | \$647,536 | \$660,984 | \$657,404 | \$707,580 | \$722,275 | \$718,363 | \$773,192 | \$789,250 |
| | | | | | | | | | | | | | |
| (less) Construction Loan Interest Payment | | | (\$577,500) | (\$577,500) | | | | | | | | | |
| (less) Perm Loan Payments | | | | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) | (\$511,541) |
| Operating Cash Flow | | \$2,100,000 | (\$184,460) | (\$484,147) | \$90,077 | \$135,995 | \$149,443 | \$145,863 | \$196,039 | \$210,734 | \$206,823 | \$261,651 | \$277,709 |
| | | | | | | | | | | | | 440 500 005 | |
| Refinance/Gross Reversion Proceeds | a | | | | | | | | | | | \$10,523,327 | |
| (less) Closing Costs | 2.00% | | | | | | | | | | | (\$210,467) | |
| (less) Loan Balance | | | | | | | | | | | | (\$5,217,141) | |
| Net Refi/Reversion Proceeds | | | | | | | | | | | | \$5,095,720 | |
| Unloweraged Cash Flow (NET OF CONST GAR FUNDING) | | (\$9.000.000) | \$202.040 | \$604 804 | \$601 619 | \$647 E26 | \$660.094 | \$657 A0A | \$707 E90 | ¢722.275 | \$719 262 | \$11 096 0E2 | 6790 250 |
| Leveraged Cash Flow (NET OF CONST GAP FUNDING) | | (\$8,500,000) | (\$184,460) | (\$484 147) | \$901,018 | \$135,995 | \$1/0 //3 | \$1/15 862 | \$196.039 | \$722,275 | \$716,303 | \$5 257 271 | \$785,250 |
| Rates of Return Analysis | | (3030,000) | (7104,400) | (2404,147) | 330,077 | \$133,335 | 7147,44 3 | Ş143,003 | \$150,039 | 3210,734 | 3200,023 | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | şz11,109 |
| Return on Equity (cash-on-cash) | | | -28 38% | -71 19% | 13 86% | 20 0.2% | 22 00% | 22 1/10/ | 30.16% | 22 120/ | 31 87% | 87/ 21% | 12 77% |
| IRR on Project (unleveraged) | | Q 1 E 0/ | -20.30/0 | -/4.40/0 | 13.00/0 | 20.3270 | 22.33% | 22.4470 | 50.10% | 52.4270 | 51.02/0 | 024.21/0 | 42.7270 |
| IRR on Equity (leveraged) | | 0.13% | | | | | | | | | | | |
| Return on Cost | | 21.2270 | 3 57% | 5 50% | 5 / 7% | 5 80% | 6.01% | 5 0.9% | 6 12% | 6 57% | 6 52% | 7 02% | 7 17% |
| Imputed Can Bate (cost less incentives) | | | 3.37% A A7% | 6.80% | 5.47 <i>%</i> 6.76% | 7 28% | 7 42% | 7 30% | 7 95% | 8 1 2 % | 8.07% | 8.60% | /.1/70 |
| impated cap hate (cost less incentives) | | | 4.42/0 | 0.00/0 | 0.70/0 | 1.20/0 | 7.43/0 | 1.39/0 | 1.55/0 | 0.12/0 | 0.0770 | 0.09/0 | |

221 Wilcox analyzed with market-derived assumptions and \$2,200,000 in up-front public investment

| PROPENDAME Contraction from "(moti) 773 Relation from "(moti) 733 Relation from "(moti) 733 Relation from "(moti) 733 Relation from "(moti) 733 Relation from "(moti) 734 Relation from "(moti) 735 Relation from "(motion from (motion from (mot | | | | | | | | | | | | | | |
|--|--|--------------------|---|------------------------|--------------------|------------------------|-----------------|----------------------|------------------------------|------------------|--|------------------------|-------------------|-------------------|
| Property interval is a class family class family family is a class family family is a c | PROJECT SUMMARY | | | | | | | | | | | | | |
| Ne. Marting Vertication Usame constraints (arrange from the file arrange from the file arra | Property Summary | | Construction Loan S | ummary | | | | | | | | | | |
| landabi S in AB273 Contraction large (max) is a contraction large (max) i | No. Units | Various | | Loan : Cost Ratio | | | 75% | | | | | | | |
