

Assumptions: Cash Spot, Concept 1

General Inputs

Opportunity Site Name	Cash Spot
Development Concept	1

Development types	No. Units	Average Unit		Parking Ratios	No. Parking Spaces
		Size	Total Net SF		
Residential: For Rent	0	0	0	0.00	0
Retail/Commercial (NNN)	0	0	5,956	1.18	7
Office (FS)	0	0	27,131	2.36	64
Live/Work	0	0	0	0.00	0
Flex Space (NNN)	0	0	0	0.00	0
Total	0		33,087		71

Development types	Monthly Rent / SF	Monthly Rent / Unit	Annual Rent / SF	Annual Rent / Unit	Potential Gross Rev	Op Expense				Total Op Expense
						Op Expense (% Rent)	Op Expense per unit / mo	Op Expense per SF / mo	Op Expense per SF / yr	
Residential: For Rent	\$1.40	\$0.00	\$16.80	\$0.00	\$0	32%	\$0	-\$0.45	-\$5.40	\$0
Retail/Commercial (NNN)	\$1.17		\$14.00		\$83,384	15%		-\$0.18	-\$2.10	-\$12,508
Office (FS)	\$1.25		\$15.00		\$406,965	53%		-\$0.67	-\$8.00	-\$217,048
Live/Work	\$1.40	\$0.00	\$16.80	\$0.00	\$0	32%	\$0	-\$0.45	-\$5.40	\$0
Flex Space (NNN)	\$0.71		\$8.50		\$0	14%		-\$0.10	-\$1.20	\$0
Total					\$490,349					-\$229,556

Other Assumptions

Annual Increase in Potential Gross Rev	3%
Annual increase in operating expense	3%
Property Tax Rate	\$18.95
Changed Property Ratio	90.4%
Real Market Value	\$3,308,710

Changed Property Ratio

Use	CPR
Residential	89.4%
Com/Ind	90.4%
Multi-Family	80.7%

Parking Assumptions

	Spaces	Gross SF	SF/Space
Structured	0	0	0
Tuck	75	19,463	260
Surface	0	0	0
Total	75	19,463	

Uses of funds: Cash Spot, Concept 1

Costs	Total	Per SF	# GSF	Notes
<i>Hard Costs</i>				
Site Acquisition	\$357,000	\$0.00	34,326	SF of site
Construction - Retail / Commercial	\$735,735	\$105.00	7,007	gross SF of building
Construction - Office	\$4,149,470	\$130.00	31,919	
Building Skin	\$0	\$35.00	0	Façade SF
Landscaping	\$61,788	\$6.00	10,298	Landscaping
TI Allowance - Office	\$1,220,895	\$45.00	27,131	Net SF
TI Allowance - Retail	\$208,460	\$35.00	5,956	Net SF
Parking - Tuck Under	\$1,265,095	\$65.00	19,463	
Frontage Improvements / PARs	\$1,000,000			City requirement for street enhancements
Hard Cost Contingency	\$648,108	\$16.65	38,926	7.5% other hard costs
Subtotal	\$9,646,551	\$247.82	38,926	
<i>Soft Costs</i>				
Architecture & Engineering	\$675,259	\$17.35	38,926	7.0% of hard costs
Other Soft Costs	\$385,862		38,926	4.0% - Legal fees, other consultants
Financing Fees	\$96,466	\$2.48	38,926	1.0% of hard costs
City Fees and Permits	\$99,475	\$2.56	38,926	
SDCs	\$750,000	\$19.27	38,926	
Developer Fee	\$482,328	\$12.39	38,926	5.0% of hard costs
FF&E	\$0	\$0.00	38,926	
Soft Cost Contingency	\$186,704	\$4.80	38,926	7.5% of soft costs
Subtotal	\$2,676,094	\$68.75	38,926	27.7%
Total Cost	\$12,322,645	\$316.57	38,926	

Loan Details: Cash Spot, Concept 1

Source No.	Type	Loan						
		Amount	Amortization (Years)	Loan Term (Years)	Interest Rate (Annual)	Payment (Annual)	Payment (Monthly)	Payments (Total)
Source 1	Equity	\$4,929,058	0	0	0%	N/A	N/A	N/A
Source 2	Bank Loan	\$7,393,587	25	25	6%	\$571,644	\$47,637	\$14,291,100
Source 3	EB-5	\$0	1	1	5%	\$0	\$0	\$0
Source 4	Other 1	\$0	1	1	5%	\$0	\$0	\$0
Source 5	Other 2	\$0	1.5	1.5	5%	\$0	\$0	\$0
Total		\$12,322,645						
		\$0						
Total Equity		\$4,929,058						
Total Financing		\$7,393,587						
Loan to Value Ratio		60%						

