

GREENHEART VILLAGE

growing an adaptive community

1. Summary Proforma											
	Year 0	Phase I			Phase II			Phase III			
	2014-2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net Operating Income											
Up-Scale Rental Apartments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,671,305	\$ 3,620,095
MarketRate Rental Apartments	-	1,571,852	4,038,624	5,277,609	5,679,760	7,203,872	9,066,987	11,270,523	13,537,570	14,826,597	15,271,395
Affordable Rental Apartments	-	146,540	293,929	376,388	1,356,877	2,855,932	3,603,249	3,877,113	4,097,748	4,377,023	4,598,903
MarketRate For-Sale Apartments	-	-	-	1,149,166	3,255,014	3,505,058	2,354,485	4,203,540	4,329,646	4,459,535	-
Adoptive Flex Space Housing	-	229,772	600,766	787,550	811,177	1,511,879	2,602,222	3,165,695	3,804,111	4,769,050	5,304,169
Office (Year 0 NOI is from Existing City Office Building)	1,930,111	2,368,571	2,469,228	2,725,360	2,951,880	3,634,656	3,743,696	1,526,151	2,318,086	3,079,334	3,884,172
MarketRate Retail	-	(229,983)	491,078	902,797	929,881	957,777	986,511	1,931,612	1,989,540	2,049,247	2,110,724
Hotel	-	-	-	-	-	-	-	329,944	339,843	350,038	360,539
Structured Parking	-	-	-	-	6,101,921	6,285,009	6,473,560	8,331,900	8,581,857	8,839,313	9,104,492
Total Net Operating Income	\$ 1,930,111	\$ 4,086,752	\$ 7,893,625	\$ 17,143,094	\$ 21,080,539	\$ 25,954,184	\$ 28,993,876	\$ 34,636,478	\$ 38,998,440	\$ 44,421,443	\$ 44,254,490
Development Costs											
Up-Scale Rental Apartments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 766,348	\$ 635,778	\$ 35,844,097	\$ -
MarketRate Rental Apartments	-	20,103,690	41,413,601	-	-	38,223,084	4,979,040	22,220,262	18,434,378	2,757,749	-
Affordable Rental Apartments	-	4,614,220	-	-	-	26,124,966	19,696,966	-	3,746,029	-	-
MarketRate For-Sale Apartments	-	-	-	2,967,444	4,496,516	-	8,504,346	-	-	1,378,884	-
Adoptive Flex Space Housing	-	2,604,172	2,651,985	2,329,475	-	-	-	1,379,427	16,739,132	-	-
Office	2,532,201	3,807,834	1,785,050	1,237,870	-	3,565,511	-	-	8,673,636	8,895,082	-
MarketRate Retail	-	5,410,014	3,236,880	225,102	11,601,324	266,880	137,443	-	-	-	-
Hotel	-	-	-	26,751,077	13,776,805	-	4,520,802	9,312,852	-	-	-
Structured Parking	-	-	-	-	-	-	-	-	-	-	-
Rolling Option Costs (Parcel M)	-	1,082,511	-	-	-	-	-	-	-	-	-
Land Acquisition Costs (Parcel K & M)	-	12,491,962	-	-	-	15,384,513	-	-	-	-	-
Infrastructure Costs (Non-Allocated)	-	19,802,449	1,343,637	2,140,213	3,947,287	2,100,676	1,884,164	5,439,225	4,439,792	2,373,138	2,444,333
Demolition Costs	-	1,754,900	-	-	-	-	-	266,000	-	-	-
Owned Land	-	25,950,170	-	-	-	-	-	-	-	-	-
Total Development Costs	\$ 30,237,271	\$ 69,916,856	\$ 77,182,230	\$ 22,676,909	\$ 20,045,127	\$ 90,186,431	\$ 44,516,811	\$ 38,744,898	\$ 52,890,190	\$ 42,353,889	\$ 2,444,333
Annual Cash Flow											
Net Operating Income	\$ 1,930,111	\$ 4,086,752	\$ 7,893,625	\$ 17,143,094	\$ 21,080,539	\$ 25,954,184	\$ 28,993,876	\$ 34,636,478	\$ 38,998,440	\$ 44,421,443	\$ 44,254,490
City Contributions	5,000,000	-	-	-	-	-	-	-	-	-	-
Public Subsidies - Nashville TCA "PAYGO" TIF	-	4,883,215	4,883,215	4,883,215	4,883,215	4,883,215	4,883,215	4,883,215	-	-	-
Total Asset Value (Blended Cap Rate)	6.85%	-	-	-	-	-	-	-	-	-	645,875,993
Total Costs of Sale	4.50%	-	-	-	-	-	-	-	-	-	(29,064,420)
Land Total Development Costs	(30,237,271)	(69,916,856)	(77,182,230)	(22,676,909)	(20,045,127)	(90,186,431)	(44,516,811)	(38,744,898)	(52,890,190)	(42,353,889)	(2,444,333)
Unlevered Net Cash Flow	\$ (23,307,160)	\$ (60,946,888)	\$ (64,405,390)	\$ (650,599)	\$ 5,918,627	\$ (39,349,032)	\$ (10,639,720)	\$ 774,796	\$ (13,891,751)	\$ 2,067,554	\$ 658,621,731
Flow											
Loan Fees	(3,868,885)	-	-	-	-	-	-	-	-	-	-
Loan Proceeds	-	-	56,990,266	17,793,694	15,161,912	85,303,216	39,633,596	33,861,683	52,890,190	42,353,889	2,444,333
Public Service (Interest Expense)	-	-	(2,564,562)	(3,344,651)	(4,006,309)	(7,824,326)	(9,587,210)	(11,090,358)	(13,449,789)	(15,355,714)	(15,465,709)
Loan Repayment	-	-	-	-	-	-	-	-	-	-	(346,432,779)
Levered Net Cash Flow	\$ (27,176,046)	\$ (60,946,888)	\$ (9,979,685)	\$ 13,798,444	\$ 17,074,230	\$ 18,129,858	\$ 19,406,666	\$ 23,546,120	\$ 25,548,651	\$ 29,065,729	\$ 299,167,576

Returns Metrics	
Net Present Value (9.00% Rate)	\$ 97,956,077
Year 10 Loans to Value (Exc Loan to Cost Ratio (LTC - Inc)	53.64%
Unlevered IRR (Before Taxes) *	15.27%
Levered IRR (Before Taxes) *	22.19% * Assumes all equity is contributed before the loan funds.
Current Site Value (Start of Year 0)	\$ 34,909,137
Projected Site Value (End of Year 10)	645,875,993

2. Multi-Year											
	Year 0	Phase I			Phase II			Phase III			
	2014-2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Project Buildout By											
Up-Scale Rental Apartments	151 Units	0	0	0	0	0	0	0	0	151	0
MarketRate Rental Apartments	710 Units	0	101	0	0	0	187	21	113	86	0
Affordable Rental Apartments	457 Units	0	49	0	0	0	199	0	36	0	0
MarketRate For-Sale Apartments	73 Units	0	0	12	22	0	39	0	0	0	0
Adoptive Flex Space Housing	247 Units	0	10	20	14	76	38	0	0	84	0
Hotel	136 Rooms	0	0	0	1	36	0	0	0	0	0
Structured Parking	8,520 Spaces	0	0	0	1,236	0	0	0	294	0	0
Project Buildout By											
Up-Scale Rental Apartments	158,550 SF	0	0	0	0	0	0	0	0	158,550	0
MarketRate Rental Apartments	664,200 SF	0	101,000	202,000	0	0	171,450	22,050	92,900	74,800	0
Affordable Rental Apartments	391,850 SF	0	39,200	0	0	0	187,050	138,400	0	23,200	0
MarketRate For-Sale Apartments	91,200 SF	0	0	18,000	26,400	0	46,800	0	0	0	0
Adoptive Flex Space Housing	242,000 SF	0	10,000	20,000	14,000	70,000	38,000	0	0	84,000	0
Office (Includes One Existing)	194,701 SF	152,000	7,196	5,050	480	0	29,775	0	0	0	0
MarketRate Retail (Gross)	81,334 SF	0	22,566	0	0	0	0	0	30,000	0	0
Hotel	68,000 SF	0	0	0	68,000	0	0	0	0	0	0
Structured Parking	395,440 SF	0	0	0	395,440	0	0	0	0	0	0
Total	2,287,475	152,000	184,962	350,818	428,320	170,400	428,275	207,250	122,900	188,000	158,550

3. Unit Development & Infrastructure Costs		
Development Costs	Unit Cost	Total Costs
Up-Scale Rental Apartments	\$ 246,664	\$ 37,246,223
MarketRate Rental Apartments	208,636	148,131,823
Affordable Rental Apartments	118,561	54,182,181
MarketRate For-Sale Apartments	237,633	17,347,191
Adoptive Flex Space Housing	106,216	25,704,195
Hotel	88,277	12,005,647
Structured Parking	35,532	54,361,536
Office (Excludes Existing Office Building)	511.08	21,823,547
MarketRate Retail	215.72	17,545,631
Land Acquisition Costs (Includes Rolling Option)	38.35	54,909,157
Demolition Costs	1.75	2,020,900
Infrastructure Costs (All to be Performed By Developer)	Public	Private
Park/Pavilion	\$ -	\$ 3,348,149
Other Commercial Infrastructure	3,963,182	\$ 1,698,506
Retention Ponds and Undersized Water Collection Tanks	-	10,058,687
Green Infrastructure (Roofs)	-	13,365,888
Streetscape (Bike Trails)	-	2,745,900
Community College/Culinary School	-	10,736,602
Total Infrastructure Costs	\$ 24,758,470	\$ 21,158,443
Total Development Costs	\$ 491,194,944	

Year 1 Construction Cost Assumptions				
Property Type	Hard Costs PSF (1)	Soft Costs PSF (2)	Hard Cost Contingency (3)	Total Costs PSF (4)
Rental & For-Sale Housing	\$ 139.76	\$ 27.95	5.59	\$ 173.30
Office Space	130.96	26.19	5.24	162.39
Retail Space	102.26	20.45	4.09	126.80
Restroom Space	177.40	35.48	7.10	219.98
Grocery Store	88.93	17.79	3.56	110.27
Hotel	146.47	29.29	5.84	181.60
Structured Parking	60.48	12.10	2.42	75.00
Surface Parking	20.16	4.03	0.81	25.00
Day-Care Center	132.12	26.42	5.29	163.83
Community College	80.65	16.13	3.23	100.00

(1) Source: RS Means
 (2) Soft Costs have been estimated as 20.00% of Hard Costs.
 (3) Hard Cost Contingency has been estimated as 6.00% of Hard Costs.
 (4) Please note that these figures are current cost estimates, and that for purposes of estimating Development Costs, annual inflation

4. Equity & Financing Sources		
Equity Sources (Total)	Amount	% of Total
Hines Investment Opportunity Fund #2	\$ 109,336,644	22.09%
Financing Sources (Total)		
Syndicated Construction to MiniPerm Facility (led by Bank of America)	\$ 321,791,489	65.00%
QECB Financing	24,753,191	5.00%
Public Subsidies (Total, if Any)		
City Partnering in Community College & Culinary School	\$ 5,000,000	1.01%
Phillips Jackson Redevelopment TIF District MDHA "PAYGO" TIF (2)	34,182,505	6.90%
Total (1)	*****	100.00%

(1) Please note that in addition to the Total Development Costs, this figure also includes Loan Fees of \$3,900,000 (1.00%).
 (2) The local government must find that, in its option, the proposed development would not occur "but for" the use of TIF TCA §§ 13-20-201 - 13-20-217. MDHA extended to 2045

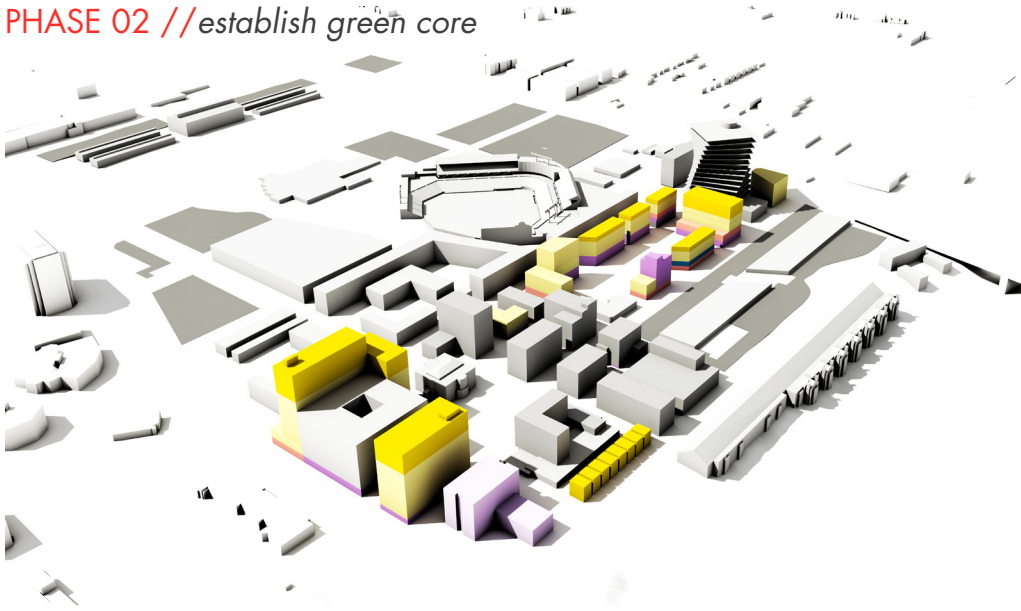
Market Assumptions		
Input	Assumption Used (1)	Source
Apartment Market Rate Rents PSF	\$ 2.15	Current rents on available units
Apartment Affordable Rents PSF	1.20	-
Apartment Vacancy	5.00%	CBRE & Colliers Multifamily Reports for the Nashville CBD
Condo Sales Prices PSF	\$ 172.00	Current sales prices on available units at various Nashville condo projects
Office Rents PSF	\$ 15.00	Nashville CBD market rents per various market reports
Office Vacancy	12.90%	CBRE & Colliers Office Reports for the Nashville CBD
Retail Rents PSF	\$ 20.00	-
Restroom Rents PSF	15.00	CBRE Retail Report for the Nashville CBD
Day-Care Center	13.90%	-
Hotel ADR	\$ 100.00	Nashville Data per AHFord Hospitality Trust's most recent Earnings Supplemental
Hotel Construction	80.00%	-
Hotel (EBITDA Margin)	32.00%	-
Apartment Cap Rates	6.00%	-
Office Cap Rates	7.50%	-
Retail Cap Rates	7.50%	Real Capital Analytics & Sources from CBRE
Hotel Cap Rates	8.50%	-
Condo Cap Rates	11.00%	-

(1) Please note that these rent/sales price figures are current estimates, and that for purposes of calculating Net Operating Income, annual inflation of 3.00% was assumed.

