

900 HILGARD PRO FORMA

8-Story Above Grade / 3-Story Below Grade Parking

Total # bedrooms: 130 Total # units: 75 Total parking: 151 spaces
 Total lobby/amenities space: 9,410 s.f. Total residential space: approx. 80,000 s.f.

CONSTRUCTION COSTS

Construction Cost Summary	\$ Amount	\$/Bedroom	\$/Resident s.f.
Land Investment			
Land Cost	10,100,000	77,692	126.25
Pre-Development Costs	650,000	5,000	8.13
Subtotal Land & Pre-Dev Costs	\$10,750,000	\$82,692	\$134.38
Hard Costs			
Construction Hard Costs	38,210,526	293,927	477.63
Contingency @ 3.5% of Construction	1,337,368	10,287	16.72
Subtotal Hard Costs	\$39,547,895	\$304,214	\$494.35
Soft Costs			
Permits & Fees	4,500,000	34,615	56.25
Developer Fees @ 2.5% of Hard Costs	988,697	7,605	12.36
Architect & Engineering	2,500,000	19,231	31.25
Construction Management	200,000	1,538	2.50
Advertising & Marketing for Lease-Up	800,000	6,154	10.00
Indirect Overhead/Payroll/Off-Site	1,800,000	13,846	22.50
Project Contingency	800,000	6,154	10.00
Interest Reserve Construction Loan	2,400,000	18,462	30.00
Transaction & Closing Costs	1,300,000	10,000	16.25
Subtotal Soft Costs	\$15,228,697	\$117,605	\$191.11
TOTAL CONSTRUCTION COMPLETION COSTS	\$65,586,592	\$504,512	\$819.84

BASE MONTHLY CASH OPERATING COSTS

Monthly Operating Costs Post-Completion	\$ Per Month	\$/Bedroom	\$/Resident s.f.
Mortgage Loan @ 65% LTC @ 4.5% Interest*	159,867.32	1,229.75	2.00
G&A, Insurance, RE taxes, Reserves, etc.	191,294.23	1,471.49	2.39
TOTAL MONTHLY OPERATING COSTS	\$351,161.55	\$2,701.24	\$4.39[^]

* If the developers can refinance the construction loan at 65% of completion cost at a 4.5% interest rate.

[^] Does not include any profitable returns to the project's operations or developer's investors' equity investment.

MONTHLY CASH FLOW NEEDS – WITH MODEST MARKET PROFITS

If the Project were to budget a modest return to the investors for their 35% equity stake with a market investment period of 4 to 7 years, the bottom line for the project's monthly cash flow needs following construction completion would be approximately :

Monthly Costs with Below Market Returns	\$ Per Month	\$/Bedroom	\$/Resident s.f.
MONTHLY COSTS WITH INVESTOR RETURNS	\$496,000.00	\$3,815.38	\$6.20