

# Pro Forma Comparison



	<b>Apartments Only</b>	<b>Apartments Over Retail</b>
<b>Project Information</b>		
Number of Units	67	50
Apartment SF	49,040	36,780
Commercial SF	0	12,260
<b>Project Costs</b>		
Land Purchase Price	\$600,000	\$600,000
Construction Costs: Apartments (\$77.50/SF)	\$3,800,600	\$2,850,450
Construction Costs: Commercial (\$95/SF white box, \$45/SF TI)	\$0	\$1,716,400
Soft Costs	\$1,121,844	\$1,183,653
Financing Costs	\$212,344	\$243,000
<b>Total Project Costs</b>	<b>\$5,734,788</b>	<b>\$6,593,503</b>
<b>Construction Financing</b>		
Construction Loan (75% Loan to Cost)	\$4,301,091	\$4,945,127
Investment During Development (25% of Total Project Costs)	\$1,433,697	\$1,648,376
<b>Total Financing</b>	<b>\$5,734,788</b>	<b>\$6,593,503</b>
<b>Stabilized Operating Income</b>		
Revenue	\$817,509	\$821,185
Operating Expenses	\$317,902	\$313,688
<b>Net Operating Income</b>	<b>\$499,607</b>	<b>\$507,496</b>
Unleveraged Return	8.71%	7.70%
<b>Permanent Financing</b>		
Permanent Loan	\$5,352,927	\$5,249,962
Remaining Investment Dollars	\$381,860	\$1,343,540
Principal Investment Returned	\$1,051,836	\$304,835
Mortgage Payment* 6.25%	\$399,344	\$391,662
*based on a 30 year mortgage		
<b>Cash Flow</b>	<b>\$100,263</b>	<b>\$115,834</b>
<b>Coverage Calculations</b>		
Stabilized Cash on Cash	26.3%	8.6%
Debt Coverage Ratio	1.25x	1.30x
Loan-to-Value Ratio	75.0%	75.0%
<b>Value Analysis</b>		
<i>*valuation analysis is based on stabilized year</i>		
Total Project Costs	\$5,734,788	\$6,593,503
Stabilized NOI	\$499,607	\$507,496
Capitalization Rate on Sale	7.00%	7.25%
<b>Value</b>	<b>\$7,137,236</b>	<b>\$6,999,950</b>
Value Created	\$1,402,449	\$858,715