

## Mixed-Use Apartment Building Development Summary of Development Assumptions - 7/11/2012

### BUILDING PROFILE

Property Name	<b>Mixed-Use Apartment Building Development</b>					
Lot Square Footage	0.57 Acres	<b>25,000 SF</b>	Average Garage Floorplate	<b>95,000 SF</b>	<i>2nd Phase</i>	
Total Gross Building Area Above Grade		<b>200,000 GSF</b>	Useable SF Required Per Parking Spot	<b>375 GSF</b>		
Density	<b>8.0 FAR</b>	200,000 GSF	Retail Parking Spots	<b>15 Spots</b>		
Zoning		<b>To be rezoned</b>	Res'l Paid Pkg	0.9 spots per Apt	<b>220 Spots</b>	<b>0 Spots</b>
Allowable Lot Coverage		<b>To be rezoned</b>	Programmed Gross Parking Area (Retail + Res'l)	88,125 GSF		
Building Allowable Footprint		<b>To be rezoned</b>	Levels of Parking Required	0.93 levels		
Height Limit (Stories)		<b>10 Stories</b>	Residential Storage SF / Units	<b>1,500 SF</b>	<b>45 Units</b>	
Number of Floors		<b>10.00 floors</b>	Ph. 2 Res'l Storage SF / Units	<b>0 SF</b>	<b>0 Units</b>	
Average Slab to Slab Height		<b>TBD</b>	<b>Above-Grade GSF excluding Parking</b>	<b>200,000 SF</b>		
Height Limit (Feet)		<b>TBD</b>	<b>Total Building Gross SF including Parking</b>	<b>288,125 SF</b>		
Building Height (Feet)		<b>TBD</b>				
Ground Floor Retail		<b>25,000 RSF</b>	<i>Average Unit</i>	<i>Share % Total</i>	Unit Count	<i>2nd Phase</i>
Residual Apartment GSF	175,000 GSF		Market Rate Units	564 RSF	81.71%	201 Units
Residential Use Efficiency Factor		<b>88.0%</b>	Affordable Units	475 RSF	18.29%	45 Units
Rentable Apartment SF	154,000 RSF		<b>Total Units</b>	<b>547 RSF</b>	<b>100.00%</b>	<b>246 Units</b>
						<b>246 Units Total</b>

### PROJECT TIMING VARIABLES

Elapsed Month #	Date/Duration				
<u>General Project Timing Schedule</u>					
<u>Land Purchase and Lease Timing</u>					
Project/Analysis Start Date	<b>1</b>	<b>4/1/2012</b>	<u>Affordable Apartment Unit Lease-up Schedule</u>		
Land Contract Execution		<b>3/1/2013</b>	# of Affordable Units Pre-Leased by 1 <sup>st</sup> C of O	<b>10 Units</b>	
Land Deposit Date		3/1/2013	Monthly Absorption Rate/Pre-Lease Duration	<b>10.00/month</b>	<b>9 months</b>
Land Closing Date		<b>11/1/2014</b>	Units to Lease / Post-Const. Duration	45	4.5 months
Ground Lease Start Month #	<b>NA</b>		Last Unit Leased	Month 56	11/1/2016
<u>Market Rate Apartment Unit Lease-up Schedule</u>					
			# of Mkt Units Pre-Leased by 1 <sup>st</sup> C of O	<b>25 Units</b>	
			Monthly Absorption Rate/Pre-Lease Duration	<b>17.00/month</b>	<b>12 months</b>
			Units to Lease / Post-Const. Duration	201	10.4 months
			Last Unit Leased	Month 63	7/1/2017
			Total Number of Mos. of Residential Lease-up	12 months	
<u>Retail Space Timing Schedule</u>					
			1 <sup>st</sup> C of O Lead Time	<b>2 months</b>	
			1 <sup>st</sup> C of O and Unit Rent Received	52	8/1/2016
			Construction End & Final C of O Received	53	9/1/2016
			Stabilization (Last Mkt Unit Leased)	63	7/1/2017
			First Retail TI Payment		6/1/2016
			First Retail Rent Commencement		9/1/2016
<u>Affordable Apartment Unit Lease-up Schedule</u>					
			Construction Start Date	63	7/1/2017
			# of Months of Construction	<b>0 months</b>	
			Units to Lease / Post-Const. Dura	0	0.0 months
			Monthly Absorption Rate	<b>0.00/month</b>	
			Last Unit Leased	Month 62	6/1/2017
			1 <sup>st</sup> C of O Lead Time	<b>0 months</b>	
			1 <sup>st</sup> C of O and Unit Rent Received	63	7/1/2017
			# of Affordable Units Pre-Leased by 1 <sup>st</sup> C of O	0.00	
			# of Mkt Units Pre-Leased by 1 <sup>st</sup> C of O	0.00	
			Units to Lease / Post-Const. Dura	0	0 months
			Monthly Absorption Rate	<b>0.00/month</b>	
			Construction End & Final C of O Received	62	
			Stabilization (Last Mkt Unit Leased)	62	6/1/2017
			Last Unit Leased	Month 62	6/1/2017