PHASE 01 // *link into downtown*



PHASE 02 // *establish green core*



PHASE 03 // *connect to neighborhoods*



Financing Analysis													
	Year 0	Phase I			Phase II			Phase III				Total	
	2014-2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025		
Financing Sources & Uses													
Financing Uses													
Land Acquisition Costs	\$ 25,950,170	\$ 13,574,474	\$ -	\$ -	\$ -	\$ 15,384,513	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,909,157
Demolition Costs	1,754,900	-	-	-	-	-	-	266,000	-	-	-	-	2,020,900
Development Costs	2,532,201	56,342,382	77,182,230	22,676,909	20,045,127	74,801,918	44,516,811	38,478,898	52,890,190	42,353,889	2,444,333	434,264,887	
Loan Fee (1.00%)	3,868,885	-	-	-	-	-	-	-	-	-	-	-	3,868,885
Total Uses	\$ 34,106,157	\$ 69,916,856	\$ 77,182,230	\$ 22,676,909	\$ 20,045,127	\$ 90,186,431	\$ 44,516,811	\$ 38,744,898	\$ 52,890,190	\$ 42,353,889	\$ 2,444,333	\$ 495,063,829	
Financing Sources													
Equity Funding	\$ 29,106,157	\$ 65,033,641	\$ 15,308,748	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 109,448,545
City Contributions	5,000,000	-	-	-	-	-	-	-	-	-	-	-	5,000,000
Public Subsidies - Phillips Jackson Redevelopment TIF District	-	-	-	-	-	-	-	-	-	-	-	-	-
MDHA "PAYGO" TIF	-	4,883,215	4,883,215	4,883,215	4,883,215	4,883,215	4,883,215	4,883,215	-	-	-	-	34,182,505
Debt Funding													
QECCB Debt Bond Funding	\$ -	\$ -	\$ -	\$ 4,125,532	\$ 4,125,532	\$ 4,125,532	\$ 4,125,532	\$ 4,125,532	\$ 4,125,532	\$ -	\$ -	\$ -	\$ 24,753,191
Conventional Debt Funding	-	-	56,990,266	13,668,162	11,036,380	81,177,684	35,508,064	29,736,151	48,764,659	42,353,889	2,444,333	321,679,587	
Total Debt Funding	\$ -	\$ -	\$ 56,990,266	\$ 17,793,694	\$ 15,161,912	\$ 85,303,216	\$ 39,633,596	\$ 33,861,683	\$ 52,890,190	\$ 42,353,889	\$ 2,444,333	\$ 346,432,779	
Total Sources	\$ 34,106,157	\$ 69,916,856	\$ 77,182,230	\$ 22,676,909	\$ 20,045,127	\$ 90,186,431	\$ 44,516,811	\$ 38,744,898	\$ 52,890,190	\$ 42,353,889	\$ 2,444,333	\$ 495,063,829	
Debt Service & Coverage Ratios													
Cumulative Debt Funding													
QECCB Debt Bond Funding	\$ -	\$ -	\$ -	\$ 4,125,532	\$ 8,251,064	\$ 12,376,596	\$ 16,502,128	\$ 20,627,660	\$ 24,753,191	\$ 24,753,191	\$ 24,753,191	\$ 24,753,191	\$ 24,753,191
Conventional Debt Funding	-	-	56,990,266	70,658,428	81,694,808	162,872,492	198,380,556	228,116,707	276,881,366	319,235,255	321,679,587	321,679,587	
Cumulative Debt Funding	\$ -	\$ -	\$ 56,990,266	\$ 74,783,960	\$ 89,945,872	\$ 175,249,088	\$ 214,882,684	\$ 248,744,367	\$ 301,634,557	\$ 343,988,446	\$ 346,432,779	\$ 346,432,779	
Net Operating Income (Excludes Condo Sales)	1,930,111	4,086,752	7,893,625	15,993,928	17,825,525	22,449,126	26,639,392	30,432,939	34,668,794	39,961,908	44,254,490	44,254,490	
Debt Yield			13.85%	21.39%	19.82%	12.81%	12.40%	12.23%	11.49%	11.62%	12.77%		
Debt Service Calculation													
Conventional Loan Interest Expense	\$ -	\$ -	\$ 2,564,562	\$ 3,179,629	\$ 3,676,266	\$ 7,329,262	\$ 8,927,125	\$ 10,265,252	\$ 12,459,661	\$ 14,365,586	\$ 14,475,581	\$ 14,475,581	
QECCB Loan Interest Expense	-	-	-	165,021	330,043	495,064	660,085	825,106	990,128	990,128	990,128	990,128	
Total Debt Service	\$ -	\$ -	\$ 2,564,562	\$ 3,344,651	\$ 4,006,309	\$ 7,824,326	\$ 9,587,210	\$ 11,090,358	\$ 13,449,789	\$ 15,355,714	\$ 15,465,709	\$ 15,465,709	
CFADS	1,930,111	4,086,752	5,329,063	12,649,277	13,819,216	14,624,800	17,052,181	19,342,580	21,219,005	24,606,194	28,788,781	28,788,781	
DSCR			2.08x	3.78x	3.45x	1.87x	1.78x	1.74x	1.58x	1.60x	1.86x		
Return Metrics													
Unlevered													
Net Operating Income	\$ 1,930,111	\$ 4,086,752	\$ 7,893,625	\$ 17,143,094	\$ 21,080,539	\$ 25,954,184	\$ 28,993,876	\$ 34,636,478	\$ 38,998,440	\$ 44,421,443	\$ 44,254,490	\$ 44,254,490	
City Contributions	5,000,000	-	-	-	-	-	-	-	-	-	-	-	
Public Subsidies - Phillips Jackson Redevelopment TIF District	-	-	-	-	-	-	-	-	-	-	-	-	
MDHA "PAYGO" TIF	-	4,883,215	4,883,215	4,883,215	4,883,215	4,883,215	4,883,215	4,883,215	-	-	-	-	
Gross Sales Proceeds	-	-	-	-	-	-	-	-	-	-	645,875,993	645,875,993	
(Less) Costs of Sale	-	-	-	-	-	-	-	-	-	-	(29,064,420)	(29,064,420)	
(Less) Total Development Costs	(30,237,271)	(69,916,856)	(77,182,230)	(22,676,909)	(20,045,127)	(90,186,431)	(44,516,811)	(38,744,898)	(52,890,190)	(42,353,889)	(2,444,333)	(491,194,944)	
Unlevered Net Cash Flow	\$ (23,307,160)	\$ (60,946,888)	\$ (64,405,390)	\$ (650,599)	\$ 5,918,627	\$ (59,349,032)	\$ (10,639,720)	\$ 774,796	\$ (13,891,751)	\$ 2,067,554	\$ 658,621,731	\$ 434,192,168	
Unlevered IRR	15.27%												
Net Profit	\$ 434,192,168												
Levered													
Unlevered Net Cash Flow	\$ (23,307,160)	\$ (60,946,888)	\$ (64,405,390)	\$ (650,599)	\$ 5,918,627	\$ (59,349,032)	\$ (10,639,720)	\$ 774,796	\$ (13,891,751)	\$ 2,067,554	\$ 658,621,731	\$ 434,192,168	
Loan Fees	(3,868,885)	-	-	-	-	-	-	-	-	-	-	(3,868,885)	
Loan Proceeds	-	-	56,990,266	17,793,694	15,161,912	85,303,216	39,633,596	33,861,683	52,890,190	42,353,889	2,444,333	346,432,779	
Debt Service (Interest Expense)	-	-	(2,564,562)	(3,344,651)	(4,006,309)	(7,824,326)	(9,587,210)	(11,090,358)	(13,449,789)	(15,355,714)	(15,465,709)	(15,465,709)	
Loan Repayment	-	-	-	-	-	-	-	-	-	-	(346,432,779)	(346,432,779)	
Levered Net Cash Flow	\$ (27,176,046)	\$ (60,946,888)	\$ (9,979,685)	\$ 13,798,444	\$ 17,074,230	\$ 18,129,858	\$ 19,406,666	\$ 23,546,120	\$ 25,548,651	\$ 29,065,729	\$ 299,167,576	\$ 347,634,655	
Levered IRR	22.19%												
Equity Multiple	4.18x												
Net Profit	\$ 347,634,655												

Financing Assumptions	
Interest Rate for Conventional Loan	4.50%
Interest Rate for QECCB	4.00%