| Taid Langer Grade S11,000,000 Construction Langer Menualty S22,200,000 Menualty S22,200,000 Construction Langer Menualty S22,200,000 Construction Langer Menualty S22,200,000 <t< td=""><td>Rentable SF</td><td>48,073</td><td></td><td>Contruction Loan Ter</td><td>rm (mos)</td><td></td><td>12</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<> | Rentable SF | 48,073 | | Contruction Loan Ter | rm (mos) | | 12 | | | | | | | |
| Construction Que Square Foot 5.22 0 construction Que Square Foot 5.22 0 construction Que Square Foot Source Square Foot < | Total Construction Cost | \$11,000,000 | | Construction Interest | t Rate | | 7.00% | interest only | | | | | | |
| Contractical ball Science | Construction per Square Foot | \$229 | | Construction Loan Ar | mount | | \$8,250,000 | | | | | | | |
| Canada Construction Part All Section 12 Part Lan Summary Protect Saling Construction (value Part owner Section 12 Sectio | Construction Equity | \$2,750,000 | | Construct Loan Per R | SF | | \$171.61 | | | | | | | |
| Protein care interest | ConstructionDebt | \$8,250,000 | | | | | | | | | | | | |
| Perform Perm. Load Antronof 2200 (rpl 1) S58,12/46 S58,12/46 Yang Sadikad S10,00 Perm. Load Antronof 2200 (rpl 1) 2.5 <th></th> <th></th> <th></th> <th>Perm Loan Summary</th> <th>/</th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> | | | | Perm Loan Summary | / | | | | | | | | | |
| Profession Pertual number Sequence Sequence <td></td> <td></td> <td></td> <td>Perm Loan : Value Ra</td> <td>atio</td> <td></td> <td>75%</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> | | | | Perm Loan : Value Ra | atio | | 75% | | | | | | | |
| Year Sabilized Sabilized Opt Ale Sabilized | Proforma | | | Perm Loan Amount | | | \$6,941,746 | | | | | | | |
| Stabilized ON Sp01,68 Perm Interest Rate 5.50% Stabilized Origonal Value 6.50% Perm Interm Reinter Program 10 Stabilized Origonal Value 53.25.662 Perm Term 10 Stabilized Origonal Value 53.05.70 10 10 Reversion Cap Rein 5.00.70 2.00% 11.84 10% GAP PUNDINGseptiled contruction equity 52.20.00.00 Feasibility Indicators (10 yr hol) 11.84 10% to 20% 9 9 10 1 GAP PUNDINGseptiled contruction equity 52.200.000 Feasibility Indicators (10 yr hol) 11.84 10% to 20% 9 9 0 1 Contracticity Useraged 2ach on-caph* 11.84 10% to 20% 9 10 1 Contracticity Useraged 2ach on-caph* 11.84 10% to 20% 9 50 9 50 1 Contracticity Useraged 2ach on-caph* 11.84 10% to 20% 9 50 50 50 50 50 50 50 50 50 50 50 50 | Year Stabilized | 3 | | Perm Loan Ammortia | zation (yrs) | | 25 | | | | | | | |
| Schulzer Application Status 6.60% Perm Loan Yoarly Peyment S511.541 | Stabilized NOI | \$601,618 | | Perm Interest Rate | | | 5.50% | | | | | | | |
| Stabilized Value \$25,25,662 Perm Tem 10 Stabilized Value Profise \$333 Perm Lame Bearce \$2,0% > | Stabilized Cap Rate | 6.50% | | Perm Loan Yearly Par | yment | | \$511,541 | | | | | | | |
| Stabilizer NST 5333 (2004) Perm Lan Balance (2004) 53,27,141 (2004) Wale upon Campletion (2004) Rate (2004) \$5,046,75 (2004) Market Target Rate (2004) Solution (2004) GAP FUNDING - applied to contruction equity \$2,200,000 Feasibility indicators (10 yr hold) (2004) Market Target Rate (2004) Solution (2004) OPFAINDING - applied to contruction equity \$2,200,000 Feasibility indicators (10 yr hold) (2004) Market Target Rate (2004) Solution (2004) OPFAINDING - applied to contruction equity \$2,200,000 Feasibility indicators (10 yr hold) (2,500,000) Market Target Rate (2,500,000) Solution (2,700,000) Construction Equity (2,750,000) (2,750,000) (2,750,000) Solution (2,750,000) Solution (2,750,000) Construction Equity (2,750,000) (2,750,000) (2,750,000) Solution (2,770,000) | Stabilized Proforma Value | \$9,255,662 | | Perm Term | | | 10 | | | | | | | |