### DEVELOPMENT USES OF FUNDS

	<i>% Total</i>	<i>Per GSF</i>	<i>Total</i>
<b>Land &amp; Acquisition Costs</b>	<b>0.00%</b>	<b>Deposit</b>	<b>11.03%</b>
<b>Parking Space Acquisition Costs</b>	<b>\$40,000/Space</b>	<b>\$50.00</b>	<b>\$40,650/Unit</b>
<b>Total Hard Costs</b>	<b>56.34%</b>	<b>\$255.40</b>	<b>\$207,640/Unit</b>
Apartment Building Hard Costs	49.64%	\$257/Apt. GSF	\$45,000,000
Retail Hard Costs	2.21%	\$10.00	\$2,000,000
Owner Directed Hard Costs	0.39%	\$1.75	\$350,000
FF&E	0.33%	\$1.50	\$300,000
Contingency	5.00% of Base Building Hard Costs	2.59%	\$11.75
Retail Tenant Improvements	1.19%	\$5.40	\$1,079,500
<b>Total Soft Costs and Fees</b>	<b>24.42% of Base Building Hard Costs</b>	<b>12.66%</b>	<b>\$57.38</b>
Soft Costs		<b>\$40.00</b>	<b>\$46,652/Unit</b>
Developer Fee	5.00% of Base Building Hard Costs		\$8,000,000
Retail Tenant Broker Fees			\$2,350,000
CM Fee (Developer)	2.00% of Base Building Hard Costs		\$186,502
			\$940,000
<b>Financing Costs Incl. Cash and Capitalized Int./Fees</b>	<b>9.60%</b>	<b>\$43.51</b>	<b>\$35,371/Unit</b>
<b>Total Development Cost (Uses of Funds)</b>	<b>100.00%</b>	<b>\$453.29</b>	<b>\$368,525/Unit</b>
<b>Operating Deficit</b>			<b>\$13,577</b>
<b>Total Development Cost Including Operating Deficit</b>		<b>\$453.35</b>	<b>\$90,670,737</b>
<b>Ground Lease, if any</b>	<b>\$0/year</b>	<i>Escalator 0.00%/year</i>	<i>Esc. Exclusions First 0 years</i>

### DEVELOPMENT SOURCES OF FUNDS

Equity	<i>% of Developer Equity</i>	<i>% of Total Equity</i>	Initial Amount	Deficit Share *	<i>% of Cost</i>	Total Equity
Sponsor Land Equity	0.00%	0.00%	\$0	\$0	0.00%	\$0
Sponsor Cash Equity	39.30%	17.01%	\$4,500,000	\$254,286	5.24%	\$4,754,286
Partner Equity, if any	60.70%	26.28%	\$6,950,000	\$392,730	8.10%	\$7,342,730
Third Party Investor Equity		56.71%	\$15,000,000	\$847,618	17.48%	\$15,847,618
Equity Total		100.00%	\$26,450,000	\$1,494,634	30.82%	\$27,944,634
						Total
<b>Debt</b>						
		<i>Date</i>		<i>Int. Payments:</i>		<b>\$0</b>
<b>Land Loan</b>		<b>11/1/2011</b>	<b>0.0% Interest</b>			
Mortgage Recording Tax		11/1/2011	0.00%	Select PMT Type	% of Debt	% of Cost
Origination Costs		11/1/2011	0.00%			Total
<b>Mezzanine Loan</b>		2/1/2015	<b>10.0% Interest</b>	8.02%	5.51%	<b>\$5,000,000</b>
Loan Fees - front end		2/1/2015	1.00%			
<b>Senior Loan **</b>		5/1/2015	<b>6.0% Interest</b>	91.98%	63.22%	<b>\$57,320,205</b>
Mortgage Recording Tax		5/1/2015	1.45%			
Loan Fees - Front End		5/1/2015	0.50%			
Loan Fees - At Draws			0.75%			
				<b>Debt Total (excludes any Land Loan)</b>	<b>68.73%</b>	<b>\$62,320,205</b>
				<b>Property Cash Flow</b>	<b>0.45%</b>	<b>\$405,898</b>
				<b>Total Sources of Funds (excludes any Land Loan)</b>	<b>100.00%</b>	<b>\$90,670,737</b>

\* Operating Deficit and Financing-related Deficits (includes any shortfalls on Refinancing Principal, and on Permanent Loan Origination Costs)