Property-Level Returns	Year 0		Phase I		Phase II		Phase III			Total		
	2014-2015	2016	2017	2018	2019	2020	2021	2022	2023		2024	2025
Development Coats												
Phase I Project #1	\$ -	\$ 18,022,639	\$ 37,128,696	\$ -	\$ -	\$ 29,934,427	\$ 4,463,878	\$ -	\$ -	\$ -	\$ -	\$ 55,152,315
Phase II Project #1 (Live-Work)	-	-	-	-	-	4,333,862	4,463,878	2,301,881	5,578,289	-	-	8,797,740
Phase III Project #1 (Live-Work)	-	-	-	-	-	-	-	17,619,337	10,948,755	-	-	7,880,170
Phase II Project #1 & #2	-	-	-	-	-	3,054,792	310,162	-	-	-	-	28,588,092
Allocated Infrastructure Coats	-	2,080,051	4,264,964	-	-	-	-	2,209,644	1,607,133	2,707,269	-	17,709,051
Total	\$ -	\$ 20,102,690	\$ 41,393,661	\$ -	\$ 38,223,084	\$ 4,979,760	\$ 2,209,644	\$ 21,520,362	\$ 18,534,378	\$ 2,707,269	\$ -	\$ 148,111,823
Property Cash Flows												
Gross Lease Revenues	\$ -	\$ 2,418,234	\$ 6,213,267	\$ 8,119,399	\$ 8,728,861	\$ 11,082,880	\$ 12,983,326	\$ 17,339,364	\$ 20,887,000	\$ 22,810,149	\$ 23,494,634	\$ 154,987,387
Annual Operating Expenses PF	\$ -	\$ (845,385)	\$ (1,746,643)	\$ (2,841,790)	\$ (3,655,101)	\$ (4,879,005)	\$ (6,068,743)	\$ (8,568,743)	\$ (10,289,461)	\$ (11,983,552)	\$ (13,223,055)	\$ (87,245,248)
Net Operating Income	\$ -	\$ 1,572,849	\$ 4,466,624	\$ 5,277,609	\$ 5,073,760	\$ 7,203,875	\$ 6,914,583	\$ 8,770,621	\$ 10,597,539	\$ 10,826,597	\$ 10,271,579	\$ 67,742,139
Lease Cost of Sale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (11,453,548)
Lease Development Costs	\$ -	\$ (50,103,490)	\$ (41,412,601)	\$ -	\$ -	\$ (38,223,084)	\$ (4,979,760)	\$ (23,220,362)	\$ (18,434,378)	\$ (2,707,269)	\$ -	\$ (148,111,823)
Unlevered Net Cash Flow	\$ -	\$ (18,531,838)	\$ (37,374,977)	\$ 5,277,609	\$ 5,073,760	\$ (31,019,211)	\$ 1,934,823	\$ (16,449,741)	\$ (8,836,928)	\$ 12,688,828	\$ 17,564,079	\$ 182,629,667
Return Metrics												
Yield on Cost	-	-	-	-	-	-	-	-	-	-	-	9.19%
Exit Cap Rate Assumption	-	-	-	-	-	-	-	-	-	-	-	6.00%
Unlevered IRR	-	-	-	-	-	-	-	-	-	-	-	17.66%
Net Profit	-	-	-	-	-	-	-	-	-	-	-	\$ 182,629,667
Office												
Development Coats												
Phase I Project #1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Phase II Project #1	-	-	-	-	-	-	-	-	-	-	-	-
Phase II Project #2 (Live-Work)	-	-	-	-	-	-	-	-	-	-	-	-
Phase III Project #1	-	-	-	-	-	-	-	-	-	-	-	-
Allocated Infrastructure Coats	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property Cash Flows												
Gross Lease Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Operating Expenses PF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Operating Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lease Cost of Sale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lease Development Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unlevered Net Cash Flow	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Return Metrics												
Yield on Cost	-	-	-	-	-	-	-	-	-	-	-	9.83%
Exit Cap Rate Assumption	-	-	-	-	-	-	-	-	-	-	-	6.00%
Unlevered IRR	-	-	-	-	-	-	-	-	-	-	-	44.25%
Net Profit	-	-	-	-	-	-	-	-	-	-	-	\$ 25,665,030
Affordable Rental Housing												
Development Coats												
Phase I Project #1	\$ -	\$ 524,126	\$ 2,651,985	\$ 2,339,475	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,505,586
Phase II Project #1	-	-	-	-	-	-	-	-	-	-	-	-
Phase II Project #2	-	-	-	-	-	-	-	-	-	-	-	-
Allocated Infrastructure Coats	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ -	\$ 524,126	\$ 2,651,985	\$ 2,339,475	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,505,586
Property Cash Flows												
Gross Lease Revenues	\$ -	\$ 253,496	\$ 924,226	\$ 1,211,815	\$ 1,247,964	\$ 2,228,948	\$ 4,003,419	\$ 4,970,301	\$ 6,832,478	\$ 7,307,001	\$ 8,180,260	\$ 58,386,797
Annual Operating Expenses PF	\$ -	\$ (123,728)	\$ (233,493)	\$ (434,655)	\$ (486,787)	\$ (811,088)	\$ (1,401,156)	\$ (2,004,608)	\$ (2,648,367)	\$ (2,567,958)	\$ (2,855,091)	\$ (12,700,358)
Net Operating Income	\$ -	\$ 129,768	\$ 690,733	\$ 777,160	\$ 761,177	\$ 1,417,860	\$ 2,602,263	\$ 2,965,693	\$ 4,184,111	\$ 4,739,043	\$ 5,325,169	\$ 45,686,439
Lease Cost of Sale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lease Development Costs	\$ -	\$ (2,604,176)	\$ (2,651,985)	\$ (2,339,475)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unlevered Net Cash Flow	\$ -	\$ (2,474,408)	\$ (2,051,218)	\$ (1,541,925)	\$ 761,177	\$ 1,417,860	\$ 2,602,263	\$ 2,965,693	\$ 4,184,111	\$ 4,739,043	\$ 5,325,169	\$ 45,686,439
Return Metrics												
Yield on Cost	-	-	-	-	-	-	-	-	-	-	-	9.83%
Exit Cap Rate Assumption	-	-	-	-	-	-	-	-	-	-	-	6.00%
Unlevered IRR	-	-	-	-	-	-	-	-	-	-	-	40.89%
Net Profit	-	-	-	-	-	-	-	-	-	-	-	\$ 82,306,890
Market Rate For-Sale Housing												
Development Coats												
Phase I Project #1	\$ -	\$ -	\$ -	\$ 2,577,340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,577,340
Phase II Project #1 & #2	-	-	-	-	-	-	-	-	-	-	-	-
Allocated Infrastructure Coats	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ 2,577,340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,577,340
Property Cash Flows												
Gross Lease Revenues	\$ -	\$ -	\$ -	\$ -	\$ 3,903,399	\$ 2,328,948	\$ 4,003,419	\$ 4,970,301	\$ 6,832,478	\$ 7,307,001	\$ 8,180,260	\$ 58,386,797
Annual Operating Expenses PF	\$ -	\$ -	\$ -	\$ -	\$ (390,104)	\$ (730,628)	\$ (1,301,156)	\$ (1,704,608)	\$ (2,304,367)	\$ (2,567,958)	\$ (2,855,091)	\$ (12,700,358)
Net Operating Income	\$ -	\$ -	\$ -	\$ -	\$ 3,513,295	\$ 1,598,320	\$ 2,702,263	\$ 3,265,693	\$ 4,528,111	\$ 4,739,043	\$ 5,325,169	\$ 45,686,439
Lease Cost of Sale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lease Development Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unlevered Net Cash Flow	\$ -	\$ -	\$ -	\$ -	\$ 3,513,295	\$ 1,598,320	\$ 2,702,263	\$ 3,265,693	\$ 4,528,111	\$ 4,739,043	\$ 5,325,169	\$ 45,686,439
Return Metrics												
Yield on Cost	-	-	-	-	-	-	-	-	-	-	-	8.98%
Exit Cap Rate Assumption	-	-	-	-	-	-	-	-	-	-	-	7.25%
Unlevered IRR	-	-	-	-	-	-	-	-	-	-	-	12.45%
Net Profit	-	-	-	-	-	-	-	-	-	-	-	\$ 5,909,253
Market Rate Retail												
Development Coats												
Phase I Project #1	\$ -	\$ 3,972,241	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,972,241
Phase II Project #1	-	-	-	-	-	-	-	-	-	-	-	-
Phase II Project #2 (Live-Work)	-	-	-	-	-	-	-	-	-	-	-	-
Phase III Project #1	-	-	-	-	-	-	-	-	-	-	-	-
Allocated Infrastructure Coats	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ -	\$ 3,972,241	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,972,241
Property Cash Flows												
Gross Lease Revenues	\$ -	\$ 225,446	\$ 452,198	\$ 579,058	\$ 2,087,304	\$ 4,399,741	\$ 5,543,459	\$ 5,964,790	\$ 6,304,299	\$ 6,733,882	\$ 7,075,236	\$ 39,329,374
Annual Operating Expenses PF	\$ -	\$ (78,908)	\$ (158,209)	\$ (202,670)	\$ (230,628)	\$ (409,948)	\$ (543,378)	\$ (587,478)	\$ (626,491)	\$ (656,839)	\$ (675,323)	\$ (3,235,982)
Net Operating Income	\$ -	\$ 146,538	\$ 293,989	\$ 376,388	\$ 1,856,676	\$ 3,989,793	\$ 5,000,081	\$ 5,377,312	\$ 5,677,808	\$ 6,077,043	\$ 6,399,913	\$ 36,093,392
Lease Cost of Sale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lease Development Costs	\$ -	\$ (4,467,688)	\$ 293,929	\$ 376,388	\$ 1,856,677	\$ 2,329,034	\$ 3,743,696	\$ 3,877,113	\$ 51,739	\$ 4,077,023	\$ 65,177,561	\$ 1,980,500
Unlevered Net Cash Flow	\$ -	\$ (4,467,688)	\$ 293,929	\$ 376,388	\$ 1,856,677	\$ 2,329,034	\$ 3,743,696	\$ 3,877,113	\$ 51,739	\$ 4,077,023	\$ 65,177,561	\$ 1,980,500
Return Metrics												
Yield on Cost	-	-	-	-	-	-	-	-	-	-	-	8.98%
Exit Cap Rate Assumption	-	-	-	-	-	-	-	-	-	-	-	7.25%
Unlevered IRR	-	-	-	-	-	-	-	-	-	-	-	12.45%
Net Profit	-	-	-	-	-	-	-	-	-	-	-	\$ 31,980,200
Office												
Development Coats												
Office Building	\$ 2,532,201	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,532,201
Office Floor Use	-	\$ 881,972	\$ 1,785,000	\$ 1,237,870	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,999,974
Office Tower 1 (Medical)	-	\$ 2,339,261	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,339,261
Allocated Infrastructure Coats	-	\$ 565,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,258,848
Total	\$ 2,532,201	\$ 3,807,834	\$ 1,785,000	\$ 1,237,870	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,130,284
Property Cash Flows												
Leasing Revenues	\$ 2,155,831	\$ 2,674,440	\$ 2,827,313	\$ 3,041,927	\$ 3,224,509	\$ 3,959,347	\$ 4,078,332	\$ 4,634,167	\$ 4,247,508	\$ 3,207,761	\$ 4,174,990	\$ 33,576,327
Expenses Reimbursements	\$ 1,279,080	\$ 1,317,452	\$ 1,354,976	\$ 1,467,662	\$ 1,545,065	\$ 1,909,658	\$ 1,964,964	\$ 2,127,824	\$ 1,370,78			

ULI Urban Design Competition Development Schedule													
Product Type	Total SF	Year 0	Phase I			Phase II			Phase IV				
		2014-2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Phase IA													
Community Center	Community	72,240		72,240									
Community Center College	Institution	0											
Garage Building	Garage	395,640			263,760	131,880							
Existing Office (City Owned Parcel K1)	Office	152,000											
Offices	Office (Mid-Rise)	7,100		7,100									
Offices	Office (Mid-Rise)	20,400		20,400									
Condo Project #1	Condos	17,850				17,850							
Apartments (Market)	Apts (Affordable-Mid-Rise)	302,920		100,973	201,947								
Apartments (Affordable)	Apts (Affordable-Mid-Rise)	38,955		38,955									
Med Clinic	Med Clinic	17,266		17,266									
Garage 1st Floor Retail	Retail	10,300				10,300							
Office Restaurant	Retail	0											
Apartment Retail	Retail	23,768		23,768									
Adaptive Flex Building	Flex	10,280		10,280									
Adaptive Flex Building	Flex	20,200			20,200								
Adaptive Flex Building	Flex	13,600				13,600							
Adaptive Flex Building	Flex	0				0							
Streetscape	Infrastructure	129,376		43,125	43,125	43,125							
Park/Pavilion	Infrastructure	32,964											
Landscaping	Infrastructure	59,912		59,912									
Landscaping (Retention Ponds)	Infrastructure	26,371		26,371									
Landscaping	Infrastructure	59,912		59,912									
Landscaping (Apartments)	Infrastructure	5,000		5,000									
Green Infrastructure (Roofs)	Infrastructure	32,964				32,964							
Phase II													
Offices	Offices	29,775						29,775					
Parking Garage	Garage	149,000						149,000					
Apartments (Market)	Apts (Market-Mid-Rise)	138,621							138,621				
Apartments (Affordable)	Apts (Affordable-Mid-Rise)	43,144							21,572	21,572			
Live-Work Apartments (Market)	Apts (Market-Mid-Rise)	189,375							189,375				
Live-Work Apartments (Affordable)	Apts (Affordable-Mid-Rise)	26,260						26,260					
Condo Project #1	Condos	46,815								46,815			
Condo Project #2	Condos	122,375							40,792	81,583			
Condo Project #1 Parking Garages	Parking	149,000											
Condo Project #1 Retail	Retail	0											
Condo Project #2 Retail	Retail	0							0				
Live-Work Retail	Retail	3,200											
Apartment Retail	Retail	0											
Adaptive Flex Building	Flex	113,846					75,897	37,949					
Adaptive Reuse	Reuse	17,266						11,511	5,755				
Boutique Hotel	Infrastructure	67,940					67,940						
Landscaping (Apartments)	Infrastructure	38,594					38,594						
Landscaping (Live-Work)	Infrastructure	46,176							30,784	15,392			
Landscaping (Condo #1)	Infrastructure	38,594								38,594			
Landscaping (Condo #2)	Infrastructure	57,891							14,473	43,418			
Landscaping (Retention Ponds)	Infrastructure	11,701					11,701						
Green Infrastructure (Roofs)	Infrastructure	105,309							42,124	63,185			
Phase III													
Offices	Offices	0											
Farmers Market	Retail	30,000								30,000			
Apartment Retail	Retail	0											
Apartment Retail	Retail	0											
Live-Work Apartments #1 (Market)	Apts (Market-Mid-Rise)	10,800								10,800			
Live-Work Apartments #2 (Market)	Apts (Market-Mid-Rise)	25,410									25,410		
Live-Work Apartments #1 (Upscale)	Apts (Upscale-Mid-Rise)	97,620										97,620	
Live-Work Apartments #2 (Upscale)	Apts (Upscale-Mid-Rise)	60,900										60,900	
Apartments (Affordable)	Apts (Affordable-Mid-Rise)	24,850										24,850	
Apartments (Market)	Apts (Market-Mid-Rise)	124,000								82,667	41,333		
Apartments (Market)	Apts (Market-Mid-Rise)	8,540									8,540		
Parking Garage	Garage	0											
Adaptive Flex Building	Flex	84,300										84,300	
Landscaping (Live-Work #1)	Infrastructure	13,728										13,728	
Landscaping (Apartments)	Infrastructure	27,031										27,031	
Landscaping (Live-Work #2)	Infrastructure	13,728										13,728	
Landscaping (Apartments)	Infrastructure	27,031										27,031	
Landscaping (Retention Ponds)	Infrastructure	15,316										15,316	
Green Infrastructure (Roofs)	Infrastructure	291,010								72,753	72,753	72,753	72,753
Totals													
Total (Boutique Hotel)		0	0	0	0	0	0	11,511	5,755	0	0	0	0
Total (Retail)		0	41,034	0	10,300	0	0	0	0	30,000	0	0	0
Total (Apartments - Market Mid-Rise)		0	100,973	201,947	0	0	0	170,572	21,572	93,467	75,283	0	0
Total (Apartments - Affordable Mid-Rise)		0	38,955	0	0	0	0	189,375	138,621	0	24,850	0	0
Total (Apartments - Upscale Mid-Rise)		0	0	0	0	0	0	0	0	0	0	158,520	0
Total (Condos)		0	0	0	17,850	26,260	0	0	46,815	0	0	0	0
Total (Office-Existing)		152,000	0	0	0	0	0	0	0	0	0	0	0
Total (Office Mid-Rise)		0	27,500	0	0	0	0	29,775	0	0	0	0	0
Total (Structured Parking)		0	0	263,760	131,880	0	0	40,792	81,583	0	0	0	0
Total (Flex Spaces)		0	10,280	20,200	13,600	0	0	0	0	0	84,300	0	0
Total (Adaptive Reuse)		0	0	0	0	75,897	37,949	0	0	0	0	0	0
Total (Landscaping-Apartments)		0	5,000	0	0	118,235	87,380	160,590	40,759	40,759	118,235	118,235	118,235
Total (Landscaping-Office)		0	0	0	0	0	0	0	0	0	0	0	0
Total (Landscaping-Structured Parking)		0	0	0	0	0	0	0	0	0	0	0	0
Total (Landscaping-Condos)		0	0	0	0	0	14,473	82,012	0	0	0	0	0
Total (Green Infrastructure)		0	0	0	32,964	0	42,124	63,185	72,753	72,753	72,753	72,753	72,753
Total (Streetscape)		0	43,125	43,125	43,125	0	0	0	0	0	0	0	0
Total (Park/Pavilion)		0	92,875	0	0	0	0	0	0	0	0	0	0
Total (Community Center)		0	72,240	0	0	0	0	0	0	0	0	0	0
Total (Retention Ponds and Underground Canal)		0	26,371	0	0	0	11,701	0	0	15,316	0	0	0
Total		152,000	458,354	529,032	249,719	232,093	623,950	600,134	252,294	297,945	231,273	72,753	72,753

ULI Urban Design Competition Development Budget	
Land Acquisition Costs	\$ 54,909,157
Demolition Costs	2,020,900
Construction Costs	388,347,974
Infrastructure Costs	45,916,913
Loan Fee (1.00%)	3,868,885
Total Development Costs	\$ 495,063,829
<u>Financing</u>	
Construction To Mini-Perm Debt Financing (65% Leverage)	\$ 321,791,489
City Subsidy	5,000,000
QECB Program (5% Leverage Over 6 Years)	24,753,191
Nashville "TIF" Davidson County	34,182,505
Equity Contribution from Owner	109,336,644
Total Financing	\$ 495,063,829

Cost to dismantle, relocate and erect again the farmers market is \$4,320,000

This cost includes pouring a new concrete slab and completing the necessary engineering work on 36,000SF of slab on piles

This cost would be built in the \$180 Million Capitol Mall MDHA's current TIF.