| Value york completion \$5,06,775 3.00% Loan Fee/Closing Costs 2.0% GAP FUNDING - applied to contruction equity \$2,200,000 $\frac{18,80%}{Carry, Nale c^{-1}} + \frac{18,80%}{St 0.20\%} + \frac{18,80%}{St 0.20\%} + \frac{10.80}{St 0.20\%} + 1$ | Stabilized Value Per RSF | \$193 | | Perm Loan Balance | | | \$5,217,141 | | | | | | | |
| Reversion Cap Rate South Late 7.50% 3.00% GAP FUNDING applied to contruction equity \$2,200,00 Feasibility Indicators (10 yr hod) Return on fquity (Interverged cach on cash) ⁴ Inti. 30% 1810. on Project (Uninterverged) Market Target Rate Int. 30% 8 to 12 2 OPERATION FOR CONTRACT 1 2 3 4 5 6 7 8 9 10 11 Professore Interverged cach on cash) ⁴ Interverged cach on cash interverse | Value upon Completion | \$6,046,775 | | Loan Fees/Closing Co | osts | | 2.0% | | | | | | | |
| Grown hate Market Target Jak base Gave hate Sign of Sig | Reversion Cap Rate | 7.50% | | , | | | | | | | | | | |
| Construction equity \$2,200,000 Feasibility indicators (10 yr hold) Cost/Value * Bills 00 Prioret (uneveraged cash-norcesh)* Market Target Batz 18.8% Bills 00 Prioret (uneveraged cash-norcesh)* Market Target Batz Basilities train OPERATING PROFORMA ************************************ | Growth Rate | 3.00% | | | | | | | | | | | | |
| BAP FUNDING - spalled to contruction equip \$2,200,00 Feasibility foldcators (10 ym liver-aged calu-on-calub) ¹ (10 ym liver-aged calub-on-calub) ¹ (10 ym liver-aged calub-on- | | | | | | | | | | | | | | |
| Construction of purper location of purper locatin dister purper location of purper location of purper lo | GAP FUNDING - applied to contruction equity | \$2,200.000 | | Feasibility Indicators | s (10 vr hold) | | | Market Target Rate | , | | | | | |
| Berly mon Equity (liver-regard) 16.4 m/s 10% to 20% "Stabilized Year 33% 3% to 12% "Stabilized Year 5 6 7 8 9 10 11 Portman Year CONSTRUCT 1 2 3 4 5 6 7 8 9 10 11 Portman Year CONSTRUCT 1 2 3 4 5 6 7 8 9 10 11 Construction (qiuly) (2,750,000) S93,040 S604,884 S601,518 S647,536 S660,984 S657,404 S707,580 S72,275 S718,363 S773,192 S789,250 Construction Loan Interest Payment (S577,500) S577,500 S511,541 (S511,541) (S511,541) (S511,541) (S511,541) S511,541 (S511,541) (S511,541) (S511,541) (S511,541) (S511,541) | | <i>\$2,200,000</i> | | Cost/Value* | (10): | | 118.8% | indifier fulger hate | - | | | | | |
| IRR on Project (unleveraged) 8.33 8% to 12% "Sublices Tree "Sublices Tree OPERATING PROFORMA Sold Sold Sold Sold Sold Sold Sold Sold | | | | Return on Fauity (lev | veraged cash-on-c | ash)* | 16.4% | 10% to 20% | | | | | | |
| Stabilize for transmister of the stabilized for transmister of the stabilized for transmister of the stabilized for transmister of tr | | | | IRR on Project (unley | veraged) | , | 8 3% | 8% to 12% | | | | | | |
| OPERATING PROFORMA CONSTRUCT 1 2 3 4 5 6 7 8 9 10 11 Proforms Year CONSTRUCT 1 2 3 4 5 6 7 8 9 10 11 Construction Equity (2,750,000) Construction Cost (11,000,000) 5 | | | | *Stabilized Vear | cruged) | L | 0.070 | 0/010 12/0 | | | | | | |