\*\* Loan amount includes capitalized interest and capitalized points/fees

<b>SENIOR LOAN CHECK (MUST BE \$0)</b>
<b>\$0</b>

## Mixed-Use Apartment Building Development Summary of Apartment Building Operating & Sale Assumptions - 7/11/2012

CASH FLOW				DISPOSITION			
<u>Apartment and Parking Use</u>				<u>Apartment Building Asset</u>			
Apartment Vacancy			5.0%	Disposition of Apartments & Parking	<b>Month 106</b>	<u>Retail Asset</u>	
Credit & Collection Loss			2.0%	Sale Date	1/1/2021	Disposition of Retail	<b>Month 106</b>
Operating Expenses Per Market Rate Unit Per Year			\$5,225			Sale Date	1/1/2021
Taxes at Assessed Value at Delivery	\$210,000	0.85%	\$1,785				
<b>Total Operating Expenses and RE Taxes Per Unit Per Year</b>			<b>\$7,010</b>				
<u>Initial / Ongoing Lease-Up Rent Concessions and LCs</u>				<u>RETURNS SUMMARY, FROM MONTHLY CASH FLOWS</u>			
Downtime	<b>0.50 mos.</b>		<b>0.5 / 0.25 mos. of rent</b>	Total Equity Invested *	\$27,944,634		<u>Internal Rate of Return</u>
Annual Rent/Parking Spot			<b>85.0%</b>	Going-In NOI	\$5,088,067	Project	16.15%
Parking Vacancy			<b>5.0%</b>	Going-In Yield	7.01%	Waterfall #1	
Average Storage Income Per Unit, Monthly			<b>\$100</b>	Net Cash Flow	\$33,751,800	Developer	17.50%
CapEx Reserve Per Unit Per Year			<b>\$100</b>	Multiple on Equity **	2.21x	Third Party Investor	14.80%
Miscellaneous Income Per Unit Per Year			<b>\$0.60</b>	Net Present Value	\$14,896,488	Waterfall #2	
Affordable Unit Average Rent - Today's values	\$2.80 PSF		\$1,328/month			Developer Partner	15.43%
Market Unit Average Rent - Today's values	\$4.26 PSF		\$2,398/month			Sponsor	19.39%
Rent Escalates Prior to Delivery?	<b>No</b>			<b>Notes</b>			
Unleased Apartment Unit O&M			<b>\$300/Unit/Year</b>	* Includes equity funding of any operating and funding shortfalls.			
Unleased Storage Space O&M			<b>\$700/SF/Year</b>	** Ignores the time value of money.			
Unleased Retail Space O&M			<b>\$7/SF/Year</b>				
Unleased Parking O&M			<b>\$100/Spot/Year</b>				
<u>Retail Use</u>							
Vacancy			5.0%				
Credit & Collection Loss			1.0%				
Rentable SF			19,300 RSF				
CapEx Reserve Per RSF Per Year			\$0.50				
<u>Annual Inflation Factors</u>							
Income			3.50%				
Expenses			2.50%				
PERMANENT LOAN REFINANCING OF DEVELOPMENT LOAN(S)				NOTES			
Stabilization - First Phase							
Stabilization - Second Phase							
Month # of Refinancing (Enter 0 if None)	<b>3 mos. after 90% occy.</b>						
Date of Refinancing							
Term							
Amortization Period							
Interest Rate							
Monthly Payment							
New Loan LTC							
* The Lesser of the two Maximum Loan Proceeds Amounts							

Mixed-Use Apartment Building Development

(Bar heights are illustrative and are not to scale.)

	% Equity	% TDC	Equity % TDC	Debt % TDC	Amount *	Total Equity *	Total Debt *	Share of <u>Developer</u> Equity	Deficits Funded By Equity	Equity Investment including Deficit Liabilities	% TDC - Actual %s
Sponsor Land Equity <sup>+</sup>	0.00%	0.00%			\$0			0.00%		\$0	Sponsor Land Equity + 0.00%
Sponsor Cash Equity <sup>+</sup>	17.01%	5.07%			\$4,500,000			39.30%		\$4,754,286	Sponsor Cash Equity + 5.24%
Developer Partner Equity <sup>+</sup>	26.28%	7.83%	29.80%		\$6,950,000	<b>\$26,450,000</b>		60.70%	<b>\$1,494,634</b>	\$7,342,730	Developer Partner Equity + 8.10%
Third Party Investor Equity <sup>+</sup>	56.71%	16.90%			\$15,000,000					\$15,847,618	Third Party Investor Equity + 17.48%
Mezzanine Loan		5.63%			\$5,000,000					<b>\$27,944,634</b>	Mezzanine Loan 5.51%
Senior Loan **		<u>64.57%</u>		70.20%	<u>\$57,320,205</u>		<b>\$62,320,205</b>				Senior Loan ** 63.22%
<b>Sources of Funds (TDC)</b>	<b>100.00%</b>	<b>100.00%</b>			<b>\$90,264,839</b>						Property Cash Flow As Source of Funds <u>0.45%</u> <b>100.00%</b>
<b>Sources of Funds From Above</b>	<b>\$90,264,839</b>										
<b>Property Cash Flow As Source of Funds</b>	<b><u>\$405,898</u></b>										
<b>Total Sources of Funds</b>	<b>\$90,670,737</b>										
	<i>\$368,580/Unit</i>										

