

Project Cost Summary

	Cost PSF	Total	Cost Per Unit
Cost Summary			
Soft Costs	30.07	\$ 7,509,621	25,032
Development Costs	1.46	363,935	1,213
Construction	207.24	51,750,000	172,500
Equipment	0.00	-	0
Finance Closing Costs	4.81	1,200,410	4,001
Development Period Costs	0.40	98,684	329
Marketing Costs	0.71	177,350	591
Subtotal Costs	244.68	61,100,000	203,667
Project Contingency	1.40	350,000	1,167
Net Costs	246.08	<u>\$ 61,450,000</u>	204,833

Rent Summary

	Units/		Revenue
	Building	Square Feet	
Rental Space			
Studio	65	527	\$ 1,015,318
1 Bedroom	143	746	\$ 2,611,477
2 Bedroom	65	1,042	\$ 1,584,882
3 Bedroom	27	1,280	\$ 808,704
	300	899	6,020,382
Parking		50.00	113,457
Misc.		-	481,631
		249,714	6,615,469
Common Area			
Total		<u>249,714</u>	

Value Creation

	Cost PSF	Total	Percent
Stabilized Lease Revenue			
Base Rent	26.49	\$ 6,615,469	100.00%
Less Vacancy	-1.06	(263,755)	-3.99%
Net Revenue	25.44	6,351,714	96.01%
Less Apart Op Exp	-7.74	(1,934,003)	-29.23%
Net Operating Income	17.69	4,417,710	66.78%
Replacement Reserve	-0.31	(77,310)	-1.17%
Net Income	17.38	<u>\$ 4,340,400</u>	65.61%

Capitalization Summary

		Total
Capital Summary		
Partner Cash	30.48%	\$ 18,731,829
Bank Loan	69.52%	\$ 42,718,171
Total	100.00%	<u>\$ 61,450,000</u>

Bank Loan Terms (Lesser)

Loan to Cost			
Loan to Value	70.00%	Outside Terms	54,941,778
Debt Service Ratio	1.20	Outside Terms	42,718,171

Valuation

Net Operating Income	\$ 4,340,400	4,340,400
Plus Tax Abatement	0	-
Total	4,340,400	4,340,400
Capitalization Rate		5.53%
Value	78,488,254	
Add NPV of Tax Abate	0	
Total Value	<u>\$ 78,488,254</u>	

Debt Service

Terms	30.00	7.50%	3,617,000
-------	-------	-------	-----------

Key Ratios

Loan to Cost			
Loan to Value	42,718,171	78,488,254	54%
Debt Service Coverage	4,340,400	3,617,000	1.20

Investor Participation

Value Creation			
Calculated Value	\$ 78,488,254	100%	Cash Flow Preference
Cost	61,450,000	78%	Ownership Participation
Value Created	<u>\$ 17,038,254</u>	22%	Participation on Sale Event
			Internal Rate of Return