| Or Listing Trace CONSTRUCT 1 2 3 4 5 6 7 8 9 10 11 Investment Construction Equity (2, 250,000) (2, 250,000) (2, 250,000) (2, 250,000) (2, 250,000) (2, 250,000) (2, 250,000) (2, 250,000) (2, 250,000) (2, 250,000) (2, 250,000) (2, 250,000) (2, 250,000) (2, 250,000) (2, 250,000) (2, 250,000) (2, 250,000) (2, 250,000) (2, 200,000 (2, 200,000 (2, 200,000 (2, 200,000 (2, 200,000 (2, 200,000 (2, 577,500) (5, 577,500) (5, 577,500) (5, 577,500) (5, 577,500) (5, 577,500) (5, 577,500) (5, 511,541) (5511,541) | OPERATING PROFORMA | | | Stabilized Teal | | | | | | | | | | |
| Interview Converte Image: Converte | Proforma Vear | | CONSTRUCT | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| Annume Construction figuity (2,750,000) Construction figuity (3,260,000) Construction Cost (11,000,000) Operating Income (32,200,000) Sol Sign figuity (5333,040) Sol Sign figuity (2,750,000) Construction Cost (11,000,000) Construction Cost (11,000,000) Sol Sign figuity (2,750,000) Sol Sign figuity (557,500) (less) Construction Loan Interest Payment (5577,500) (less) Construction Loan Interest Payment (5511,541) (5511,541) (5511,541) (5511,541) (5511,541) (5511,541) (5511,541) (5511,541) (5511,541) (5511,541) (5511,541) (5511,541) (5511,541) (5511,541) (5511,541) (5511,541) (5511,541) (5511,541) (5511, | | | construct | 1 | 2 | 5 | - | 5 | 0 | , | 0 | 5 | 10 | |
| Construction Dabit (E1/20,000) Construction Dabit (E3/20,000) Construction Cost (II,000,000) Operating Income Net Income From Property Operations S00 S00 S00 S00 S0 S00 S0 S0 S00 S0 S00 S01,618 S647,536 S660,984 S657,404 S707,580 S722,275 S718,363 S773,192 S789,250 NOI \$2,200,000 \$393,040 \$604,894 \$601,618 \$647,536 \$660,984 \$657,404 \$707,580 \$772,192 \$789,250 (less) Construction Loan Interest Payment (\$577,500) (\$577,500) (\$5511,541) (\$5511,541) (\$5511,541) (\$5511,541) (\$5511,541) (\$5511,541) (\$5511,541) (\$5511,541) (\$5511,541) (\$5511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,54 | Construction Equity | | (2 750 000) | | | | | | | | | | | |
| Construction Cost Disclose/information Construction Cost (11,0000,000) Operating Income S0 Net Income from Property Operations S0 S02,2000,000 \$50 S22,200,000 \$393,040 \$22,200,000 \$393,040 S22,200,000 \$393,040 \$20,200,000 \$393,040 \$20,200,000 \$393,040 \$20,200,000 \$393,040 \$604,894 \$601,618 \$647,536 \$660,984 \$657,044 \$707,580 \$722,275 \$718,363 \$773,192 \$789,250 (less) Construction Loan Interest Payment (\$577,500) (\$5511,541) (\$5511,541) (\$5511,541) (\$5511,541) (\$5511,541) (\$5511,541) (\$5511,541) (\$5511,541) (\$5511,541) (\$551,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) \$510,523 \$220,823 \$251,651 <td>Construction Debt</td> <td></td> <td>(2,750,000)</td> <td></td> | Construction Debt | | (2,750,000) | | | | | | | | | | | |
| Operating Income Net Income from Property Operations S0 \$393,040 \$604,894 \$601,618 \$647,536 \$660,984 \$577,292 \$718,363 \$773,192 \$789,250 GAP Funding \$2,200,000 \$393,040 \$604,894 \$601,618 \$647,536 \$660,984 \$657,404 \$707,580 \$722,275 \$718,363 \$773,192 \$789,250 NOI \$2,200,000 \$393,040 \$604,894 \$601,618 \$647,536 \$660,984 \$657,404 \$707,580 \$722,275 \$718,363 \$773,192 \$789,250 NOI \$52,200,000 \$393,040 \$604,894 \$601,618 \$647,536 \$660,984 \$657,404 \$707,580 \$722,275 \$718,363 \$773,192 \$789,250 (less) Construction Loan Interest Payment (\$577,500) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) \$(\$511,541) \$(\$511,541) \$(\$511,541) \$(\$511,541) \$(\$511,541) \$(\$511,541) \$(\$511,541) \$(\$511,541) \$(\$511,541) \$(\$511,541) \$(\$511,541) | Construction Dest | | (11 000 000) | | | | | | | | | | | |