Relocating the 160 landlords at the Riverfront Condo will move in 3 phases

1st phase: Negotiate with 40 landlords on providing comparable replacement dwelling-move into phase I year 3 of project (building 4B)

2nd phase: Negotiate with 60 landlords on providing comparable replacement dwelling-move into phase II year 2 of project (building 12C)

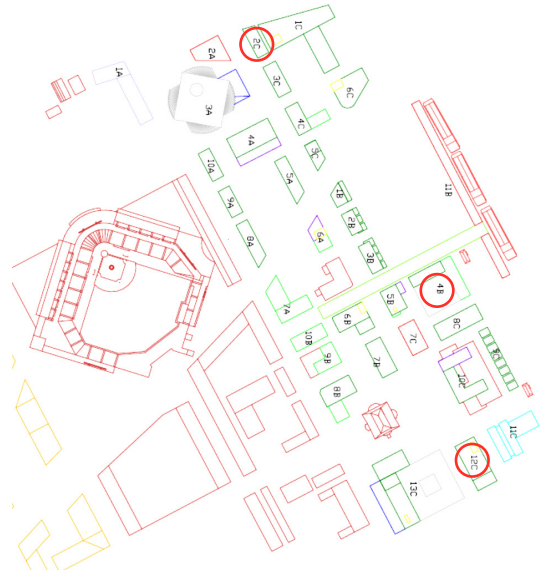
3rd phase: Negotiate with 60 landlords on providing comparable replacement dwelling-move into phase III year 1 of project (building 2C)

Relocation fees for qualified tenants (if necessary)

Total Number of Units 160

Tenants - Leased Units	0.4	0.45	0.15
	Less than 3 yrs	More than 3 yrs	Low Income
Number of units	64	72	24
Eligible Tenants	1	0.7	0.9
Qualified Tenants	0	0.3	0.1
Relocation	486400	916920	262680
Total Relocation Fees	1666000		

Minimal legal fees would be anticipated, but if we end up having issues we will establish an Relocation Escrow account to cover all expenses coming out from any dispute to rise.



ULI Urban Design Competition Land Costs										
Parcel	Developable Status	Current Land Use	Assessed Value	Total SF	Parking Spaces	Parking Income	Capped at 11.0% ⁽¹⁾	Additional Value	Total Value	Value PSF
Block A										
Parcel 1	Undevelopable	Metro Parking	\$ 1,400,000	178,500	558	407,203	\$ 3,701,847	\$ -	\$ 3,701,847	\$ 20.74
Total (Block A)			\$ 1,400,000	178,500	558	\$ 407,203	\$ 3,701,847	\$ -	\$ 3,701,847	\$ 20.74
Block B										
Parcel 1	Undevelopable	Metro Farmer's Market	\$ 7,500,000	409,500	0	\$ -	\$ -	\$ 9,750,000	\$ 9,750,000	\$ 23.81
Total (Block B)			\$ 7,500,000	409,500	0	\$ -	\$ -	\$ 9,750,000	\$ 9,750,000	\$ 23.81
Block C										
Parcel 1	Developable	Vacant Commercial	\$ 261,000	21,800	0	\$ -	\$ -	\$ 339,300	\$ 339,300	\$ 15.56
Parcel 2	Undevelopable	Auto Repair	149,000	8,300	0	-	-	296,400	296,400	35.71
Parcel 3	Undevelopable	Vacant Commercial	162,000	13,500	0	-	-	210,600	210,600	15.60
Parcel 4	Undevelopable	Vacant Commercial	277,000	37,000	0	-	-	360,100	360,100	9.73
Total (Block C)			\$ 849,000	80,600	0	\$ -	\$ -	\$ 1,206,400	\$ 1,206,400	\$ 14.97
Blocks D										
Parcel 1	Undevelopable	Vacant Commercial	\$ 895,500	70,000	0	\$ -	\$ -	\$ 1,164,150	\$ 1,164,150	\$ 16.63
Total (Block D)			\$ 895,500	70,000	0	\$ -	\$ -	\$ 1,164,150	\$ 1,164,150	\$ 16.63
Block E										
Parcel 1	Developable	Surface Parking	\$ 590,500	74,000	231	\$ 168,813	\$ 1,534,659	\$ -	\$ 1,534,659	\$ 20.74
Total (Block E)			\$ 590,500	74,000	231	\$ 168,813	\$ 1,534,659	\$ -	\$ 1,534,659	\$ 20.74
Block F										
Parcel 1	Developable	Vacant Commercial	\$ 42,000	3,400	0	\$ -	\$ -	\$ 54,600	\$ 54,600	\$ 16.06
Parcel 2	Developable	Small Service Shop	40,000	3,100	0	-	-	271,067	271,067	87.44
Parcel 3	Developable	Single Family Dwelling	69,000	5,600	0	-	-	89,700	89,700	16.02
Parcel 4	Developable	Office Low Rise	61,000	5,600	0	-	-	157,818	157,818	28.18
Parcel 5	Developable	Vacant Industrial	79,000	5,600	0	-	-	102,700	102,700	18.34
Parcel 6	Developable	Small Warehouse / Service Shop	900,000	38,000	0	-	-	285,143	285,143	7.50
Parcel 7	Developable	Retail	1,050,000	29,000	0	-	-	1,900,000	1,900,000	65.52
Parcel 8	Developable	Warehouse	592,000	31,000	0	-	-	903,209	903,209	29.14
Parcel 9	Developable	Vacant Commercial	70,000	38,000	0	-	-	91,000	91,000	2.39
Total (Block F)			\$ 2,903,000	159,300	0	\$ -	\$ -	\$ 3,855,237	\$ 3,855,237	\$ 24.20
Block G										
Parcel 1	Developable	Surface Parking	\$ 700,000	91,000	284	\$ 207,594	\$ 1,887,216	\$ -	\$ 1,887,216	\$ 20.74
Parcel 2	Developable	Vacant Industrial	245,000	30,100	0	-	-	318,500	318,500	10.58
Parcel 3	Developable	Residential Cond	5,800,000	70,000	0	-	-	6,536,000	6,536,000	93.37
Total (Block G)			\$ 6,745,000	191,100	284	\$ 207,594	\$ 1,887,216	\$ 6,854,500	\$ 8,741,716	\$ 45.74
Block H										
Parcel 1	Developable	Surface Parking	\$ 250,000	86,000	269	\$ 196,188	\$ 1,783,523	\$ -	\$ 1,783,523	\$ 20.74
Parcel 2	Developable	Vacant Industrial	114,000	25,100	0	-	-	148,200	148,200	5.90
Total (Block H)			\$ 364,000	111,100	269	\$ 196,188	\$ 1,783,523	\$ 148,200	\$ 1,931,723	\$ 17.39
Block I										
Parcel 1	Developable	Warehouse	\$ 174,000	15,000	0	\$ -	\$ -	\$ 285,143	\$ 285,143	\$ 19.01
Parcel 2	Developable	Vacant Industrial	99,000	9,500	0	-	-	128,700	128,700	13.55
Parcel 3	Developable	Surface Parking	237,000	23,000	72	52,469	476,989	-	476,989	20.74
Parcel 4	Developable	Warehouse	874,000	45,100	0	-	-	405,591	405,591	8.99
Parcel 5	Developable	Metro/Vacant	87,000	8,700	0	-	-	113,100	113,100	13.00
Parcel 6	Developable	Vacant Commercial/Bikeway	213,000	21,100	0	-	-	276,900	276,900	13.12
Parcel 7	Developable	Vacant Industrial	255,000	27,000	0	-	-	331,500	331,500	12.28
Parcel 8	Undevelopable	Restaurant/Historical	2,061,000	42,000	0	-	-	2,286,587	2,286,587	54.44
Total (Block I)			\$ 4,000,000	191,400	72	\$ 52,469	\$ 476,989	\$ 3,827,521	\$ 4,304,509	\$ 22.49
Block J										
Parcel 1	Undevelopable	Light Manufacturing	\$ 174,000	21,000	0	\$ -	\$ -	\$ 1,416,398	\$ 1,416,398	\$ 67.45
Parcel 2	Undevelopable	Parking Lot	653,000	57,500	180	131,172	1,192,472	-	1,192,472	20.74
Parcel 3	Developable	Office Building	6,900,000	112,000	0	-	-	6,840,230	6,840,230	61.07
Parcel 4	Developable	Auto Dealer	568,000	38,000	0	-	-	1,500,240	1,500,240	39.48
Total (Block J)			\$ 8,295,000	228,500	180	\$ 131,172	\$ 1,192,472	\$ 9,756,868	\$ 10,949,339	\$ 47.92
Block K										
Parcel 1	Developable	Office Building	\$ 5,387,000	152,000	0	\$ -	\$ -	\$ 6,775,314	\$ 6,775,314	\$ 44.57
Parcel 2	Undevelopable	Vacant/Bikeway	108,000	10,500	0	-	-	140,400	140,400	13.37
Parcel 3	Developable	Office Building	4,877,000	121,000	0	-	-	5,576,248	5,576,248	46.08
Total (Block K)			\$ 10,372,000	283,500	0	\$ -	\$ -	\$ 12,491,962	\$ 12,491,962	\$ 44.06
Block L										
Parcel 1	Undevelopable	Branch Financial Institution	\$ 4,357,000	196,000	0	\$ -	\$ -	\$ 4,595,981	\$ 4,595,981	\$ 23.45
Parcel 2	Developable	Packing Food/Process	286,000	37,500	0	-	-	313,381	313,381	8.36
Total (Block L)			\$ 4,643,000	233,500	0	\$ -	\$ -	\$ 4,909,363	\$ 4,909,363	\$ 21.03
Block M										
Parcel 1	Developable	Residential Cond	\$ 12,650,000	182,000	0	\$ -	\$ -	\$ 12,650,000	\$ 12,650,000	\$ 69.51
Parcel 2	Developable	Vacant/Parking Lot	112,000	42,500	133	96,953	881,392	-	881,392	20.74
Total (Block M)			\$ 12,762,000	224,500	133	\$ 96,953	\$ 881,392	\$ 12,650,000	\$ 13,531,392	\$ 60.27
Total (All Parcels)			\$ 61,319,000	\$ 2,435,500	1,727	\$ 1,260,391	\$ 11,458,097	\$ 66,614,200	\$ 78,072,296	\$ 379.99

(1) Cap Rate was derived per discussions with CBRE.

Assumptions	
SF Per Parking Space	320
Daily Parking Income Per Space	\$ 4.00
Daily Parking Occupancy	50.00%
Cap Rate (Parking Lots) ⁽¹⁾	11.00%

(1) Cap Rate was derived per discussions with CBRE.

ULI Urban Design Competition Existing Building Market Values					
Building	Parcel	Property Type	Estimated Building SF	Operating Income	Property Market Value
Auto Repair Shop	C-2	Retail	2,340	\$ 26,676	\$ 296,400
Small Service Shop	F-3	Retail	2,140	24,396	271,067
Office Low Rise	F-4	Office	1,074	14,204	157,818
Small Warehouse	F-5	Industrial	7,836	25,663	285,143
Retail	F-6	Retail	15,000	171,000	1,900,000
Warehouse	F-8	Industrial	24,821	81,289	903,209
Residential Cond	G-3	Residential	60,000	588,240	6,536,000
Warehouse	I-1	Industrial	8,645	28,312	314,582
Warehouse	I-4	Industrial	11,146	36,503	405,591
Restaurant	I-8	Retail	18,052	205,793	2,286,587
Light Manufacturing	J-1	Industrial	9,639	127,476	1,416,398
Office Building	J-3	Office	41,220	615,621	6,840,230
Auto Dealer	J-4	Retail	11,844	135,022	1,500,240
Office Building	K-1	Office	46,108	609,778	6,775,314
Office Building	K-3	Office	37,948	501,862	5,576,248
Branch Financial Institution	L-1	Office	31,277	413,638	4,595,981
Packing Food	L-2	Industrial	8,612	28,204	313,381

Assumptions	
Office	
Office Rent PSF (Net)	\$ 17.50
Office Vacancy	15.00%
Office Cap Rate	9.00%
Operating Expenses PSF	11.00
Multi-Family	
Multi-family Rent PSF (Net)	\$ 0.95
Multi-Family Vacancy	10.00%
Multi-Family Cap Rate	7.50%
Operating Expenses PSF	4.56
Retail	
Retail Rent PSF (Net)	\$ 15.00
Retail Vacancy	15.00%
Retail Cap Rate	9.00%
Operating Expenses PSF	9.00
Industrial	
Industrial Rent PSF (Net)	\$ 3.75
Industrial Vacancy	10.00%
Industrial Cap Rate	9.00%
Operating Expenses PSF	1.00

	CBRE	assidy & Turley	Cushman & Wakefield	Colliers
Office				
		Class A	Class B	
Office Rent PSF (Net)	\$ 18.23	\$ 23.59	\$ 18.54	\$ 19.81
Office Vacancy	10.90%	4.80%	14.00%	18.70%
Office Cap Rate	10.00%			5.60%
Operating Expenses PSF				11.20%
Multi-Family				
Multi-family Rent PSF (Net)		\$ 0.97		\$ 0.97
Multi-Family Vacancy		4.70%		4.60%
Multi-Family Cap Rate	5.75%			
Operating Expenses PSF				
Retail				
Retail Rent PSF (Net)	\$ 13.39		\$ 12.98	\$ 20.88
Retail Vacancy	10.50%		4.00%	4.00%
Retail Cap Rate	8.00%			
Operating Expenses PSF				
Industrial				
Industrial Rent PSF (Net)	\$ 3.83		\$ 3.50	
Industrial Vacancy	7.50%		9.00%	
Industrial Cap Rate	7.50%			
Operating Expenses PSF				

ULI Urban Design Competition Summary of Land Owned Valuation									
Block	Parcels Owned	Assessed Value	Total SF	Parking Spaces	Parking Income	Capped at 11.0% ⁽¹⁾	Additional Value	Total Value	Value PSF
F	1,2,3,4,6,7,8,9	\$ 2,903,000	159,300	0	0	\$ -	\$ 3,855,237	\$ 3,855,237	\$ 24.20
H	1,2	364,000	111,100	269	196,188	1,783,523	148,200	1,931,723	17.39
I	1,2,3,4,5,6,7,8	4,000,000	191,400	72	52,469	476,989	3,827,521	4,304,509	22.49
J	1,2,3,4	8,295,000	228,500	180	131,172	1,192,472	9,756,868	10,949,339	47.92
L	1,2	4,643,000	233,500	0	-	-	4,909,363	4,909,363	21.03
Total		\$ 20,205,000	923,800	520	\$ 379,828	\$ 3,452,983	\$ 22,497,188	\$ 25,950,170	\$ 28.09

(1) Cap Rate was derived per discussions with CBRE.