<sup>+</sup> While the equity slices are shown stacked vertically, note that this is simply the graphic representation and does not imply that there is any Preferred equity in the transaction.

\* The Senior Loan Amount on a residual basis after designating the dollar amounts of the other sources of funds.

\*\* Principal Amount includes Funded Interest Reserve and Funded Loan Fees.

<sup>^</sup> Equity amounts in this column do not include the pro-rata portion of the Operating and Financing Deficits to be funded by the Equity investors. See Column T for adjusted totals.

Apartment Unit and Mix Details

Mixed-Use Apartment Building Development

Affordable/Rent-Controlled Component

Unit Type	Annual O & M Expenses	Utility Allowance Per Month	Utility Allowance Per Year PSF	Average Rent / Month Net of Utility Allow.	Average Unit Size (NSF)	Monthly Rent PSF	# of Units	% of Total Units	RSF	Monthly Revenues by Unit Type	Share of Revenues by Unit Type	
Studio - AMI 30%	\$9.00	\$75.00	\$2.71	\$470	332 RSF	\$1.42	22%	10.0	4%	3,320 RSF	\$4,700	8%
Studio - AMI 50%	\$9.00	\$75.00	\$2.74	\$846	328 RSF	\$2.58	22%	10.0	4%	3,280 RSF	\$8,460	14%
Studio - AMI 100%	\$9.00	\$51.56	\$1.65	\$1,882	375 RSF	\$5.02	22%	10.0	4%	3,750 RSF	\$18,820	32%
Studio - AMI 120%	\$9.00	\$61.05	\$1.65	\$2,050	444 RSF	\$4.62	2%	1.0	0%	444 RSF	\$2,050	3%
1 Bed / 1 Bath - AMI 30%	\$9.00	\$100.00	\$1.98	\$510	605 RSF	\$0.84	4%	2.0	1%	1,210 RSF	\$1,020	2%
1 Bed / 1 Bath - AMI 50%	\$9.00	\$100.00	\$1.98	\$913	606 RSF	\$1.51	4%	2.0	1%	1,212 RSF	\$1,826	3%
1 Bed / 1 Bath - AMI 100%	\$9.00	\$85.53	\$1.65	\$2,016	622 RSF	\$3.24	4%	2.0	1%	1,244 RSF	\$4,032	7%
1 Bed / 1 Bath - AMI 120%	\$9.00	\$82.78	\$1.65	\$2,419	602 RSF	\$4.02	4%	2.0	1%	1,204 RSF	\$4,838	8%
2 Bed / 2 Bath - AMI 30%	\$9.00	\$200.00	\$2.82	\$650	850 RSF	\$0.76	0%	0.0	0%	0 RSF	\$0	0%
2 Bed / 2 Bath - AMI 50%	\$9.00	\$200.00	\$2.82	\$1,025	850 RSF	\$1.21	0%	0.0	0%	0 RSF	\$0	0%
2 Bed / 2 Bath - AMI 100%	\$9.00	\$130.63	\$1.65	\$2,200	950 RSF	\$2.32	9%	4.0	2%	3,800 RSF	\$8,800	15%
2 Bed / 2 Bath - AMI 120%	\$9.00	\$130.63	\$1.65	\$2,600	950 RSF	\$2.74	4%	2.0	1%	1,900 RSF	\$5,200	9%
3 Bed / 2 Bath	\$9.00	\$0.00	\$0.00	\$0	0 RSF	\$0.00	0%	0.0	0%	0 RSF	\$0	0%
	\$9.00	\$79.17			475 RSF	\$2.80 PSF	100%	45.0	18%	21,364 RSF	\$59,746	100%
		\$80.81										