| Operating income So S333,040 S604,894 S601,618 S647,536 S60,984 S57,404 S707,580 S722,275 S718,363 S773,192 S789,250 Noi S2,200,000 \$393,040 \$604,894 \$601,618 \$647,536 \$660,984 \$657,404 \$707,580 \$722,275 \$718,363 \$773,192 \$789,250 Noi \$2,200,000 \$393,040 \$604,894 \$601,618 \$647,536 \$660,984 \$657,404 \$707,580 \$722,275 \$718,363 \$773,192 \$789,250 (less) Construction Loan Interest Payment (\$577,500) (\$577,500) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) (\$511,541) \$510,533,327 \$10,533,327 \$10,523,327 \$10,523,327 \$10,523,327 \$10,543 \$10,523,327 \$10,523,327 \$10,523,327 \$10,541 \$10,511,541 \$10,511,541 \$10,511,541 < | | | (11,000,000) | | | | | | | | | | | |
| Net Income from Property Operations 50 \$333,040 \$604,894 \$601,618 \$667,536 \$677,580 \$772,580 \$773,192 \$789,250 GAP Funding \$2,200,000 \$30 \$00 \$50 <td>Operating Income</td> <td></td> | Operating Income | | | | | | | | | | | | | |
| CAP Funding S2,200,000 S0 S0 <td>Net Income from Property Operations</td> <td></td> <td>\$0</td> <td>\$393.040</td> <td>\$604 894</td> <td>\$601 618</td> <td>\$647 536</td> <td>\$660,984</td> <td>\$657 404</td> <td>\$707 580</td> <td>\$722 275</td> <td>\$718 363</td> <td>\$773 192</td> <td>\$789 250</td> | Net Income from Property Operations | | \$0 | \$393.040 | \$604 894 | \$601 618 | \$647 536 | \$660,984 | \$657 404 | \$707 580 | \$722 275 | \$718 363 | \$773 192 | \$789 250 |
| Data Hubbing Data Colore Do Do </td <td>GAP Funding</td> <td></td> <td>\$2 200 000</td> <td>\$0.550,010 \$0</td> <td>\$00 1,05 1 \$0</td> <td>\$001,010</td> <td>\$0 \$0</td> <td>\$0000,501 \$0</td> <td>\$057,101 \$0</td> <td>\$0 \$0</td> <td>\$0</td> <td>\$0,505</td> <td>\$0</td> <td>\$0 \$0</td> | GAP Funding | | \$2 200 000 | \$0.550,010 \$0 | \$00 1,05 1 \$0 | \$001,010 | \$0 \$0 | \$0000,501 \$0 | \$057,101 \$0 | \$0 \$0 | \$0 | \$0,505 | \$0 | \$0 \$0 |
| Charlow Construction | NOI | | \$2,200,000 | \$393,040 | \$604,894 | \$601,618 | \$647,536 | \$660,984 | \$657,404 | \$707,580 | \$722,275 | \$718,363 | \$773,192 | \$789,250 |
| (less) Construction Loan Interest Payments (\$577,500) (\$577,500) (\$511,541) (\$511,5 | | | \$2,200,000 | <i>\$333,</i> 040 | <i>3004,034</i> | <i>QUO1,010</i> | <i>4047,550</i> | 2000,504 | <i>\$657,</i> 464 | <i>\$101,500</i> | <i>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</i> | <i>\$110,000</i> | <i>\$773,15</i> 2 | <i>\$103,</i> 230 |
| (inst) for | (less) Construction Loan Interest Payment | | | (\$577 500) | (\$577 500) | | | | | | | | | |
| Icon Common Construction (521,941)< | (less) Perm Loan Payments | | | (\$577,500) | (\$511 541) | (\$511 541) | (\$511 541) | (\$511 541) | (\$511 541) | (\$511 541) | (\$511 541) | (\$511 541) | (\$511 541) | (\$511 541) |
| Applicating calinitiation Calibritiation | Operating Cash Flow | | \$2 200 000 | (\$184.460) | (\$484 147) | \$90.077 | \$135,995 | \$149 443 | \$145 863 | \$196.039 | \$210 734 | \$206 823 | \$261 651 | \$277 709 |