ULI Urban Design Competition Summary of Land Acquisition									
Block	Parcels Owned	Assessed Value	Total SF	Parking Spaces	Parking Income	Capped at 11.0% ⁽¹⁾	Additional Value	Total Value	Value PSF
K (2)	1,2,3	\$ 10,372,000	283,500	0	\$ -	\$ -	\$ 12,491,962	\$ 12,491,962	\$ 44.06
M (3)	1,2	12,762,000	224,500	133	96,953	881,392	12,650,000	13,531,392	60.27
Total		\$ 23,134,000	508,000	133	\$ 96,953	\$ 881,392	\$ 25,141,962	\$ 26,023,354	\$ 51.23

(1) Cap Rate was derived from CBRE market data.

(2) City accepts to sell both parcels and developer decides to maintain building on parcel K1 and demolish building on parcel K3.

(3) Parcel M option is bought at year 0 and option price is exercised in year 2020 and sale is executed that year as well. Property total value was negotiated down.

Rolling Cost Options Land Analysis									
Annual Property Taxes ⁽¹⁾		Phase I			Phase II			2020 Exercise	
	Cost	Option Price ⁽²⁾	2016	2017	2018	2019	2020	2021	
Block M	\$ 13,531,392	\$ 1,082,511	\$ 608,913	\$ 608,913	\$ 608,913	\$ 608,913	\$ 608,913	\$ 608,913	\$ 10,486,829
Legal Fees Cost ⁽⁴⁾									45,604
Buy-Out Cost						\$ 3,940,000			
Relocation Assistance Cost ⁽³⁾									912,080
Total	\$ 15,384,513								

(1) Property Taxes given to be 4.5%

(2) Used option price rate of 8%

(3) Refer to Waterfront Condos Relocation Analysis

(4) Legal Fees 5% of total relocation assistance cost

Total Demolition Costs											
	Year 0	Phase I			Phase II			Phase III			
	0	1	2	3	4	5	6	7	8	9	10
	2014-2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total SF (1)	1,044,800	-	-	-	-	-	-	-	-	-	-
Parcel K1 SF								152,000			
Existing Historic Restaurant SF-Parcel I8 (Less)	(42,000)										
Total SF Requiring Demolition	1,002,800	-	-	-	-	-	-	152,000	-	-	-
Total Demolition Costs⁽²⁾	\$ 1,754,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 266,000	\$ -	\$ -	\$ -

(1) Includes SF of Parcel K3 of 121,000

(2) \$1.75 PSF in Demolition Costs

Assumptions	
Demolition Cost	\$1.75

Team: 143067

	Year 0	Phase I			Phase II			Phase III			
	0	1	2	3	4	5	6	7	8	9	10
	2014-2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Inflation Factor:	3.00%										
Commercial Infrastructure											
Market-Rate Rental Housing	\$ -	\$ 2,080,051	\$ 4,284,904	\$ -	\$ -	\$ 3,954,794	\$ 515,162	\$ 2,299,044	\$ 1,907,333	\$ 2,757,769	\$ -
Market-Rate For-Sale Housing	-	-	-	390,104	591,117	-	1,117,991	-	-	1,378,884	-
Affordable Rental Housing	-	802,473	-	-	-	4,390,751	3,310,414	-	629,585	-	-
Office	-	566,500	-	-	-	690,348	-	-	-	-	-
Market-Rate Retail	-	845,300	-	225,102	-	-	-	737,924	-	-	-
Hotel	-	-	-	-	-	266,880	137,443	-	-	-	-
Structured Parking	-	-	5,596,460	2,882,177	-	945,774	1,948,295	-	-	-	-
Surface Parking	-	-	-	-	-	-	-	-	-	-	-
Other	-	211,768	428,604	297,222	1,708,462	879,858	-	-	2,135,774	-	-
Subtotal	\$ -	\$ 4,506,092	\$ 10,309,968	\$ 3,794,604	\$ 2,299,580	\$ 11,128,405	\$ 7,029,306	\$ 3,036,969	\$ 4,672,693	\$ 4,136,653	\$ -
Other Infrastructure											
Park/Pavilion	\$ -	\$ 3,348,149	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Green Infrastructure (Roofs)	-	-	-	900,507	-	1,220,818	1,886,164	2,236,911	2,304,018	2,373,138	2,444,333
Streetscape (Bike Trails)	-	888,382	915,033	942,484	-	-	-	-	-	-	-
Community College ⁽¹⁾	-	10,736,602	-	-	-	-	-	-	-	-	-
City Retention Ponds & Underground Water	-	-	-	-	-	-	-	-	-	-	-
Collection Tanks ⁽²⁾	-	4,617,548	-	-	2,238,825	-	-	3,202,314	-	-	-
Subtotal	\$ -	\$ 19,590,681	\$ 915,033	\$ 1,842,991	\$ 2,238,825	\$ 1,220,818	\$ 1,886,164	\$ 5,439,225	\$ 2,304,018	\$ 2,373,138	\$ 2,444,333
Total Infrastructure Costs	\$ -	\$ 24,096,773	\$ 11,225,001	\$ 5,637,595	\$ 4,538,404	\$ 12,349,223	\$ 8,915,470	\$ 8,476,193	\$ 6,976,710	\$ 6,509,791	\$ 2,444,333
Net Present Value of Costs	\$ 64,633,463										

Assumptions	
Park Pavilion Costs PSF	\$ 35.00
Landscaping Costs PSF	20.00
Green Infrastructure (Roofing) Costs PSF ⁽³⁾	25.00
Streetscape (Bike Trails) Costs PSF	20.00
Community College/Culinary School Costs PSF	144.30
City Retention Ponds Costs PSF	170.00
Warehouse Rent PSF	10.50
Discount Rate	9.00%

(1) City of Nashville has subsidized this project and presented \$5 million in partnership funding.

(2) Phillips Jackson Redevelopment TIF District finance is used to cover the cost of enhancing the landscape and building retention ponds.

(3) Source: EPA Website

Team: 143067

	Year 0	Phase I			Phase II			Phase III			
	0	1	2	3	4	5	6	7	8	9	10
	2014-2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue Assumptions											
Phase I											
Inflation Factor	3.00%										
Units Completed		101	202	0	0	0	0	0	0	0	0
Projected Unit Absorption		91	136	61	0	0	0	0	0	0	0
Cumulative Units Leased		91	227	288	288	288	288	288	288	288	288
Average Unit Size	1,000										
Net Rentable Area		101,000	303,000	303,000	303,000	303,000	303,000	303,000	303,000	303,000	303,000
Monthly Rent PSF	\$ 2.15	\$ 2.21	\$ 2.28	\$ 2.35	\$ 2.42	\$ 2.49	\$ 2.57	\$ 2.64	\$ 2.72	\$ 2.81	\$ 2.89
Occupancy Factor		30.00%	75.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%
Phase II Project #1											
Inflation Factor	3.00%										
Units Completed		0	0	0	0	166	0	0	0	0	0
Projected Unit Absorption		0	0	0	0	50	74	33	0	0	0
Cumulative Units Leased		0	0	0	0	50	124	157	157	157	157
Average Unit Size	900										
Net Rentable Area		0	0	0	0	149,400	149,400	149,400	149,400	149,400	149,400
Monthly Rent PSF	\$ 2.15	\$ 2.21	\$ 2.28	\$ 2.35	\$ 2.42	\$ 2.49	\$ 2.57	\$ 2.64	\$ 2.72	\$ 2.81	\$ 2.89
Occupancy Factor		0.00%	0.00%	0.00%	0.00%	30.00%	75.00%	95.00%	95.00%	95.00%	95.00%
Phase II Project #1 (Live-Work)											
Inflation Factor	3.00%										
Units Completed		0	0	0	0	21	21	0	0	0	0
Projected Unit Absorption		0	0	0	12	19	8	0	0	0	0
Cumulative Units Leased		0	0	0	12	31	39	39	39	39	39
Average Unit Size	1,050										
Net Rentable Area		0	0	0	0	22,050	44,100	44,100	44,100	44,100	44,100
Monthly Rent PSF	\$ 2.20	\$ 2.27	\$ 2.33	\$ 2.40	\$ 2.48	\$ 2.55	\$ 2.63	\$ 2.71	\$ 2.79	\$ 2.87	\$ 2.96
Occupancy Factor		0.00%	0.00%	0.00%	30.00%	75.00%	95.00%	95.00%	95.00%	95.00%	95.00%
Phase III Project #1 & #2 (Live-Work)											
Inflation Factor	3.00%										
Units Completed		0	0	0	0	0	0	10	24	0	0
Projected Unit Absorption		0	0	0	0	0	0	10	16	7	0
Cumulative Units Leased		0	0	0	0	0	0	10	26	33	33
Average Unit Size	1,050										
Net Rentable Area		0	0	0	0	0	0	10,500	35,700	35,700	35,700
Monthly Rent PSF	\$ 2.20	\$ 2.27	\$ 2.33	\$ 2.40	\$ 2.48	\$ 2.55	\$ 2.63	\$ 2.71	\$ 2.79	\$ 2.87	\$ 2.96
Occupancy Factor		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	30.00%	75.00%	95.00%	95.00%
Phase III Project's #1 & #2											
Inflation Factor	3.00%										
Units Completed		0	0	0	0	0	0	103	62	0	0
Projected Unit Absorption		0	0	0	0	0	0	50	74	33	0
Cumulative Units Leased		0	0	0	0	0	0	50	124	157	157
Average Unit Size	800										
Net Rentable Area		0	0	0	0	0	0	82,400	132,000	132,000	132,000
Monthly Rent PSF	\$ 2.15	\$ 2.21	\$ 2.28	\$ 2.35	\$ 2.42	\$ 2.49	\$ 2.57	\$ 2.64	\$ 2.72	\$ 2.81	\$ 2.89
Occupancy Factor		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	30.00%	75.00%	95.00%	95.00%
Net Operating Income											
Gross Lease Revenues	\$ -	\$ 2,418,234	\$ 6,213,267	\$ 8,119,399	\$ 8,728,861	\$ 11,082,880	\$ 13,953,826	\$ 17,339,266	\$ 20,827,030	\$ 22,810,149	\$ 23,494,454
Annual Operating Expenses PSF	35.00%	(846,382)	(2,174,643)	(2,841,790)	(3,055,101)	(3,879,008)	(4,883,839)	(6,068,743)	(7,289,461)	(7,983,552)	(8,223,059)
Net Operating Income	\$ -	\$ 1,571,852	\$ 4,038,624	\$ 5,277,609	\$ 5,673,760	\$ 7,203,872	\$ 9,069,987	\$ 11,270,523	\$ 13,537,570	\$ 14,826,597	\$ 15,271,395
Development Costs											
Development Costs PSF	\$ 173.30	\$ 178.50	\$ 183.85	\$ 189.37	\$ 195.05	\$ 200.90	\$ 206.93	\$ 213.14	\$ 219.53	\$ 226.12	\$ 232.90
Percent Built by Year	0.00%	13.83%	28.49%	0.00%	0.00%	26.29%	3.42%	15.28%	12.68%	0.00%	0.00%
Development Costs	\$ -	\$ 18,023,639	\$ 37,128,696	\$ -	\$ -	\$ 34,268,290	\$ 4,463,878	\$ 19,921,218	\$ 16,527,045	\$ -	\$ -
Infrastructure Costs	\$ -	\$ 2,080,051	\$ 4,284,904	\$ -	\$ -	\$ 3,954,794	\$ 515,162	\$ 2,299,044	\$ 1,907,333	\$ 2,757,769	\$ -
Total Development Costs	\$ -	\$ 20,103,690	\$ 41,413,601	\$ -	\$ -	\$ 38,223,084	\$ 4,979,040	\$ 22,220,262	\$ 18,434,378	\$ 2,757,769	\$ -
Annual Cash Flow											
Net Operating Income	\$ -	\$ 1,571,852	\$ 4,038,624	\$ 5,277,609	\$ 5,673,760	\$ 7,203,872	\$ 9,069,987	\$ 11,270,523	\$ 13,537,570	\$ 14,826,597	\$ 15,271,395
Asset Value	6.00%	26,197,535	67,310,392	87,960,153	94,562,662	120,064,538	151,166,454	187,842,048	225,626,161	247,109,949	254,523,248
Costs of Sale	4.50%	-	-	-	-	-	-	-	-	-	(11,453,546)
(Less) Development Costs		(20,103,690)	(41,413,601)	-	-	(38,223,084)	(4,979,040)	(22,220,262)	(18,434,378)	(2,757,769)	-
Net Cash Flow	\$ -	\$ (18,531,838)	\$ (37,374,977)	\$ 5,277,609	\$ 5,673,760	\$ (31,019,211)	\$ 4,090,947	\$ (10,949,739)	\$ (4,896,808)	\$ 12,068,828	\$ 258,341,097
Net Present Value	\$ 48,149,669										
Unleveraged IRR Before Taxes	17.66%										

(1) RS Means Construction Cost Data adjusted for building type using union labor.