Market Rate Component

Unit Type	Annual O & M Expenses PSF	Annual Service Charge PSF	Average Rent / Month	Average Unit Size	Monthly Rent PSF	# of Units	% of Total Units	RSF	Monthly Revenues by Unit Type	Share of Revenues by Unit Type	
Studio - Style A	\$9.00	\$1.65	\$1,900	380 RSF	\$5.00	55%	111.0	45%	42,180 RSF	\$210,900	44%
Studio - Style B	\$9.00	\$1.65	\$0	0 RSF	\$0.00	0%	0.0	0%	0 RSF	\$0	0%
1 Bed / 1 Bath	\$9.00	\$1.65	\$2,375	600 RSF	\$3.96	22%	45.0	18%	27,000 RSF	\$106,875	22%
2 Bed / 2 Bath	\$9.00	\$1.65	\$3,650	980 RSF	\$3.72	22%	45.0	18%	44,100 RSF	\$164,250	34%
3 Bed / 2 Bath	\$9.00	\$1.65	\$0	0 RSF	\$0.00	0%	0.0	0%	0 RSF	\$0	0%
	\$9.00	\$1.65		564 RSF	\$4.26 PSF		201.0	82%	113,280 RSF	\$482,025	100%

**Total 246.0 100% 134,644 RSF \$541,771**

Partnership Structure

Mixed-Use Apartment Building Development

Total Required Equity (Purchase + Operation) \$27,944,634 (Includes Operating Deficit Funding)

Sponsor Land Equity	0.00%	\$0	
Sponsor Equity	17.01%	\$4,754,286	39.30%
Developer Partner	26.28%	\$7,342,730	60.70%
<b>Sponsor</b>	<b>43.29%</b>	<b>\$12,097,015</b>	<b>100.00%</b>
Third Party Investor	56.71%	\$15,847,618	
	100.00%	\$27,944,634	

Profit Sharing

*Waterfall #1*

Partnership Structure	% Total Equity		IRR Hurdle Rates				
			Prof: 8%	Tier 1: 12%	Tier 2: 14%	Tier 3: 18%	Tier 4: > 18%
Sponsor Equity	43.29%	Profit >>	43.29%	43.29%	43.29%	43.29%	43.29%
Investor	56.71%	Sharing >>	0.00%	10.00%	20.00%	25.00%	40.00%
Total	100.00%	Splits >>	56.71%	46.71%	36.71%	31.71%	16.71%
			100.00%	100.00%	100.00%	100.00%	100.00%

Note: By its nature, the Preferred Return includes the Return of Capital.

*Waterfall #2*

Sponsor Structure	% Sponsor Equity		IRR Hurdle Rates				
			Prof: 8%	Tier 1: 15%	Tier 2: 18%	Tier 3: 20%	Tier 4: > 20%
Developer Sponsor	39.30%	Profit >>	39.30%	39.30%	39.30%	39.30%	39.30%
Equity Partner	60.70%	Sharing >>	0.00%	0.00%	0.00%	0.00%	0.00%
Total	100.00%	Splits >>	60.70%	60.70%	60.70%	60.70%	60.70%
			100.00%	100.00%	100.00%	100.00%	100.00%

Note: By its nature, the Preferred Return includes the Return of Capital.

