

70 Rental Units

Serramonte Vistas

Total Site Size **1.44 Acres** Density **41 units/ac**
 0 SF

Unit Type	Quantity	Ratio	AVG. Liveable Unit Area	Total Liveable Unit Area	Trended Average Monthly Rent per unit	Gross Rents/Mo.	Gross Rent per sq. ft.	Current Mkt. Rents
Residential								
1Bed/1Bath	32	46%	800	25,600	\$ 2,535	\$81,120	\$3.17	\$ 2,185
2Bed/2bath	28	40%	1,050	29,400	\$ 2,905	\$81,340	\$2.77	\$ 2,580
Inclusionary	7	10%	979	6,853	\$ 1,500	\$10,500	\$1.53	\$ 1,500
3Bed/2Bath	3	4%	1,300	3,900	\$3,667	\$11,001	\$2.82	\$ 3,135
Total/Average	70	100%	1,054	65,753	\$2,628	\$183,961	\$2.80	\$ 2,315

Proposed Units/Acre **49**

Residential Lease Income		Driver	
Net Rental Space		65,753	net liveable square feet
Gross Annual Rents	\$	33.57	per net s.f./year
Parking Income	\$	50.00	per mo. For 75 spaces
Additional Income (pets & unit premiums)		1.10%	of gross annual rents
Less			
Vacancies		5.00%	of gross rents
Effective Gross Annual Income			
Operating Expenses			
Property Management Fee		3%	of EGI
Property Taxes		1.12%	of Const Cost + Land
Other Operating Expenses	\$	3,550.00	per unit
Total Expenses			
Net Operating Income			
Gross Sales Price (Based on Market Cap)		6.0%	

Return on Total Cost

*Rents Trended @ 3% through 3 years construction and one year of rent-up

Project Costs	Driver	Cost	% of Total Cost	Per Unit	Per Net S.F.
Land Costs					
Acquisition Value - Residential	\$45,000	per unit	\$3,150,000	12.80%	\$45,000
Title/Closing	0.25%	of purchase price	\$7,875	0.03%	\$113
Entitlement Processing		completed	\$0	0.00%	\$0
Bonding	0.00%	of site improvements	\$0	0.00%	\$0
Site Improvements	\$20,000	per unit	\$4,151,428	16.87%	\$59,306
Final Map Fees	\$0	Incl. in Municipal Fees	\$0	0.00%	\$0
Utility Deposits	\$0	Incl. in Municipal Fees	\$0	0.00%	\$0
TOTAL LAND COSTS			\$7,309,303	29.70%	\$104,419
Construction Costs					
Direct Construction (Residential)	\$213.49	per net s.f. residential	\$14,175,574	57.60%	\$202,508
Parking Garage Podium Construction	\$0	Incl. in Direct Construction	\$0	0.00%	\$0
Landscape	\$0	Incl. in Direct Construction	\$0	0.00%	\$0
Building Permits/School Fees/Park Fees/Municipal Fees		From Fee Sheet	\$1,100,000	4.47%	\$15,714
Architecture/Engineering (Working Drawings)	\$0	Remaining	\$996,000	4.05%	\$14,229
Direct Supervision	\$0	Incl. in Direct Construction	\$0	0.00%	\$0
Construction Overhead	\$0	Incl. in Direct Construction	\$0	0.00%	\$0
Contingency	0.00%	Incl. in Direct Construction	\$0	0.00%	\$0
TOTAL CONSTRUCTION COSTS			\$16,271,574	66.12%	\$232,451
Soft/Indirect Costs					
Developer Overhead	1.00%	of gross sale proceeds	\$268,734	1.09%	\$3,839
Property Taxes	0.00%	Calculated	\$69,300	0.28%	\$990
Insurance	0.40%	of gross sales proceeds	\$107,494	0.44%	\$1,536
Course of Construction (Fire & Liability)	0.21%	of construction costs	\$34,170	0.14%	\$488
Marketing	0.25%	of gross sale proceeds	\$67,183	0.27%	\$960
Models	\$35,000	2 total no. of models	\$70,000	0.28%	\$1,000
Model Maintenance	\$625	per plan type/year	\$5,000	0.02%	\$71
Legal & Accounting	\$1,250	per unit	\$87,500	0.36%	\$1,250
Security/Maintenance	\$250	per unit	\$17,500	0.07%	\$250
Organization Fee	0.07%	of gross sale proceeds	\$18,811	0.08%	\$269
Loan Fee	0.75%	of gross sale proceeds	\$201,550	0.82%	\$2,879
Contingency	5.00%	of all indirects	\$81,655	0.33%	\$1,167
TOTAL SOFT/INDIRECT COSTS			\$1,028,898	4.18%	\$14,699
INCLUSIONARY HOUSING FEE	0.00%	no inclusionary required	\$0	0.00%	\$0
Project Contingency	1.15%	Of total Costs	\$0	0.00%	\$0
TOTAL COST BEFORE FINANCING			\$24,609,775	100%	\$351,568

Total Project Timeline **24.00 Months**

Disposition/Price Sensitivity Analysis	-10%	-5%	BASELINE	+5%	+10%
Gross Sales - Multi-Family Units	24,186,040	25,529,709	26,873,378	28,217,047	29,560,716
Total Gross Sales	\$ 24,186,040	\$ 25,529,709	\$ 26,873,378	\$ 28,217,047	\$ 29,560,716
Less Closing Costs					
Leasing	0.25%	(60,465)	(63,824)	(67,183)	(70,543)
Title/Closing fees	0.00%	0	0	0	0
Total Net Sales Proceeds Before Financing	\$ 24,125,575	\$ 25,465,885	\$ 26,806,195	\$ 28,146,504	\$ 29,486,814
Total Acquisition & Dev. Cost Before Financing	(24,609,775)	(24,609,775)	(24,609,775)	(24,609,775)	(24,609,775)
Total Profit on Project Before Financing	(484,200)	856,110	2,196,420	3,536,730	4,877,039
Land & Const. Period Interest (% of Net Proceeds)	6.94%	(1,674,315)	(1,767,332)	(1,860,350)	(2,046,385)
Net Profit After Financing	\$ (2,158,515)	\$ (911,222)	\$ 336,070	\$ 1,583,362	\$ 2,830,654
Profit Margin on Cost	-9%	-4%	1%	6%	12%
Profit Margin on Total Net Proceeds	-9%	-4%	1%	6%	10%