Development Assumptions		
	Units	SF
Phase I Project #1	303	302,920
Phase II Project #1	166	149,000
Phase II Project #1 (Live-Work)	41	43,144
Phase III Project's #1 & #2 (Live-Work)	34	36,210
Phase III Project's #1 & #2	166	132,540

Other Assumptions	
Exit Cap Rate	6.00%
Cost of Sale	4.50%
Discount Rate	9.00%

Team: 143067

	Year 0	Phase I			Phase II			Phase III			
	0	1	2	3	4	5	6	7	8	9	10
	2014-2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue Assumptions											
<i>Phase III Project #1 & #2 (Live-Work)</i>											
Inflation Factor	3.00%										
Units Completed		0	0	0	0	0	0	0	0	151	0
Projected Unit Absorption		0	0	0	0	0	0	0	0	68	75
Cumulative Units Leased		0	0	0	0	0	0	0	0	68	143
Average Unit Size	1,050										
Net Rentable Area		0	0	0	0	0	0	0	0	158,550	158,550
Monthly Rent PSF	\$ 2.30	\$ 2.37	\$ 2.44	\$ 2.51	\$ 2.59	\$ 2.67	\$ 2.75	\$ 2.83	\$ 2.91	\$ 3.00	\$ 3.09
Occupancy Factor		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	45.00%	95.00%
Net Operating Income											
Gross Lease Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,571,238	\$ 5,569,378
Annual Operating Expenses PSF	35.00%	-	-	-	-	-	-	-	-	(899,933)	(1,949,282)
Net Operating Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,671,305	\$ 3,620,095
Development Costs											
Development Costs PSF	\$ 173.30	\$ 178.50	\$ 183.85	\$ 189.37	\$ 195.05	\$ 200.90	\$ 206.93	\$ 213.14	\$ 219.53	\$ 226.12	\$ 232.90
Percent Built by Year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%
Development Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,844,097	\$ -
Infrastructure Costs								766,348	635,778		
Total Development Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 766,348	\$ 635,778	\$ 35,844,097	\$ -
Annual Cash Flow											
Net Operating Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,671,305	\$ 3,620,095
Asset Value	6.00%	-	-	-	-	-	-	-	-	27,855,081	60,334,924
Costs of Sale	4.50%	-	-	-	-	-	-	-	-	-	(2,715,072)
(Less) Development Costs		-	-	-	-	-	-	(766,348)	(635,778)	(35,844,097)	-
Net Cash Flow	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (766,348)	\$ (635,778)	\$ (34,172,793)	\$ 61,239,948
Net Present Value	\$ 9,396,019										
Unleveraged IRR Before Taxes	64.25%										

(1) RS Means Construction Cost Data adjusted for building type using union labor.

Development Assumptions		
	Units	SF
Phase III Project's #1 & #2	151	158,520

Other Assumptions	
Exit Cap Rate	6.00%
Cost of Sale	4.50%
Discount Rate	9.00%

Team: 143067

	Year 0	Phase I			Phase II			Phase III			
	0	1	2	3	4	5	6	7	8	9	10
	2014-2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue Assumptions											
Phase I Project											
Inflation Factor	3.00%										
Units Completed		10	20	14	0	0	0	0	0	0	0
Projected Unit Absorption		13	20	9	0	0	0	0	0	0	0
Cumulative Units Leased		13	33	42	42	42	42	42	42	42	42
Average Unit Size	1,000										
Net Rentable Area		10,000	30,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000
Monthly Rent PSF	\$ 2.20	\$ 2.27	\$ 2.33	\$ 2.40	\$ 2.48	\$ 2.55	\$ 2.63	\$ 2.71	\$ 2.79	\$ 2.87	\$ 2.96
Occupancy Factor		30.00%	75.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%
Phase II Project											
Inflation Factor	3.00%										
Units Completed		0	0	0	76	38	0	0	0	0	0
Projected Unit Absorption		0	0	0	0	34	51	23	0	0	0
Cumulative Units Leased		0	0	0	0	34	85	108	108	108	108
Average Unit Size	1,000										
Net Rentable Area		0	0	0	76,000	114,000	114,000	114,000	114,000	114,000	114,000
Monthly Rent PSF	\$ 2.20	\$ 2.27	\$ 2.33	\$ 2.40	\$ 2.48	\$ 2.55	\$ 2.63	\$ 2.71	\$ 2.79	\$ 2.87	\$ 2.96
Occupancy Factor		0.00%	0.00%	0.00%	0.00%	30.00%	75.00%	95.00%	95.00%	95.00%	95.00%
Phase III Project											
Inflation Factor	3.00%										
Units Completed		0	0	0	0	0	0	0	84	0	0
Projected Unit Absorption		0	0	0	0	0	0	0	25	38	17
Cumulative Units Leased		0	0	0	0	0	0	0	25	63	80
Average Unit Size	1,000										
Net Rentable Area		0	0	0	0	0	0	0	84,000	84,000	84,000
Monthly Rent PSF	\$ 2.20	\$ 2.27	\$ 2.33	\$ 2.40	\$ 2.48	\$ 2.55	\$ 2.63	\$ 2.71	\$ 2.79	\$ 2.87	\$ 2.96
Occupancy Factor		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	30.00%	75.00%	95.00%
Net Operating Income											
Gross Lease Revenues	\$ -	\$ 353,496	\$ 924,256	\$ 1,211,616	\$ 1,247,964	\$ 2,325,968	\$ 4,003,419	\$ 4,870,301	\$ 5,852,478	\$ 7,337,001	\$ 8,160,260
Annual Operating Expenses PSF	35.00%	(123,724)	(323,490)	(424,065)	(436,787)	(814,089)	(1,401,196)	(1,704,605)	(2,048,367)	(2,567,950)	(2,856,091)
Net Operating Income	\$ -	\$ 229,772	\$ 600,766	\$ 787,550	\$ 811,177	\$ 1,511,879	\$ 2,602,222	\$ 3,165,695	\$ 3,804,111	\$ 4,769,050	\$ 5,304,169
Development Costs											
Development Costs PSF	\$ 165.00	\$ 169.95	\$ 175.05	\$ 180.30	\$ 185.71	\$ 191.28	\$ 197.02	\$ 202.93	\$ 209.02	\$ 215.29	\$ 221.75
Percent Built by Year	0.00%	2.36%	11.92%	10.47%	0.00%	0.00%	0.00%	0.00%	75.25%	0.00%	0.00%
Development Costs	\$ -	\$ 524,126	\$ 2,651,985	\$ 2,329,475	\$ -	\$ -	\$ -	\$ -	\$ 16,739,132	\$ -	\$ -
Infrastructure Costs	-	2,080,051	-	-	-	-	-	1,379,427	-	-	-
Total Development Costs	\$ -	\$ 2,604,176	\$ 2,651,985	\$ 2,329,475	\$ -	\$ -	\$ -	\$ 1,379,427	\$ 16,739,132	\$ -	\$ -
Annual Cash Flow											
Net Operating Income	\$ -	\$ 229,772	\$ 600,766	\$ 787,550	\$ 811,177	\$ 1,511,879	\$ 2,602,222	\$ 3,165,695	\$ 3,804,111	\$ 4,769,050	\$ 5,304,169
Asset Value	6.00%	-	3,829,540	10,012,774	13,125,837	13,519,612	25,197,981	43,370,368	52,761,589	63,401,843	79,484,173
Costs of Sale	4.50%	-	-	-	-	-	-	-	-	-	-
(Less) Development Costs	-	(2,604,176)	(2,651,985)	(2,329,475)	-	-	-	(1,379,427)	(16,739,132)	-	-
Net Cash Flow	\$ -	\$ (2,374,404)	\$ (2,051,218)	\$ (1,541,925)	\$ 811,177	\$ 1,511,879	\$ 2,602,222	\$ 1,786,269	\$ (12,935,021)	\$ 4,769,050	\$ 89,728,862
Net Present Value	\$ 32,597,168										
Unleveraged IRR Before Taxes	40.89%										

a. RS Means Construction Cost Data adjusted for building type using union labor.

Development Assumptions		
	Units	SF
Phase I Project	44	44,080
Phase II Project	114	113,846
Phase III Project	84	84,300

Other Assumptions	
Exit Cap Rate	6.00%
Cost of Sale	4.50%
Discount Rate	9.00%

Team: 143067

	Year 0	Phase I			Phase II			Phase III			
	0	1	2	3	4	5	6	7	8	9	10
	2014-2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue Assumptions											
Phase I Project #1											
Inflation Factor	3.00%										
Units Completed		0	0	12	0	0	0	0	0	0	0
Projected Units Sold		0	0	4	4	4	0	0	0	0	0
Cumulative Units Sold		0	0	4	8	12	0	0	0	0	0
Average Unit Size	1,500										
Net Usable Area		0	0	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
Sale Price PSF	\$ 205.00	\$ 211.15	\$ 217.48	\$ 224.01	\$ 230.73	\$ 237.65	\$ 244.78	\$ 252.12	\$ 259.69	\$ 267.48	\$ 275.50
Phase II Project #1 & #2											
Inflation Factor	3.00%										
Units Completed		0	0	0	22	0	39	0	0	0	0
Projected Units Sold		0	0	0	7	8	8	13	13	13	0
Cumulative Units Sold		0	0	0	7	15	22	35	48	61	0
Average Unit Size	1,200										
Net Usable Area		0	0	0	26,400	26,400	73,200	73,200	73,200	73,200	73,200
Sale Price PSF	\$ 205.00	\$ 211.15	\$ 217.48	\$ 224.01	\$ 230.73	\$ 237.65	\$ 244.78	\$ 252.12	\$ 259.69	\$ 267.48	\$ 275.50
Net Operating Income											
Sale Revenues		\$ -	\$ -	\$ 1,344,054	\$ 3,807,034	\$ 4,099,483	\$ 2,753,783	\$ 4,916,421	\$ 5,063,913	\$ 5,215,831	\$ -
Builder Profit	10.00%	-	-	(134,405)	(380,703)	(409,948)	(275,378)	(491,642)	(506,391)	(521,583)	-
Cost of Sales	4.50%	-	-	(60,482)	(171,317)	(184,477)	(123,920)	(221,239)	(227,876)	(234,712)	-
Net Operating Income		\$ -	\$ -	\$ 1,149,166	\$ 3,255,014	\$ 3,505,058	\$ 2,354,485	\$ 4,203,540	\$ 4,329,646	\$ 4,459,535	\$ -
Development Costs											
Development Costs PSF	\$ 132.14	\$ 136.10	\$ 140.18	\$ 144.39	\$ 148.72	\$ 153.18	\$ 157.78	\$ 162.51	\$ 167.39	\$ 172.41	\$ 177.58
Percent Built by Year	0.00%	0.00%	0.00%	18.58%	28.16%	0.00%	53.26%	0.00%	0.00%	0.00%	0.00%
Development Costs	\$ -	\$ -	\$ -	\$ 2,577,340	\$ 3,905,399	\$ -	\$ 7,386,355	\$ -	\$ -	\$ -	\$ -
Infrastructure Costs	-	-	-	390,104	591,117	-	1,117,991	-	-	1,378,884	-
Total Development Costs	\$ -	\$ -	\$ -	\$ 2,967,444	\$ 4,496,516	\$ -	\$ 8,504,346	\$ -	\$ -	\$ 1,378,884	\$ -
Annual Cash Flow											
Net Operating Income	\$ -	\$ -	\$ -	\$ 1,149,166	\$ 3,255,014	\$ 3,505,058	\$ 2,354,485	\$ 4,203,540	\$ 4,329,646	\$ 4,459,535	\$ -
(Less) Development Costs	-	-	-	(2,967,444)	(4,496,516)	-	(8,504,346)	-	-	(1,378,884)	-
Net Cash Flow	\$ -	\$ -	\$ -	\$ (1,818,277)	\$ (1,241,503)	\$ 3,505,058	\$ (6,149,862)	\$ 4,203,540	\$ 4,329,646	\$ 3,080,651	\$ -
Net Present Value	\$ 2,218,331										
Unleveraged IRR Before Taxes	27.39%										
Debt and leverage											

Development Assumptions		
	Units	SF
Phase I Project #1	12	17,850
Phase II Project #1 & #2	61	73,075