*Annual Summary - Sources and Uses of Funds*

Mixed-Use Apartment Building Development

Data Series

		Profile	2012	2013	2014	2015	2016	2017	2018	2019
<b>USES OF FUNDS</b>		<b>Total</b>								
Land and Acquisition Costs		\$19,400,000	0	0	19,400,000	0	0	0	0	0
Hard Costs incl. Contingency excl. Retail TIs		\$45,000,000	0	0	900,000	25,650,000	18,450,000	0	0	0
Retail TIs		\$1,079,500	0	0	0	0	1,037,500	42,000	0	0
Total Hard Costs		\$51,079,500	0	0	1,000,000	28,500,000	21,537,500	42,000	0	0
Retail Tenant LCs and Other Leasing Costs		\$186,502	0	0	0	0	186,502	0	0	0
All Other Soft Costs		\$8,000,000	960,000	1,920,000	1,920,000	1,920,000	1,280,000	0	0	0
<b>Subtotal Eligible Development Costs for Senior Loan Funding</b>		<b>\$81,956,002</b>	<b>\$960,000</b>	<b>\$1,920,000</b>	<b>\$22,552,436</b>	<b>\$32,237,618</b>	<b>\$24,243,947</b>	<b>\$42,000</b>	<b>\$0</b>	<b>\$0</b>
<b>Senior Debt Financing</b>										
Capitalized (funded) Loan Interest Reserve		\$6,148,808	0	0	0	368,738	2,720,234	3,059,836	0	0
Loan Interest - paid in Cash		\$0	0	0	0	0	0	0	0	0
<b>Total Financing Costs</b>		<b>\$8,701,159</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,083,046</b>	<b>3,389,208</b>	<b>3,228,904</b>	<b>0</b>	<b>0</b>
<b>Total Development Costs before Operating Deficit (TDC)</b>		<b>\$90,657,160</b>	<b>\$960,000</b>	<b>\$1,920,000</b>	<b>\$22,552,436</b>	<b>\$34,320,664</b>	<b>\$27,633,155</b>	<b>\$3,270,904</b>	<b>\$0</b>	<b>\$0</b>
Operating Deficit		(\$13,577)	0	0	0	0	(13,577)	0	0	0
<b>Total Development Costs and Operating Deficit</b>		<b>\$90,670,737</b>	<b>\$960,000</b>	<b>\$1,920,000</b>	<b>\$22,552,436</b>	<b>\$34,320,664</b>	<b>\$27,646,732</b>	<b>\$3,270,904</b>	<b>\$0</b>	<b>\$0</b>
<b>SOURCES OF FUNDS</b>										
<b>Developer Sponsor Equity</b>	<i>Invests first</i>	<b>Total</b>								
Total Funding		\$4,754,286	960,000	1,920,000	1,620,000	209,443	44,843	0	0	0
<b>Developer Partner Equity</b>	<i>Invests after Sponsor invests fully</i>									
Direct Project Costs Draw		\$6,950,000	0	0	0	50,000	0	0	0	0
Land Loan Financing Costs & Operating Deficit Funding		\$392,730	0	0	0	323,472	69,257	0	0	0
Refinancing Shortfall Funding		\$0	0	0	0	0	0	0	0	0
Total Funding		\$7,342,730	0	0	0	286,601	0	0	0	0
<b>Third Party Investor Equity</b>	<i>Invests after Partner invests fully</i>									
Direct Project Costs Draw		\$15,000,000	0	0	13,982,436	1,017,564	0	0	0	0
Land Loan Financing Costs & Operating Deficit Funding		\$847,618	0	0	0	698,142	149,477	0	0	0
Refinancing Shortfall Funding		\$0	0	0	0	0	0	0	0	0
Total Funding		\$15,847,618	0	0	13,982,436	1,715,706	149,477	0	0	0
<b>Mezzanine Loan</b>										
Direct Project Costs Draw		\$5,000,000	0	0	0	5,000,000	0	0	0	0
Cash Interest Payments		\$1,005,811	0	0	0	349,914	487,145	168,753	0	0
Loan Repayment		(\$5,000,000)	0	0	0	0	(1,038,424)	(3,961,576)	0	0
<b>Senior Loan</b>										
Direct Project Costs Draw		\$50,506,002	0	0	0	26,220,055	24,243,947	42,000	0	0
Loan Fees - Front End		\$286,601	0	0	0	286,601	0	0	0	0
Loan Fees - At Loan Draws		\$378,795	0	0	0	196,650	181,830	315	0	0
Funded Interest Reserve		\$6,148,808	0	0	0	368,738	2,720,234	3,059,836	0	0
Cash Interest Payments, if any		\$0	0	0	0	0	0	0	0	0
Loan Repayment From Refinancing or Sale		(\$57,320,205)	0	0	0	0	0	(57,320,205)	0	0