Annual Debt Service: Cash Spot, Concept 1

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Source 1 Equity										
Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Beginning Balance	\$ 4,929,058	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Payment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Source 2 Bank Loan										
Interest Rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Beginning Balance	\$ 7,393,587	\$ 7,258,826	\$ 7,115,980	\$ 6,964,563	\$ 6,804,061	\$ 6,633,929	\$ 6,453,589	\$ 6,262,428	\$ 6,059,798	\$ 5,845,010
Total Payment	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)
Principal	\$ (134,761)	\$ (142,846)	\$ (151,417)	\$ (160,502)	\$ (170,132)	\$ (180,340)	\$ (191,161)	\$ (202,630)	\$ (214,788)	\$ (227,675)
Interest	\$ (443,615)	\$ (435,530)	\$ (426,959)	\$ (417,874)	\$ (408,244)	\$ (398,036)	\$ (387,215)	\$ (375,746)	\$ (363,588)	\$ (350,701)
Ending Balance	\$ 7,258,826	\$ 7,115,980	\$ 6,964,563	\$ 6,804,061	\$ 6,633,929	\$ 6,453,589	\$ 6,262,428	\$ 6,059,798	\$ 5,845,010	\$ 5,617,335
Source 3 EB-5										
Interest Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Beginning Balance	\$ -									
Total Payment										
Principal										
Interest										
Ending Balance										
Source 4 Other 1										
Interest Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Beginning Balance	\$ -									
Total Payment										
Principal										
Interest										
Ending Balance										
Source 5 Other 2										
Interest Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Beginning Balance	\$ -									
Total Payment										
Principal										
Interest										
Ending Balance										
Total All Sources										
Interest Rate	3.60%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Beginning Balance	\$ 12,322,645	\$ 7,258,826	\$ 7,115,980	\$ 6,964,563	\$ 6,804,061	\$ 6,633,929	\$ 6,453,589	\$ 6,262,428	\$ 6,059,798	\$ 5,845,010
Total Payment	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)
Principal	\$ (134,761)	\$ (142,846)	\$ (151,417)	\$ (160,502)	\$ (170,132)	\$ (180,340)	\$ (191,161)	\$ (202,630)	\$ (214,788)	\$ (227,675)
Interest	\$ (443,615)	\$ (435,530)	\$ (426,959)	\$ (417,874)	\$ (408,244)	\$ (398,036)	\$ (387,215)	\$ (375,746)	\$ (363,588)	\$ (350,701)
Ending Balance	\$ 7,258,826	\$ 7,115,980	\$ 6,964,563	\$ 6,804,061	\$ 6,633,929	\$ 6,453,589	\$ 6,262,428	\$ 6,059,798	\$ 5,845,010	\$ 5,617,335
Net Operating Income	\$ 81,519	\$ 134,470	\$ 190,525	\$ 196,241	\$ 202,129	\$ 208,194	\$ 214,439	\$ 220,872	\$ 227,497	\$ 234,322
Debt Service Coverage Ratio	0.14	0.23	0.33	0.34	0.35	0.36	0.37	0.38	0.39	0.41

Financial Projections: Cash Spot, Concept 1

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Potential Gross Revenue	\$ 490,349	\$505,059	\$520,211	\$535,817	\$551,892	\$568,449	\$585,502	\$603,067	\$621,159	\$639,794
Vacancy Rate	25%	15%	5%	5%	5%	5%	5%	5%	5%	5%
Vacancy Loss	\$ (122,587)	\$ (75,759)	\$ (26,011)	\$ (26,791)	\$ (27,595)	\$ (28,422)	\$ (29,275)	\$ (30,153)	\$ (31,058)	\$ (31,990)
Effective Gross Revenue	\$ 367,762	\$ 429,300	\$ 494,200	\$ 509,026	\$ 524,297	\$ 540,027	\$ 556,227	\$ 572,914	\$ 590,101	\$ 607,804
Property Tax	\$ (56,687)	\$ (58,388)	\$ (60,140)	\$ (61,944)	\$ (63,802)	\$ (65,716)	\$ (67,687)	\$ (69,718)	\$ (71,810)	\$ (73,964)
Other Operating Expenses	\$ (229,556)	\$ (236,442)	\$ (243,535)	\$ (250,841)	\$ (258,366)	\$ (266,117)	\$ (274,101)	\$ (282,324)	\$ (290,794)	\$ (299,518)
Total Operating Expenses	\$ (286,243)	\$ (294,830)	\$ (303,675)	\$ (312,785)	\$ (322,168)	\$ (331,833)	\$ (341,788)	\$ (352,042)	\$ (362,604)	\$ (373,482)
Net Operating Income	\$ 81,519	\$ 134,470	\$ 190,525	\$ 196,241	\$ 202,129	\$ 208,194	\$ 214,439	\$ 220,872	\$ 227,497	\$ 234,322
<i>Resale Value @ Cap Rate:</i>										
6.50%	\$ 1,254,145	\$ 2,068,769	\$ 2,931,154	\$ 3,019,092	\$ 3,109,677	\$ 3,202,985	\$ 3,299,062	\$ 3,398,031	\$ 3,499,954	\$ 3,604,954
7.50%	\$ 1,086,925	\$ 1,792,933	\$ 2,540,333	\$ 2,616,547	\$ 2,695,053	\$ 2,775,920	\$ 2,859,187	\$ 2,944,960	\$ 3,033,293	\$ 3,124,293
8.50%	\$ 959,052	\$ 1,582,000	\$ 2,241,471	\$ 2,308,718	\$ 2,377,988	\$ 2,449,341	\$ 2,522,812	\$ 2,598,494	\$ 2,676,435	\$ 2,756,729
Debt Service	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)	\$ (578,376)
EBITDA	\$ (496,857)	\$ (443,906)	\$ (387,851)	\$ (382,135)	\$ (376,247)	\$ (370,182)	\$ (363,937)	\$ (357,504)	\$ (350,879)	\$ (344,054)
Cash on Cash Return	-10.08%	-9.01%	-7.87%	-7.75%	-7.63%	-7.51%	-7.38%	-7.25%	-7.12%	-6.98%
Cash on Cost Return	-4.03%	-3.60%	-3.15%	-3.10%	-3.05%	-3.00%	-2.95%	-2.90%	-2.85%	-2.79%

Developer Score Card

	Actual	Desired
Cash on Cash Return	-7.86%	6-10%
Cash on Cost Return	-3.14%	6-9%
Unleveraged IRR		
5-Year	-24.71%	15%
10-Year	-10.36%	12%
Leveraged IRR		
5-Year	N/A	20%
10-Year	N/A	15%