Other Assumptions	
Builder Profit	10.00%
Cost of Sales	4.50%
Discount Rate	9.00%

Team: 143067

	Year 0	Phase I			Phase II			Phase III			
	0	1	2	3	4	5	6	7	8	9	10
	2014-2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue Assumptions											
Phase I											
Inflation Factor	3.00%										
Units Completed		49	0	0	0	0	0	0	0	0	0
Projected Unit Absorption		19	18	9	3	0	0	0	0	0	0
Cumulative Units Leased		19	37	46	49	49	49	49	49	49	49
Average Unit Size	800										
Net Rentable Area		39,200	39,200	39,200	39,200	39,200	39,200	39,200	39,200	39,200	39,200
Monthly Rent PSF	\$ 1.20	\$ 1.24	\$ 1.27	\$ 1.31	\$ 1.35	\$ 1.39	\$ 1.43	\$ 1.48	\$ 1.52	\$ 1.57	\$ 1.61
Occupancy Factor		40.00%	75.00%	95.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Phase II Project #1											
Inflation Factor	3.00%										
Units Completed		0	0	0	0	0	173	0	0	0	0
Projected Unit Absorption		0	0	0	52	78	35	8	0	0	0
Cumulative Units Leased		0	0	0	52	130	165	173	173	173	173
Average Unit Size	800										
Net Rentable Area		0	0	0	0	0	138,400	138,400	138,400	138,400	138,400
Monthly Rent PSF	\$ 1.20	\$ 1.24	\$ 1.27	\$ 1.31	\$ 1.35	\$ 1.39	\$ 1.43	\$ 1.48	\$ 1.52	\$ 1.57	\$ 1.61
Occupancy Factor		0.00%	0.00%	0.00%	30.00%	75.00%	95.00%	100.00%	100.00%	100.00%	100.00%
Phase II Project #2 (Live-Work)											
Inflation Factor	3.00%										
Units Completed		0	0	0	0	199	0	0	0	0	0
Projected Unit Absorption		0	0	0	60	90	39	10	0	0	0
Cumulative Units Leased		0	0	0	60	150	189	199	199	199	199
Average Unit Size	950										
Net Rentable Area		0	0	0	0	189,050	189,050	189,050	189,050	189,050	189,050
Monthly Rent PSF	\$ 1.40	\$ 1.44	\$ 1.49	\$ 1.53	\$ 1.58	\$ 1.62	\$ 1.67	\$ 1.72	\$ 1.77	\$ 1.83	\$ 1.88
Occupancy Factor		0.00%	0.00%	0.00%	30.00%	75.00%	95.00%	100.00%	100.00%	100.00%	100.00%
Phase III Project #1											
Inflation Factor	3.00%										
Units Completed		0	0	0	0	0	0	0	36	0	0
Projected Unit Absorption		0	0	0	0	0	0	0	11	16	9
Cumulative Units Leased		0	0	0	0	0	0	0	11	27	36
Average Unit Size	700										
Net Rentable Area		0	0	0	0	0	0	0	25,200	25,200	25,200
Monthly Rent PSF	\$ 1.40	\$ 1.44	\$ 1.49	\$ 1.53	\$ 1.58	\$ 1.62	\$ 1.67	\$ 1.72	\$ 1.77	\$ 1.83	\$ 1.88
Occupancy Factor		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	30.00%	75.00%	100.00%
Net Operating Income											
Gross Lease Revenues	\$ -	\$ 225,446	\$ 452,198	\$ 579,058	\$ 2,087,504	\$ 4,393,741	\$ 5,543,459	\$ 5,964,790	\$ 6,304,259	\$ 6,733,882	\$ 7,075,236
Annual Operating Expenses	35.00%	(78,906)	(158,269)	(202,670)	(730,626)	(1,537,810)	(1,940,211)	(2,087,676)	(2,206,491)	(2,356,859)	(2,476,333)
Net Operating Income	\$ -	\$ 146,540	\$ 293,929	\$ 376,388	\$ 1,356,877	\$ 2,855,932	\$ 3,603,249	\$ 3,877,113	\$ 4,097,768	\$ 4,377,023	\$ 4,598,903
Development Costs											
Development Costs PSF	\$ 99.00	\$ 101.97	\$ 105.03	\$ 108.18	\$ 111.43	\$ 114.77	\$ 118.21	\$ 121.76	\$ 125.41	\$ 129.17	\$ 133.05
Percent Built by Year	0.00%	8.79%	0.00%	0.00%	0.00%	48.07%	36.25%	0.00%	6.89%	0.00%	0.00%
Development Costs	\$ -	\$ 3,972,241	\$ -	\$ -	\$ -	\$ 21,734,215	\$ 16,386,552	\$ -	\$ 3,116,444	\$ -	\$ -
Infrastructure Costs		641,978	-	-	-	4,390,751	3,310,414	-	629,585	-	-
Total Development Costs	\$ -	\$ 4,614,220	\$ -	\$ -	\$ -	\$ 26,124,966	\$ 19,696,966	\$ -	\$ 3,746,029	\$ -	\$ -
Annual Cash Flow											
Net Operating Income	\$ -	\$ 146,540	\$ 293,929	\$ 376,388	\$ 1,356,877	\$ 2,855,932	\$ 3,603,249	\$ 3,877,113	\$ 4,097,768	\$ 4,377,023	\$ 4,598,903
Asset Value	7.25%	-	2,021,244	4,054,189	5,191,554	18,715,550	39,392,165	49,699,981	53,477,426	56,520,940	60,372,737
Costs of Sale	4.50%	-	-	-	-	-	-	-	-	-	-
(Less) Development Costs		(4,614,220)	-	-	-	(26,124,966)	(19,696,966)	-	(3,746,029)	-	-
Net Cash Flow	\$ -	\$ (4,467,680)	\$ 293,929	\$ 376,388	\$ 1,356,877	\$ (23,269,034)	\$ (16,093,717)	\$ 3,877,113	\$ 351,739	\$ 4,377,023	\$ 65,177,561
Net Present Value	\$ 4,525,508										
Unleveraged IRR Before Taxes	12.45%										

Development Assumptions		
	Units	SF
Phase I Project #1	49	38,955
Phase II Project #1 (Live-Work)	199	189,375
Phase II Project #1	173	138,621
Phase III Project #1	36	24,850

Other Assumptions	
Exit Cap Rate	7.25%
Cost of Sale	4.50%
Discount Rate	9.00%

Team: 143067

	Year 0	Phase I			Phase II			Phase III			
	0	1	2	3	4	5	6	7	8	9	10
	2014-2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue Assumptions											
Office (Existing)											
Inflation Factor	3.00%										
GLA Absorbed (SF)	152,000	152,000	152,000	152,000	152,000	152,000	152,000	0	0	0	0
Net Rentable Area	90.00%	136,800	136,800	136,800	136,800	136,800	136,800	0	0	0	0
Vacancy Factor	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	100.00%	100.00%	100.00%	100.00%
Net Lease Revenue PSF ⁽¹⁾	\$ 18.54	\$ 23.00	\$ 24.40	\$ 25.13	\$ 25.89	\$ 26.66	\$ 27.46	\$ 28.29	\$ 29.14	\$ 30.01	\$ 30.91
Office Flex Use											
Inflation Factor	3.00%										
GLA Absorbed (SF) (2)	0	7,196	12,246	12,926	12,926	12,926	12,926	50,875	93,038	130,987	168,936
Net Rentable Area	90.00%	0	6,476	11,021	11,633	11,633	11,633	45,787	83,735	117,888	152,042
Vacancy Factor	100.00%	100.00%	100.00%	50.00%	12.90%	12.90%	12.90%	11.00%	11.00%	11.00%	11.00%
Net Lease Revenue PSF	\$ 18.80	\$ 19.36	\$ 19.94	\$ 20.54	\$ 21.16	\$ 21.79	\$ 22.45	\$ 23.12	\$ 23.82	\$ 24.53	\$ 25.27
Office Tower I (Mid-Rise)											
Inflation Factor	3.00%										
GLA Absorbed (SF)	0	0	0	0	0	29,775	29,775	29,775	29,775	29,775	29,775
Net Rentable Area	90.00%	0	0	0	0	26,798	26,798	26,798	26,798	26,798	26,798
Vacancy Factor	100.00%	100.00%	100.00%	50.00%	12.90%	12.90%	12.90%	11.00%	11.00%	11.00%	11.00%
Net Lease Revenue PSF	\$ 23.59	\$ 24.30	\$ 25.03	\$ 25.78	\$ 26.55	\$ 27.35	\$ 28.17	\$ 29.01	\$ 29.88	\$ 30.78	\$ 31.70
Net Operating Income											
Leasing Revenues	\$ 2,155,831	\$ 2,674,440	\$ 2,837,313	\$ 3,041,927	\$ 3,224,509	\$ 3,959,547	\$ 4,078,333	\$ 1,634,167	\$ 2,487,508	\$ 3,307,761	\$ 4,174,990
Expenses Reimbursements	1,279,080	1,317,452	1,356,976	1,467,602	1,565,065	1,909,656	1,966,946	873,954	1,370,782	1,848,177	2,352,982
(Less) Operating Expenses	(1,504,800)	(1,623,322)	(1,725,061)	(1,784,169)	(1,837,694)	(2,234,547)	(2,301,583)	(981,970)	(1,540,205)	(2,076,604)	(2,643,800)
Net Operating Income	\$ 1,930,111	\$ 2,368,571	\$ 2,469,228	\$ 2,725,360	\$ 2,951,880	\$ 3,634,656	\$ 3,743,696	\$ 1,526,151	\$ 2,318,086	\$ 3,079,334	\$ 3,884,172
Development Costs											
Development Costs PSF (Flex Garages/Offices)	\$ 83.30	\$ 85.79	\$ 88.37	\$ 91.02	\$ 93.75	\$ 96.56	\$ 99.46	\$ 102.44	\$ 105.52	\$ 108.68	\$ 111.94
Development Costs PSF	208.24	214.49	220.92	227.55	234.38	241.41	248.65	256.11	263.79	271.71	279.86
Percent Built By Year	32.60%	30.38%	0.00%	0.00%	0.00%	37.02%	0.00%	0.00%	0.00%	0.00%	0.00%
Development Costs (Flex Garages/Offices)	\$ -	\$ 881,972	\$ 1,785,050	\$ 1,237,870	\$ -	\$ -	\$ -	\$ -	\$ 8,895,082	\$ -	\$ -
Development Costs	2,532,201	2,359,361	-	-	-	2,875,163	-	-	-	-	-
Infrastructure Costs	-	566,500	-	-	-	690,348	-	-	-	-	-
Total Development Costs	\$ 2,532,201	\$ 3,807,834	\$ 1,785,050	\$ 1,237,870	\$ -	\$ 3,565,511	\$ -	\$ -	\$ 8,895,082	\$ -	\$ -
Annual Cash Flow											
Net Operating Income	\$ 1,930,111	\$ 2,368,571	\$ 2,469,228	\$ 2,725,360	\$ 2,951,880	\$ 3,634,656	\$ 3,743,696	\$ 1,526,151	\$ 2,318,086	\$ 3,079,334	\$ 3,884,172
Asset Value	7.50%	25,734,816	31,580,944	32,923,045	36,338,130	39,358,395	48,462,084	49,915,946	20,348,675	30,907,807	41,057,792
Costs of Sale	4.50%	-	-	-	-	-	-	-	-	-	(2,330,503)
(Less) Development Costs	(2,532,201)	(3,807,834)	(1,785,050)	(1,237,870)	-	(3,565,511)	-	-	(8,895,082)	-	-
Net Cash Flow	\$ (602,090)	\$ (1,439,263)	\$ 684,178	\$ 1,487,489	\$ 2,951,880	\$ 69,146	\$ 3,743,696	\$ 1,526,151	\$ (6,576,996)	\$ 3,079,334	\$ 53,342,628
Net Present Value	\$ 25,654,727										
Unleveraged IRR Before Taxes	65.36%										

(1) Rent increases to \$23/SF after a \$5 million energy retrofit funded through Pathway Lending applied in year 2016. Building Demolished in 2022 to accommodate new mixed-use apartment complex.

(2) 130,000 SF had been reduced from the flex space parking starting in year 2021, and this area was redesigned for office use

Development Assumptions			
	Gross SF	Net SF	Gross Flex SF
Thrident Financial (Existing)	152,000	136,800	
Office Tower I (Mid-Rise)	29,775	26,798	37,949
Office Flex Space	17,331	15,598	

Other Assumptions	
Operating Expenses PSF	\$ 11.00
Exit Cap Rate	7.50%
Cost of Sale	4.50%
Discount Rate	9.00%

Team: 143067

	Year 0	Phase I			Phase II			Phase III			
	0	1	2	3	4	5	6	7	8	9	10
	2014-2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue Assumptions											
Phase I Market											
Inflation Factor	3.00%										
GLA Absorbed (SF)	0	17,266	17,266	17,266	17,266	17,266	17,266	17,266	17,266	17,266	17,266
Net Rentable Area	90.00%	0	15,539	15,539	15,539	15,539	15,539	15,539	15,539	15,539	15,539
Vacancy Factor	100.00%	100.00%	30.00%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%
Net Lease Revenue PSF	\$ 20.00	\$ 20.60	\$ 21.22	\$ 21.85	\$ 22.51	\$ 23.19	\$ 23.88	\$ 24.60	\$ 25.34	\$ 26.10	\$ 26.88
Phase I Boutique Retail											
Inflation Factor	3.00%										
GLA Absorbed (SF)	0	10,300	10,300	10,300	10,300	10,300	10,300	10,300	10,300	10,300	10,300
Net Rentable Area	90.00%	0	9,270	9,270	9,270	9,270	9,270	9,270	9,270	9,270	9,270
Vacancy Factor	100.00%	100.00%	30.00%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%
Net Lease Revenue PSF	\$ 30.00	\$ 30.90	\$ 31.83	\$ 32.78	\$ 33.77	\$ 34.78	\$ 35.82	\$ 36.90	\$ 38.00	\$ 39.14	\$ 40.32
Phase I Parking Retail											
Inflation Factor	3.00%										
GLA Absorbed (SF)	0	0	0	0	0	0	0	0	0	0	0
Net Rentable Area	90.00%	0	0	0	0	0	0	0	0	0	0
Vacancy Factor	100.00%	100.00%	50.00%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%
Net Lease Revenue PSF	\$ 20.00	\$ 20.60	\$ 21.22	\$ 21.85	\$ 22.51	\$ 23.19	\$ 23.88	\$ 24.60	\$ 25.34	\$ 26.10	\$ 26.88
Phase I Retail											
Inflation Factor	3.00%										
GLA Absorbed (SF)	0	0	23,768	23,768	23,768	23,768	23,768	23,768	23,768	23,768	23,768
Net Rentable Area	90.00%	0	21,391	21,391	21,391	21,391	21,391	21,391	21,391	21,391	21,391
Vacancy Factor	100.00%	100.00%	50.00%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%
Net Lease Revenue PSF	\$ 20.00	\$ 20.60	\$ 21.22	\$ 21.85	\$ 22.51	\$ 23.19	\$ 23.88	\$ 24.60	\$ 25.34	\$ 26.10	\$ 26.88
Phase II Restaurants 1											
Inflation Factor	3.00%										
GLA Absorbed (SF)	0	0	0	0	0	0	0	0	0	0	0
Net Rentable Area	90.00%	0	0	0	0	0	0	0	0	0	0
Vacancy Factor	100.00%	100.00%	100.00%	100.00%	100.00%	50.00%	13.30%	13.30%	13.30%	13.30%	13.30%
Net Lease Revenue PSF	\$ 30.00	\$ 30.90	\$ 31.83	\$ 32.78	\$ 33.77	\$ 34.78	\$ 35.82	\$ 36.90	\$ 38.00	\$ 39.14	\$ 40.32
Phase III Cumberland Market											
Inflation Factor	3.00%										
GLA Absorbed (SF)	0	0	0	0	0	0	0	30,000	30,000	30,000	30,000
Net Rentable Area	100.00%	0	0	0	0	0	0	30,000	30,000	30,000	30,000
Vacancy Factor	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	13.30%	13.30%	13.30%	13.30%
Net Lease Revenue PSF	\$ 30.00	\$ 30.90	\$ 31.83	\$ 32.78	\$ 33.77	\$ 34.78	\$ 35.82	\$ 36.90	\$ 38.00	\$ 39.14	\$ 40.32
Net Operating Income											
Leasing Revenues	\$ -	\$ -	\$ 664,265	\$ 963,227	\$ 992,124	\$ 1,021,888	\$ 1,052,544	\$ 2,043,791	\$ 2,105,105	\$ 2,168,258	\$ 2,233,306
Expenses Reimbursements	-	-	267,941	393,932	405,750	417,922	430,460	731,275	753,213	775,809	799,084
(Less) Operating Expenses	-	(229,983)	(441,128)	(454,362)	(467,993)	(482,032)	(496,493)	(843,454)	(868,758)	(894,820)	(921,665)
Net Operating Income	\$ -	\$ (229,983)	\$ 491,078	\$ 902,797	\$ 929,881	\$ 957,777	\$ 986,511	\$ 1,931,612	\$ 1,989,560	\$ 2,049,247	\$ 2,110,724
Development Costs											
Development Costs PSF (Retail)	\$ 128.37	\$ 132.22	\$ 136.19	\$ 140.27	\$ 144.48	\$ 148.81	\$ 153.28	\$ 157.88	\$ 162.61	\$ 167.49	\$ 172.52
Development Costs PSF (Restaurant)	215.08	221.53	228.18	235.03	242.08	249.34	256.82	264.52	272.46	280.63	289.05
Development Costs PSF (Grocery Store)	103.77	106.89	110.09	113.40	116.80	120.30	123.91	127.63	131.46	135.40	139.46
Percent Built by Year	0.00%	29.01%	20.57%	0.00%	0.00%	0.00%	0.00%	50.43%	0.00%	0.00%	0.00%
Development Costs	\$ -	\$ 4,564,713	\$ 3,236,880	\$ -	\$ -	\$ -	\$ -	\$ 7,935,712	\$ -	\$ -	\$ -
Infrastructure Costs	-	845,300	-	225,102	-	-	-	737,924	-	-	-
Total Development Costs	\$ -	\$ 5,410,014	\$ 3,236,880	\$ 225,102	\$ -	\$ -	\$ -	\$ 8,673,636	\$ -	\$ -	\$ -
Annual Cash Flow											
Net Operating Income	\$ -	\$ (229,983)	\$ 491,078	\$ 902,797	\$ 929,881	\$ 957,777	\$ 986,511	\$ 1,931,612	\$ 1,989,560	\$ 2,049,247	\$ 2,110,724
Asset Value	7.50%	-	(3,066,442)	6,547,703	12,037,294	12,398,413	12,770,365	13,153,476	25,754,824	26,527,469	27,323,293
Costs of Sale	4.50%	-	-	-	-	-	-	-	-	-	(1,266,435)
(Less) Development Costs	-	(5,410,014)	(3,236,880)	(225,102)	-	-	-	(8,673,636)	-	-	-
Net Cash Flow	\$ -	\$ (5,639,997)	\$ (2,745,802)	\$ 677,695	\$ 929,881	\$ 957,777	\$ 986,511	\$ (6,742,024)	\$ 1,989,560	\$ 2,049,247	\$ 28,987,282
Net Present Value	\$ 5,405,821										
Unleveraged IRR Before Taxes	16.49%										