*Annual Summary - Cash Flow*

Mixed-Use Apartment Building Development

		Data Series Profile	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Market Rate Units Leased</b>	Total 201		0	0	0	0	127	74	0	0	0	0	0	0
<b>Affordable Units Leased</b>	45		0	0	0	0	45	0	0	0	0	0	0	0
<b>Apartment and Parking Gross Potential Rent</b>	\$41,791,778		0	0	0	0	1,691,574	7,084,899	7,684,215	7,953,163	8,231,524	8,432,281	714,121	0
Less Apartment, Amenity, Misc. Income and Parking Vacancy	(\$2,070,398)		0	0	0	0	(83,233)	(350,103)	(379,924)	(393,221)	(406,984)	(421,228)	(35,706)	0
Less Initial and Ongoing Lease-Up Rent Concessions & LCs	(\$253,627)		0	0	0	0	(152,282)	(90,046)	(2,663)	(2,729)	(2,798)	(2,868)	(242)	0
Apartment and Parking Effective Gross Income	\$39,004,064		0	0	0	0	1,456,060	6,593,753	7,205,576	7,457,798	7,718,848	7,902,782	669,247	0
Total Expense Reimbursements	\$1,405,885		0	0	0	0	60,744	241,828	259,359	266,282	273,393	280,699	23,580	0
Less Credit Loss	(\$828,159)		0	0	0	0	(33,293)	(140,041)	(151,969)	(157,288)	(162,793)	(168,491)	(14,282)	0
Total Apartment and Parking Expenses	\$10,800,371		0	0	0	0	386,107	1,585,954	2,080,771	2,132,790	2,186,110	2,240,763	187,876	0
<b>Apartment and Parking Net Operating Income (NOI)</b>	\$28,781,418		0	0	0	0	1,097,404	5,109,586	5,232,194	5,434,001	5,643,338	5,774,227	490,669	0
Capital Expenditures (Replacement Reserves)	(\$293,555)		0	0	0	0	(9,051)	(43,899)	(56,709)	(58,127)	(59,580)	(61,069)	(5,120)	0
<b>Apartment &amp; Parking NOI after Replacement Reserves</b>	\$28,487,863		\$0	\$0	\$0	\$0	\$1,088,352	\$5,065,688	\$5,175,485	\$5,375,874	\$5,583,758	\$5,713,157	\$485,548	\$0
<b>Retail Gross Potential Rent</b>	\$4,145,816		0	0	0	0	188,500	743,596	759,454	775,652	792,196	815,662	70,757	0
Less Vacancy	(\$207,291)		0	0	0	0	(9,425)	(37,180)	(37,973)	(38,783)	(39,610)	(40,783)	(3,538)	0
Less Free Rent	\$0		0	0	0	0	0	0	0	0	0	0	0	0
Retail and Retail Parking Effective Gross Income	\$3,938,525		0	0	0	0	179,075	706,416	721,482	736,869	752,586	774,879	67,219	0
Total Expense Reimbursements	\$0		0	0	0	0	0	0	0	0	0	0	0	0
Less Credit Loss	(\$41,458)		0	0	0	0	(1,885)	(7,436)	(7,595)	(7,757)	(7,922)	(8,157)	(708)	0
Total Retail and Retail Parking Expenses	\$0		0	0	0	0	0	0	0	0	0	0	0	0
Retail and Retail Parking Net Operating Income (NOI)	\$3,897,067		0	0	0	0	177,190	698,980	713,887	729,113	744,664	766,722	66,511	0
Capital Expenditures (Replacement Reserves)	(\$61,594)		0	0	0	0	(3,551)	(10,852)	(11,123)	(11,401)	(11,686)	(11,978)	(1,004)	0
<b>Retail &amp; Retail Parking NOI after Replacement Reserves</b>	\$3,835,473		\$0	\$0	\$0	\$0	\$173,639	\$688,129	\$702,764	\$717,712	\$732,978	\$754,744	\$65,507	\$0
<b>Total Debt Service Expense</b>	\$17,483,399		0	0	0	1,231,057	487,145	579,186	4,925,193	4,925,193	4,925,193	410,433	0	0
<b>Total Potential Capital Event Revenue, Net</b>	\$107,123,974		0	0	0	0	0	0	0	0	0	107,123,974	0	0
<b>Net Revenue Less Interest</b>	\$115,482,117		0	0	0	(1,231,057)	774,847	5,174,631	953,056	1,168,393	1,391,543	107,250,704	0	0
<b>Financing Cash Flows</b>														
Sponsor Initial Equity Commitment Draw	(\$4,500,000)		(960,000)	(1,920,000)	(1,620,000)	0	0	0	0	0	0	0	0	0
Sponsor Land Loan Costs & Operating Deficit Draw	(\$254,286)		0	0	0	(209,443)	(44,843)	0	0	0	0	0	0	0
Developer Partner Initial Equity Commitment Draw	(\$6,950,000)		0	0	(6,950,000)	0	0	0	0	0	0	0	0	0
Developer Partner Land Loan Costs & Operating Deficit Draw	(\$392,730)		0	0	0	(323,472)	(69,257)	0	0	0	0	0	0	0
Third Party Investor Initial Equity Commitment Draw	(\$15,000,000)		0	0	(13,982,436)	(1,017,564)	0	0	0	0	0	0	0	0
Third Party Investor Land Loan Costs & Operating Deficit Draw	(\$847,618)		0	0	0	(698,142)	(149,477)	0	0	0	0	0	0	0
Senior Construction Loan Draw	\$50,506,002		0	0	0	26,220,055	24,243,947	42,000	0	0	0	0	0	0
Senior Construction Loan Repayment	(\$57,320,205)		0	0	0	0	0	(57,320,205)	0	0	0	0	0	0
Permanent Loan Proceeds	\$71,981,789		0	0	0	0	0	71,981,789	0	0	0	0	0	0
Permanent Loan Repayment from Sale of Retail Condominium	(\$11,470,978)		0	0	0	0	0	0	0	0	0	(11,470,978)	0	0
Permanent Loan Repayment from Sale of Apartment Building	(\$53,470,922)		0	0	0	0	0	0	0	0	0	(53,470,922)	0	0
<b>Project Levered Cash Flow</b>	\$33,751,800		(\$960,000)	(\$1,920,000)	(\$22,552,436)	(\$2,248,621)	(\$263,577)	\$15,874,638	\$953,056	\$1,168,393	\$1,391,543	\$42,308,803	\$0	\$0



