

**70 Condo Units**

Serramonte Vistas

Total Site Size 1.44 Acres  
62,726 SF

Density 41 units/ac

Unit Type	Quantity	Ratio	AVG. Liveable Unit Area	Total Liveable Unit Area	Average Sales Price	Gross Sales Price	Gross Price per sq. ft.	Gross Margin per unit type
<b>Residential</b>								
1Bed/1Bath	32	46%	800	25,600	\$415,000	\$13,280,000	\$518.75	\$107,220
2Bed/2Bath	28	40%	1,050	29,400	\$520,000	\$14,560,000	\$495.24	\$116,039
3Bed/2Bath	3	4%	1,300	3,900	\$639,000	\$1,917,000	\$491.54	\$138,858
Inclusionary	7	10%	979	6,850	\$285,000	\$1,995,000	\$291.24	(\$91,480)
<b>Total/Average</b>	<b>70</b>	<b>100%</b>	<b>939</b>	<b>65,750</b>	<b>\$453,600</b>	<b>\$31,752,000</b>	<b>\$482.92</b>	

\*Prices reflect current market prices as of 3/25/09 (untrended)

Proposed Units/Acre 49

Project Costs	Driver	Cost	% of Total Cost	Per Unit	Per Net S.F.
<b>Land Costs</b>					
Acquisition Value - Residential	\$45,000	per approved paper lot	\$3,150,000	12.45%	\$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	\$59,306	per unit	\$4,151,428	16.41%	\$59,306
Final Map Fees	\$0	per unit	\$0	0.00%	\$0
Utility Deposits	\$0	per unit	\$0	0.00%	\$0
<b>TOTAL LAND COSTS</b>			<b>\$7,309,303</b>	<b>28.90%</b>	<b>\$104,419</b>
<b>Construction Costs</b>					
Direct Construction (Residential)	\$213.49	Max. Bid - per net s.f.	\$14,175,574	56.04%	\$202,508
Parking Garage Podium Construction	\$0.00	Incl. in Direct Const. Bid	\$0	0.00%	\$0
Landscape	\$0	Incl. in Direct Const. Bid	\$0	0.00%	\$0
Building Permits/School Fees/Park Fees		From Fee Sheet	\$1,100,000	4.35%	\$15,714
Architecture/Engineering (Working Drawings)	\$0	Remaining	\$996,000	3.94%	\$14,229
Direct Supervision	\$0	Incl. in Direct Const. Bid	\$0	0.00%	\$0
Construction Overhead	\$0	Incl. in Direct Const. Bid	\$0	0.00%	\$0
Contingency	0.00%	Incl. in Direct Const. Bid	\$0	0.00%	\$0
<b>TOTAL CONSTRUCTION COSTS</b>			<b>\$16,271,574</b>	<b>64.33%</b>	<b>\$232,451</b>
<b>Soft/Indirect Costs</b>					
Developer Overhead	1.00%	of gross sale proceeds	\$317,520	1.26%	\$4,536
Property Taxes	0.00%	Calculated	\$66,000	0.26%	\$943
Insurance	1.25%	of gross sales proceeds	\$396,900	1.57%	\$5,670
Course of Construction (Fire & Liability)	0.21%	of construction costs	\$34,170	0.14%	\$488
HOA Subsidy	\$1,000	per unit	\$70,000	0.28%	\$1,000
Marketing	0.75%	of gross sale proceeds	\$238,140	0.94%	\$3,402
Models	\$35,000	2 total no. of models	\$70,000	0.28%	\$1,000
Model Maintenance	\$1,875	per plan type/year	\$22,500	0.09%	\$321
Home Warranty Program	\$1,000	per unit	\$70,000	0.28%	\$1,000
Legal & Accounting	\$1,250	per unit	\$87,500	0.35%	\$1,250
Organization Fee	0.07%	of gross sale proceeds	\$22,226	0.09%	\$318
Loan Fee	0.75%	of gross sale proceeds	\$238,140	0.94%	\$3,402
Contingency	5.00%	of all indirects	\$81,655	0.32%	\$1,166
<b>TOTAL SOFT/INDIRECT COSTS</b>			<b>\$1,714,752</b>	<b>6.78%</b>	<b>\$24,496</b>
<b>INCLUSIONARY HOUSING FEE</b>	<b>80.00%</b>	no inclusionary required	\$0	0.00%	\$0
<b>TOTAL COST BEFORE FINANCING</b>			<b>\$25,295,628</b>	<b>100%</b>	<b>\$361,366</b>

Site Costs/Lot \$59,306  
Impr. Cost/Ac. \$2,882,936

Total Project Timeline 36.00 Months

Disposition/Price Sensitivity Analysis	-10%	-5%	BASELINE	+5%	+10%
Gross Sales - Residential	28,576,800	30,164,400	31,752,000	33,339,600	34,927,200
Unit Premiums	4.5%	1,285,956	1,357,398	1,428,840	1,571,724
<b>Total Gross Sales</b>	<b>\$ 29,862,756</b>	<b>\$ 31,521,798</b>	<b>\$ 33,180,840</b>	<b>\$ 34,839,882</b>	<b>\$ 36,498,924</b>
<b>Less Closing Costs</b>					
Cost of sale (Brokerage)	2.25%	(671,912)	(709,240)	(746,569)	(821,226)
Title/Closing Fees	0.25%	(74,657)	(78,804)	(82,952)	(91,247)
<b>Total Net Sales Proceeds Before Financing</b>	<b>\$ 29,116,187</b>	<b>\$ 30,733,753</b>	<b>\$ 32,351,319</b>	<b>\$ 33,968,885</b>	<b>\$ 35,586,451</b>
Total Acquisition & Dev. Cost Before Financing	(25,295,628)	(25,295,628)	(25,295,628)	(25,295,628)	(25,295,628)
Total Profit on Project Before Financing	3,820,559	5,438,125	7,055,691	8,673,257	10,290,823
Land & Const. Period Interest (Calculated from Cash Flow Int.)*	6.94%	(2,020,663)	(2,132,922)	(2,245,182)	(2,469,700)
<b>Net Profit After Financing</b>	<b>\$ 1,799,895</b>	<b>\$ 3,305,202</b>	<b>\$ 4,810,509</b>	<b>\$ 6,315,816</b>	<b>\$ 7,821,123</b>
<b>Profit Margin on Cost</b>	<b>7%</b>	<b>13%</b>	<b>19%</b>	<b>25%</b>	<b>31%</b>
<b>Profit Margin on Total Net Proceeds</b>	<b>6%</b>	<b>11%</b>	<b>15%</b>	<b>19%</b>	<b>22%</b>