Development Assumptions		
	Gross SF	Net SF
Phase I Market	17,266	15,539
Phase I Hotel & Parking Restaurants	10,300	9,270
Phase I Parking Retail	0	0
Phase I Thrident Retail	23,768	21,391
Phase II Restaurants 1	0	0
Phase III Cumberland Market	30,000	30,000

Other Assumptions	
Operating Expenses PSF	\$ 9.00
Exit Cap Rate	7.50%
Cost of Sale	4.50%
Discount Rate	9.00%

Team: 143067

	Year 0	Phase I			Phase II			Phase III			
	0	1	2	3	4	5	6	7	8	9	10
	2014-2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue Assumptions											
Inflation Factor 3.00%											
Rooms Completed	0	0	0	0	0	23	12	0	0	0	0
Vacancy Factor 100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	40.00%	40.00%	40.00%	40.00%
Occupancy Factor 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	30.00%	60.00%	60.00%	60.00%	60.00%
Average Daily Room Rate \$ 100.00	\$ 100.00	\$ 103.00	\$ 106.09	\$ 109.27	\$ 112.55	\$ 115.93	\$ 119.41	\$ 122.99	\$ 126.68	\$ 130.48	\$ 134.39
Net Operating Income											
Room Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 457,621	\$ 942,698	\$ 970,979	\$ 1,000,109	\$ 1,030,112
Annual Operating Expenses 65.00%	-	-	-	-	-	-	(297,453)	(612,754)	(631,137)	(650,071)	(669,573)
Net Operating Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 160,167	\$ 329,944	\$ 339,843	\$ 350,038	\$ 360,539
Development Costs											
Development Costs PSF	\$ 151.72	\$ 156.27	\$ 160.96	\$ 165.78	\$ 170.76	\$ 175.88	\$ 181.16	\$ 186.59	\$ 192.19	\$ 197.96	\$ 203.89
Percent Built by Year 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	66.01%	33.99%	0.00%	0.00%	0.00%	0.00%
Development Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,024,509	\$ 1,042,622	\$ -	\$ -	\$ -	\$ -
Infrastructure Costs	-	-	-	-	-	266,880	137,443	-	-	-	-
Total Development Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,291,389	\$ 1,180,065	\$ -	\$ -	\$ -	\$ -
Annual Cash Flow											
Net Operating Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 160,167	\$ 329,944	\$ 339,843	\$ 350,038	\$ 360,539
Asset Value 8.50%	-	-	-	-	-	-	-	-	-	-	4,241,637
Costs of Sale 4.50%	-	-	-	-	-	-	-	-	-	-	(190,874)
(Less) Development Costs	-	-	-	-	-	(2,291,389)	(1,180,065)	-	-	-	-
Net Cash Flow	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,291,389)	\$ (1,019,898)	\$ 329,944	\$ 339,843	\$ 350,038	\$ 4,411,303
Net Present Value	\$ 278,218										
Unleveraged IRR Before Taxes	12.23%										

Development Assumptions		
	Units	SF
Hotel	35	17,266

Other Assumptions	
Exit Cap Rate	8.50%
Cost of Sale	4.50%
Discount Rate	9.00%

Team: 143067

	Year 0	Phase I			Phase II			Phase III			
	0	1	2	3	4	5	6	7	8	9	10
	2014-2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue Assumptions											
Parking Garage #1											
Inflation Factor	3.00%										
Structured Parking Spaces	0	0	0	824	824	824	824	824	824	824	824
Total SF	0	0	0	263,760	263,760	263,760	263,760	225,811	225,811	225,811	225,811
Monthly Parking Fee	\$ 175.00	\$ 180.25	\$ 185.66	\$ 191.23	\$ 196.96	\$ 202.87	\$ 208.96	\$ 215.23	\$ 221.68	\$ 228.34	\$ 235.19
Allocation to Monthly Use	60.00%										
Percent Occupancy by Monthly Contracts	60.00%										
Nonwork Days	104										
Daily Parking Hours	24										
Percent Utilization	30.00%										
Work Days	261										
Daily Parking Hours	24										
Percent Utilization	30.00%										
Hourly Parking Rate	\$ 1.25	\$ 1.29	\$ 1.33	\$ 1.37	\$ 1.41	\$ 1.45	\$ 1.49	\$ 1.54	\$ 1.58	\$ 1.63	\$ 1.68
Operating Expenses PSF	0.50	0.52	0.53	0.55	0.56	0.58	0.60	0.61	0.63	0.65	0.67
Parking Garage #2											
Inflation Factor	3.00%										
Structured Parking Spaces	0	0	0	412	412	412	412	706	706	706	706
Total SF	0	0	0	131,880	131,880	131,880	131,880	131,880	131,880	131,880	131,880
Monthly Parking Fee	\$ 175.00	\$ 180.25	\$ 185.66	\$ 191.23	\$ 196.96	\$ 202.87	\$ 208.96	\$ 215.23	\$ 221.68	\$ 228.34	\$ 235.19
Allocation to Monthly Use	60.00%										
Percent Occupancy by Monthly Contracts	60.00%										
Nonwork Days	104										
Daily Parking Hours	24										
Percent Utilization	30.00%										
Work Days	261										
Daily Parking Hours	24										
Percent Utilization	30.00%										
Hourly Parking Rate	\$ 1.25	\$ 1.29	\$ 1.33	\$ 1.37	\$ 1.41	\$ 1.45	\$ 1.49	\$ 1.54	\$ 1.58	\$ 1.63	\$ 1.68
Operating Expenses PSF	0.50	0.52	0.53	0.55	0.56	0.58	0.60	0.61	0.63	0.65	0.67
Parking Garage #3											
Inflation Factor	3.00%										
Structured Parking Spaces	0	0	0	0	0	0	0	0	0	0	0
Total SF	0	0	0	0	0	0	0	0	0	0	0
Monthly Parking Fee	\$ 175.00	\$ 180.25	\$ 185.66	\$ 191.23	\$ 196.96	\$ 202.87	\$ 208.96	\$ 215.23	\$ 221.68	\$ 228.34	\$ 235.19
Allocation to Monthly Use	60.00%										
Percent Occupancy by Monthly Contracts	60.00%										
Nonwork Days	104										
Daily Parking Hours	24										
Percent Utilization	30.00%										
Work Days	261										
Daily Parking Hours	24										
Percent Utilization	30.00%										
Hourly Parking Rate	\$ 1.25	\$ 1.29	\$ 1.33	\$ 1.37	\$ 1.41	\$ 1.45	\$ 1.49	\$ 1.54	\$ 1.58	\$ 1.63	\$ 1.68
Operating Expenses PSF	0.50	0.52	0.53	0.55	0.56	0.58	0.60	0.61	0.63	0.65	0.67
Net Operating Income											
Parking Revenue (Monthly)	\$ -	\$ -	\$ -	\$ 1,702,286	\$ 1,753,354	\$ 1,805,955	\$ 1,860,133	\$ 2,370,812	\$ 2,441,936	\$ 2,515,194	\$ 2,590,650
Parking Revenue (Hourly)	-	-	-	4,438,102	4,571,245	4,708,382	4,849,634	6,181,046	6,366,477	6,557,471	6,754,195
(Less) Operating Expenses	-	-	-	(216,163)	(222,648)	(229,328)	(236,207)	(219,958)	(226,556)	(233,353)	(240,354)
Net Operating Income	\$ -	\$ -	\$ -	\$ 5,924,224	\$ 6,101,951	\$ 6,285,009	\$ 6,473,560	\$ 8,331,900	\$ 8,581,857	\$ 8,839,313	\$ 9,104,492
Development Costs											
Development Costs PSF	\$ 75.60	\$ 77.87	\$ 80.20	\$ 82.61	\$ 85.09	\$ 87.64	\$ 90.27	\$ 92.98	\$ 95.77	\$ 98.64	\$ 101.60
Percent Built by Year	0.00%	0.00%	49.21%	25.34%	0.00%	8.32%	17.13%	0.00%	0.00%	0.00%	0.00%
Development Costs	\$ -	\$ -	\$ 21,154,618	\$ 10,894,628	\$ -	\$ 3,575,027	\$ 7,364,556	\$ -	\$ -	\$ -	\$ -
Infrastructure Costs	-	-	5,596,460	2,882,177	-	945,774	1,948,295	-	-	-	-
Total Development Costs	\$ -	\$ -	\$ 26,751,077	\$ 13,776,805	\$ -	\$ 4,520,802	\$ 9,312,852	\$ -	\$ -	\$ -	\$ -
Annual Cash Flow											
Net Operating Income	\$ -	\$ -	\$ -	\$ 5,924,224	\$ 6,101,951	\$ 6,285,009	\$ 6,473,560	\$ 8,331,900	\$ 8,581,857	\$ 8,839,313	\$ 9,104,492
Asset Value	11.00%	-	-	53,856,584	55,472,281	57,136,450	58,850,543	75,744,546	78,016,882	80,357,388	82,768,110
Costs of Sale	4.50%	-	-	-	-	-	-	-	-	-	(3,724,565)
(Less) Development Costs	-	-	(26,751,077)	(13,776,805)	-	(4,520,802)	(9,312,852)	-	-	-	-
Net Cash Flow	\$ -	\$ -	\$ (26,751,077)	\$ (7,852,581)	\$ 6,101,951	\$ 1,764,208	\$ (2,839,292)	\$ 8,331,900	\$ 8,581,857	\$ 8,839,313	\$ 88,148,037
Net Present Value	\$ 25,366,261										
Unleveraged IRR Before Taxes	19.88%										

Development Assumptions					
	Spaces	SF	Flex SF Deducted	New Spaces	New Parking SF
Parking Garage #1	824	263,760			
Parking Garage #2	412	131,880	37,949	706	225,811
Parking Garage #3	0	0			

Other Assumptions	
SF Per Parking Space	\$ 320.00
Exit Cap Rate	11.00%
Cost of Sale	4.50%
Discount Rate	9.00%

ULI Urban Design Competition											
TIF PAYG Projection											
	Year 0	Phase I			Phase II			Phase III			
	0	1	2	3	4	5	6	7	8	9	10
Public Financing Source - TIF	Construction Start	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Projected Property Value		\$ 54,909,157	\$ 58,253,125	\$ 63,654,762	\$ 71,643,995	\$ 83,055,026	\$ 99,172,045	\$ 121,969,106	\$ 154,506,815	\$ 201,596,349	\$ 270,928,635
Assessed Value ⁽¹⁾		11,780,000	11,780,000	11,780,000	11,780,000	11,780,000	11,780,000	11,780,000	11,780,000	11,780,000	11,780,000
Freeze Original Parcels		-	11,780,000	11,780,000	11,780,000	11,780,000	11,780,000	11,780,000	11,780,000	11,780,000	11,780,000
Frozen Property Tax	4.50%	530,100	530,100	530,100	530,100	530,100	530,100	530,100	530,100	530,100	530,100
New Property tax	4.50%	530,100	530,100	2,621,391	2,864,464	3,223,980	3,737,476	4,462,742	5,488,610	6,952,807	9,071,836
Increment		-	-	2,091,291	2,334,364	2,693,880	3,207,376	3,932,642	4,958,510	6,422,707	8,541,736
Cumulative		-	-	2,091,291	4,425,655	7,119,535	10,326,911	14,259,553	19,218,063	25,640,769	34,182,505

(1) Valued parcels are K3,i1 to i8, F1 to F9.

a. TIF PAYG Projection

Total \$ 34,182,505

Financing Assumptions	
Increase Property Value	1.27%
Inflation Rate	3.00%
New Property Tax	4.50%