Joint Venture Return Detail

Mixed-Use Apartment Building Development

	Sponsor	Developer Partner	Third Party Investor	Total Project	Top-Level Developer (Sponsor and Partner)
Equity Investment	\$4,754,286	\$7,342,730	\$15,847,618	<b>\$27,944,634</b>	\$12,097,015
<i>Share of Equity Investment</i>	<i>17.01%</i>	<i>26.28%</i>	<i>56.71%</i>	<i>100.00%</i>	<i>43.29%</i>
Gross Return	\$11,878,311	\$18,345,392	\$31,472,730	<b>\$61,696,434</b>	\$30,223,704
Net Profit (Return on Equity)	\$7,124,026	\$11,002,662	\$15,625,112	<b>\$33,751,800</b>	\$18,126,688
Multiple on Equity	2.50x	2.50x	1.99x	<b>2.21x</b>	2.50x
Internal Rate of Return	15.43%	19.39%	14.80%	<b>16.15%</b>	17.50%
Time from Equity Investment to Final Return (months)	106	106	106	106	106

Waterfall #1 Summary - Top-Level Developer and Third Party Investor

Tier	Developer (Sponsor and Partner) Cashflow	Developer Share	Third Party Investor Cashflow	Third Party Investor Share	Total Cashflow
Tier 1	\$17,290,477	43%	\$22,651,280	57%	\$39,941,757
Tier 2	\$5,468,429	53%	\$4,793,362	47%	\$10,261,791
Tier 3	\$4,855,611	63%	\$2,816,486	37%	\$7,672,097
Tier 4	\$2,609,187	68%	\$1,211,602	32%	\$3,820,788
Tier 5	(\$0)	83%	(\$0)	17%	(\$0)
<b>Total</b>	<b>\$30,223,704</b>	<b>49%</b>	<b>\$31,472,730</b>	<b>51%</b>	<b>\$61,696,434</b>
<b>Less Equity Investment</b>	<b>(\$12,097,015)</b>	<b>43%</b>	<b>(\$15,847,618)</b>	<b>57%</b>	<b>(\$27,944,634)</b>
<b>Net Profit (Return on Equity)</b>	<b>\$18,126,688</b>	<b>54%</b>	<b>\$15,625,112</b>	<b>46%</b>	<b>\$33,751,800</b>

Waterfall #2 Summary - Sponsor and Developer Partner

Tier	Sponsor Cashflow	Sponsor Share	Partner Cashflow	Partner Share	Total Cashflow
Tier 1	\$6,804,765	39%	\$10,509,582	61%	\$17,314,347
Tier 2	\$2,755,500	39%	\$4,255,717	61%	\$7,011,217
Tier 3	\$1,529,516	39%	\$2,362,252	61%	\$3,891,768
Tier 4	\$788,530	39%	\$1,217,842	61%	\$2,006,372
Tier 5	\$0	NA	\$0	NA	\$0
<b>Total</b>	<b>\$11,878,311</b>	<b>39%</b>	<b>\$18,345,392</b>	<b>61%</b>	<b>\$30,223,704</b>
<b>Less Equity Investment</b>	<b>(\$4,754,286)</b>	<b>39%</b>	<b>(\$7,342,730)</b>	<b>61%</b>	<b>(\$12,097,015)</b>
<b>Net Profit (Return on Equity)</b>	<b>\$7,124,026</b>	<b>39%</b>	<b>\$11,002,662</b>	<b>61%</b>	<b>\$18,126,688</b>

Waterfall #1 Structure - Top-Level Developer and Third Party Investor

	Preferred Return	IRR Hurdle Ranges			Developer Promote	Developer Equity Pro-Rata Share	Investor Profit Share	Total (must be 100%)
		From	through					
		0%	8%	8%	0%	43%	57%	100%
Tier 1	Above	8%	12%	12%	10%	43%	47%	100%
Tier 2	Above	12%	14%	14%	20%	43%	37%	100%
Tier 3	Above	14%	18%	18%	25%	43%	32%	100%
Tier 4		Above	18%	18%	40%	43%	17%	100%

Waterfall #2 Structure - Sponsor and Developer Partner

	Preferred Return	IRR Hurdle Ranges			Sponsor Promote	Equity Pro-Rata Share	Partner Profit Share	Total (must be 100%)
		From	through					
		0%	8%	8%	0%	39%	61%	100%
Tier 1	Above	8%	15%	15%	0%	39%	61%	100%
Tier 2	Above	15%	18%	18%	0%	39%	61%	100%
Tier 3	Above	18%	20%	20%	0%	39%	61%	100%
Tier 4		Above	20%	20%	0%	39%	61%	100%

Waterfall #1 Check	\$0
Waterfall #2 Check	\$0