| Refinance/Gross Reversion Proceeds 2.00% \$\$10,523,327 (less) Closing Costs 2.00% \$\$10,523,327 (less) Loan Balance \$\$5,217,141 Net Refi/Reversion Proceeds \$\$5,217,141 Leveraged Cash Flow (NET OF CONST GAP FUNDING) \$\$8,800,000) \$\$393,040 \$\$604,894 \$661,618 \$667,506 \$722,275 \$718,363 \$11,086,053 \$789,250 Leveraged Cash Flow (NET OF CONST GAP FUNDING) (\$\$550,000) \$184,460) (\$484,147) \$90,077 \$135,995 \$149,443 \$145,863 \$196,039 \$210,734 \$206,823 \$5,357,371 \$277,709 Rates of Return Analysis -33.54% -88.03% 16.38% 24.73% 27.17% 26.52% 35.64% 38.32% 37.60% 974.07% \$0.49% IRR on Project (unleveraged) 8.31% -35.54% 5.547% 5.89% 6.01% 5.98% 6.43% 6.57% 6.53% 7.03% 7.17% Return on Cost 3.57% 5.50% 5.47% 5.89% 6.01% 5.98% 6.43% 6.57% 6.53% 7.03% 7.17% IRe on Project (unleveraged) 8.31% | operating cash now | | \$2,200,000 | (\$104,400) | (\$404,147) | \$50,011 | \$133,555 | Ş145,445 | <i><i></i></i> | \$150,035 | <i>7</i> 210,734 | <i>QL00,0L3</i> | \$201,031 | \$277,705 |
| Inclusion Proceeds 2.00% (\$20,467) (less) Closing Costs 2.00% (\$5,217,141) Net Refi/Reversion Proceeds \$5,095,720 Unleveraged Cash Flow (NET OF CONST GAP FUNDING) (\$8,800,000) \$393,040 \$604,894 \$601,618 \$667,536 \$660,984 \$707,580 \$722,275 \$718,363 \$11,086,053 \$789,250 Unleveraged Cash Flow (NET OF CONST GAP FUNDING) (\$550,000) \$138,460) \$444,147 \$90,077 \$135,995 \$149,443 \$145,863 \$106,039 \$210,734 \$206,823 \$5,357,371 \$277,709 Rates of Return Analysis | Refinance/Gross Reversion Proceeds | | | | | | | | | | | | \$10 523 327 | |
| (c):10:00:00:00:00:00:00:00:00:00:00:00:00: | (less) Closing Costs | 2 00% | | | | | | | | | | | (\$210,467) | |
| Interview (c) (| (less) Loan Balance | 2.0070 | | | | | | | | | | | (\$5,217,141) | |
| Interin Neterin | Net Refi/Reversion Proceeds | | | | | | | | | | | | \$5 095 720 | |
| Unleveraged Cash Flow (NET OF CONST GAP FUNDING) (\$8,800,000) \$393,040 \$604,894 \$601,618 \$660,984 \$657,404 \$707,580 \$722,275 \$718,363 \$11,086,053 \$789,250 Leveraged Cash Flow (NET OF CONST GAP FUNDING) (\$550,000) (\$184,460) (\$484,147) \$90,077 \$135,995 \$149,443 \$145,863 \$196,039 \$210,734 \$206,823 \$5,357,371 \$277,709 Rates of Return Analysis | Net hely heversion Proceeds | | | | | | | | | | | | <i>33,033,120</i> | |
| Leveraged Cash Flow (NET OF CONST GAP FUNDING) (\$550,000) (\$184,460) (\$484,147) \$90,077 \$135,995 \$145,863 \$196,039 \$210,734 \$206,823 \$5,357,371 \$277,709 Rates of Return Analysis Return on Equity (cash-on-cash) -33.54% -88.03% 16.38% 24.73% 27.17% 26.52% 35.64% 38.32% 37.60% 974.07% 50.49% IRR on Project (unleveraged) 8.31% 7.03% 7.17% 26.52% 35.64% 38.32% 37.60% 974.07% 50.49% IRR on Project (unleveraged) 8.31% 5.50% 5.47% 5.89% 6.01% 5.98% 6.43% 6.57% 6.53% 7.03% 7.17% IRR on Project (unleveraged) 22.65% 3.57% 5.50% 5.47% 5.89% 6.01% 5.98% 6.43% 6.57% 6.53% 7.03% 7.17% Return on Cost 3.57% 5.80% 6.84% 7.36% | Unleveraged Cash Flow (NET OF CONST GAP FUNDING) | | (\$8.800.000) | \$393.040 | \$604.894 | \$601.618 | \$647.536 | \$660.984 | \$657.40 4 | \$707.580 | \$722.275 | \$718.363 | \$11.086.053 | \$789.250 |
| Rates of Return Analysis | Leveraged Cash Flow (NET OF CONST GAP FUNDING) | | (\$550,000) | (\$184,460) | (\$484,147) | \$90,077 | \$135,995 | \$149,443 | \$145,863 | \$196,039 | \$210,734 | \$206,823 | \$5,357,371 | \$277,709 |
| Return on Equity (cash-on-cash) -33.54% -88.03% 16.38% 24.73% 27.17% 26.52% 35.64% 38.32% 974.07% 50.49% IRR on Project (unleveraged) 8.31% | Rates of Return Analysis | | (,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | (i - / - · · | V - / - / | | | , | , | | , | | | . , |
| IRR on Project (unleveraged) 8.31% 21.61% <td>Return on Equity (cash-on-cash)</td> <td></td> <td></td> <td>-33.54%</td> <td>-88.03%</td> <td>16.38%</td> <td>24,73%</td> <td>27.17%</td> <td>26.52%</td> <td>35.64%</td> <td>38.32%</td> <td>37.60%</td> <td>974.07%</td> <td>50.49%</td> | Return on Equity (cash-on-cash) | | | -33.54% | -88.03% | 16.38% | 24,73% | 27.17% | 26.52% | 35.64% | 38.32% | 37.60% | 974.07% | 50.49% |
| IRR on Equity (leveraged) 22.65% Return on Cost 3.57% 5.50% 5.47% 5.89% 6.01% 5.98% 6.43% 6.57% 6.53% 7.03% 7.17% Imputed Cap Rate (cost less incentives) 4.47% 6.87% 6.84% 7.36% 7.51% 7.47% 8.04% 8.21% 8.16% 8.79% | IRR on Project (unleveraged) | | 8,31% | | | | | ,,,, | / | //0 | | 2 | | 22 |
| Return on Cost 3.57% 5.50% 5.47% 5.89% 6.01% 5.98% 6.43% 6.57% 6.53% 7.03% 7.17% Imputed Cap Rate (cost less incentives) 4.47% 6.87% 6.84% 7.36% 7.51% 7.47% 8.04% 8.21% 8.16% 8.79% | IRR on Equity (leveraged) | | 22.65% | | | | | | | | | | | |
| Inducted Car Rate (cost less incentives) 4.47% 6.87% 6.88% 7.36% 7.51% 7.47% 8.04% 8.21% 8.16% 8.79% | Return on Cost | | 22.0070 | 3 57% | 5 50% | 5 47% | 5 89% | 6.01% | 5 98% | 6 43% | 6 57% | 6 53% | 7 03% | 7 17% |
| | Imputed Cap Rate (cost less incentives) | | | 4.47% | 6.87% | 6.84% | 7.36% | 7.51% | 7.47% | 8.04% | 8.21% | 8.16% | 8.79% | |

221 Wilcox analyzed with market-derived assumptions and \$2,300,000 in up-front public investment

| PROJECT SUMMARY | | | | | | | | | | | | | |
|--|--------------|---------------|------------------------|-------------------|--|-------------|--------------------|-------------------------|-------------|-------------|-------------------------------|--|------------------------|
| Property Summary | | | Construction Loan S | ummary | | | | | | | | | |
| No. Units | Various | | Loan : Cost Ratio | | | 75% | | | | | | | |
| Rentable SF | 48,073 | | Contruction Loan Ter | rm (mos) | | 12 | | | | | | | |
| Total Construction Cost | \$11,000,000 | | Construction Interes | t Rate | | 7.00% | interest only | | | | | | |
| Construction per Square Foot | \$229 | | Construction Loan A | mount | | \$8,250,000 | | | | | | | |
| Construction Equity | \$2,750,000 | | Construct Loan Per R | SF | | \$171.61 | | | | | | | |
| ConstructionDebt | \$8,250,000 | | | | | | | | | | | | |
| | | | Perm Loan Summary | / | | | | | | | | | |
| | | | Perm Loan : Value Ra | atio | | 75% | | | | | | | |
| Proforma | | | Perm Loan Amount | | | \$6,941,746 | | | | | | | |
| Year Stabilized | 3 | | Perm Loan Ammortiz | zation (yrs) | | 25 | | | | | | | |
| Stabilized NOI | \$601,618 | | Perm Interest Rate | | | 5.50% | | | | | | | |
| Stabilized Cap Rate | 6.50% | | Perm Loan Yearly Par | yment | | \$511,541 | | | | | | | |
| Stabilized Proforma Value | \$9,255,662 | | Perm Term | | | 10 | | | | | | | |
| Stabilized Value Per RSF | \$193 | | Perm Loan Balance | | | \$5,217,141 | | | | | | | |
| Value upon Completion | \$6,046,775 | | Loan Fees/Closing Co | osts | | 2.0% | | | | | | | |
| Reversion Cap Rate | 7.50% | | | | | | | | | | | | |
| Growth Rate | 3.00% | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| GAP FUNDING - applied to contruction equity | \$2,300,000 | | Feasibility Indicators | s (10 yr hold) | | | Market Target Rate | e | | | | | |
| | | | Cost/Value* | | | 118.8% | - | | | | | | |
| | | | Return on Equity (lev | veraged cash-on-c | ash)* | 20.0% | 10% to 20% | | | | | | |
| | | | IRR on Project (unley | veraged) | · | 8.5% | 8% to 12% | | | | | | |
| | | | *Stabilized Year | | n de la companya de la | | | | | | | | |
| OPERATING PROFORMA | | | | | | | | | | | | | |
| Proforma Year | | CONSTRUCT | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| Investment | | | | | | | | | | | | | |
| Construction Equity | | (2.750.000) | | | | | | | | | | | |
| Construction Debt | | (8.250.000) | | | | | | | | | | | |
| Construction Cost | | (11.000.000) | | | | | | | | | | | |
| | | (,, | | | | | | | | | | | |
| Operating Income | | | | | | | | | | | | | |
| Net Income from Property Operations | | \$0 | \$393.040 | \$604.894 | \$601.618 | \$647.536 | \$660.984 | \$657.404 | \$707.580 | \$722.275 | \$718.363 | \$773.192 | \$789.250 |
| GAP Fundina | | \$2,300.000 | ŚO | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| NOI | | \$2.300.000 | \$393.040 | \$604.894 | \$601.618 | \$647.536 | \$660.984 | \$657,404 | \$707.580 | \$722.275 | \$718.363 | \$773.192 | \$789.250 |
| | | . // | | | | | | | / | | | | |
| (less) Construction Loan Interest Payment | | | (\$577.500) | (\$577.500) | | | | | | | | | |
| (less) Perm Loan Payments | | | (1-)) | (\$511,541) | (\$511.541) | (\$511.541) | (\$511.541) | (\$511.541) | (\$511.541) | (\$511.541) | (\$511.541) | (\$511.541) | (\$511.541) |
| Operating Cash Flow | | \$2,300,000 | (\$184,460) | (\$484.147) | \$90.077 | \$135.995 | \$149.443 | \$145.863 | \$196.039 | \$210,734 | \$206.823 | \$261.651 | \$277.709 |
| | | +_,, | (+) | (+)=) | <i>tee</i> ,ee | +, | <i>1</i> , | <i>1</i> -10,000 | +, | <i>+,</i> | <i>,,</i> | +, | <i>1</i> , |
| Refinance/Gross Reversion Proceeds | | | | | | | | | | | | \$10 523 327 | |
| (less) Closing Costs | 2 00% | | | | | | | | | | | (\$210,467) | |
| (less) Loan Balance | 2.0070 | | | | | | | | | | | (\$5 217 141) | |
| Net Refi/Reversion Proceeds | | | | | | | | | | | | \$5,095,720 | |
| Net Keny Keversion Proceeds | | | | | | | | | | | | \$5,055,720 | |
| Unleveraged Cash Flow (NFT OF CONST GAP FUNDING) | | (\$8,700,000) | \$393,040 | \$604,894 | \$601,618 | \$647,536 | \$660,984 | \$657,404 | \$707,580 | \$722,275 | \$718,363 | \$11,086,053 | \$789,250 |
| Leveraged Cash Flow (NET OF CONST GAP FUNDING) | | (\$450,000) | (\$184,460) | (\$484,147) | \$90,077 | \$135,995 | \$149,443 | \$145,863 | \$196,039 | \$210,734 | \$206,823 | \$5,357,371 | \$277,709 |
| Rates of Return Analysis | | (÷ .50,000) | (2-54)400) | (+.54,147) | <i>430,011</i> | ÷200,000 | ÷=+5,++5 | ÷= .5,005 | ÷200,000 | | <i><i><i>q</i>_00,023</i></i> | <i>,,,,,,,,</i> ,,,,,,,,,,,,,,,,,,,,,,,,,,,, | <i>,_,,,,</i> ,,,,,,,, |
| Return on Equity (cash-on-cash) | | | -40 99% | -107 59% | 20.02% | 30 22% | 33 21% | 32 41% | 43 56% | 46 83% | 45 96% | 1190 53% | 61 71% |
| IRR on Project (unleveraged) | | 8 47% | 40.5570 | 107.5570 | 20.02/0 | 55.2270 | 55.21/0 | 52.4170 | -5.55% | 40.0370 | -3.5570 | 1150.5570 | 01.7170 |
| IRR on Equity (leveraged) | | 2/ 20% | | | | | | | | | | | |
| Return on Cost | | 24.2370 | 3 57% | 5 50% | 5 / 7% | 5 80% | 6.01% | 5 00% | 6 12% | 6 57% | 6 52% | 7 02% | 7 1 70/ |
| Imputed Can Rate (cost less incentives) | | | 4 52% | 6.95% | 6 92% | 7 4/1% | 7 60% | 7 56% | 8 1 2 % | 8 30% | 8.26% | 2 20% | /.1//0 |
| imparea cup nuce (cost ress intentives) | | | 4.32/0 | 0.5576 | 0.52/0 | /.++/0 | 7.00/0 | 1.50/0 | 0.13/0 | 0.50% | 0.20/0 | 0.03/0 | |