

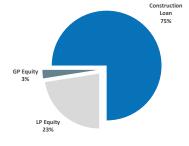
Construction Financing	
Construction LTC	75.00%
Construction Loan Interest	4.00%
Libor	4.00%
Lender Spread	0.00%
Add'l Spread	0.00%
Last Disbursement	30 months
Construction Loan Term	30 months
Total Interest Carry	691,754
Max Loan Balance	9,121,137

Mini-Perm #1	used?	N
Mini-Perm #1 I/R		5.00%
Mini-Perm #1 Amort		360 months
Mini-Perm #1 Term		12 months
Mini-Perm #1 Fee		\$ 22,803
Mini-Perm #2	used?	N
Mini-Perm #2 I/R		5.00%
Mini-Perm #2 Amort		360 months
Mini-Perm #2 Term		12 months
Mini-Perm #2 Fee		\$ 22,803

Permanent Financing	
Perm Loan Funding Date	Month 30
Perm Loan Recourse Fee	0.0%
Perm Loan LTV	80%
Perm Loan CAP Rate	5.5%
Perm Loan NOI Used2	\$ 700,415
Perm Loan Amount	\$ 9,000,000
Perm Loan Amount Override3	\$ 9,000,000
Perm Loan Interest	5.00%
Perm Loan Amortization	360 months

Mezz Debt						
\$	-	Mezz Loan Amount				
2.0% I/R - Stated						
(	0.0%	I/R - Paid				
Stated I	Rate	Mezz Payback Type				

Disposition		
Month of Sale	12/31/2022	Month 60
Sale NOI Forward 12		\$ 861,391
Sale CAP Rate		5.00%
Sale Amount	\$ 351,588	\$ 17,227,813
Cost of Sale		1.00%
Stabilized NOI / Input Occ %	93%	\$ 791,870
Breakeven NOI Month		31
Breakeven NOI F-12		\$ 479,791



RETAIL METRICS	
Retail Square Feet	
Stabilized Retail NOI	\$ -
Retail Return on Cost	0.0%
Development Cost (Pro Rata Retail)	\$ -
OFFICE METRICS	
Office Square Feet	-
Stabilized Office NOI	\$ -
Office Return on Cost	0.0%
Development Cost (Pro Rata Office)	\$ -

# NET OPERATING INCOME



# **Exit Cap Rate Values**

12,305,580	13,252,164	14,356,510	15,661,648	17,227,813
7.00%	6.5%	6.0%	5.50%	5.00%

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Net Rental Revenue	-	-	610,060	1,231,089	1,268,534	1,307,118	1,346,876	1,387,843	1,430,056	1,473,552
Total Other Income	-	-	5,248	10,490	10,805	11,129	11,463	11,807	12,161	12,526
Total Effective Revenue	-	-	615,308	1,241,579	1,279,339	1,318,247	1,358,339	1,399,649	1,442,217	1,486,078
Expenses										
Controllable Expenses										
Utilities (Net of Reimb)	-	10,829	24,853	33,799	34,475	35,165	35,868	36,586	37,317	38,064
Combined Utilities	-	-	24,033	33,733	-	-	-	30,300	37,317	-
Unit Turns		2,999	4,588	4,680	4,774	4,869	4,966	5,066	5,167	5,270
Repairs & Maintenance	-	3,665	5,608	5,720	5,834	5,951	6,070	6,191	6,315	6,442
Marketing		3,998	6,118	6.240	6,365	6,492	6,622	6,754	6,889	7,027
General and Administrative	_	2,332	3,569	3,640	3,713	3,787	3,863	3,940	4,019	4.099
Access System Contract		2,999	4,588	4,680	4,774	4,869	4,966	5,066	5,167	5,270
Custodial Contract	-	3,665	5,608	5,720	5,834	5,951	6,070	6,191	6,315	6,442
Elevator Contract		3,998	6,118	6.240	6,365	6,492	6,622	6,754	6,889	7,027
Exterminating Contract	-	2,332	3,569	3,640	3,713	3,787	3,863	3,940	4,019	4,099
Fire Protection Contract		2,999	4,588	4.680	4,774	4.869	4,966	5,066	5.167	5,270
Landscaping Contract	_	3,665	5,608	5,720	5,834	5,951	6,070	6,191	6,315	6,442
Security Contract		3,998	6,118	6,240	6,365	6,492	6,622	6,754	6,889	7,027
Snow Removal Contract	-	2,332	3,569	3,640	3.713	3,787	3,863	3,940	4,019	4,099
Trash Removal Contract		3,332	5,098	5,200	5,304	5,410	5,518	5,629	5.741	5,856
Managers / Leasing Consultant	_	3,332	5,098	5,200	5,304	5,410	5,518	5,629	5,741	5,856
Real Estate Taxes (Stabilized)		3,332	148,691	259,996	265,196	270,500	275,910	281.428	287.057	292,798
Insurance			8,921	15,600	15,912	16,230	16,555	16,886	17,223	17,568
ilisurance		-	0,321	13,000	13,312	10,230	10,555	10,000	17,223	17,500
						-		-	-	-
	-	-	-	-	-			-	-	
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Management Expense Fee			24.612	49.663	51,174	52,730	54,334	55,986	57,689	59,443
Total Controllable/Non-Controllable Expenses		56.477	276.919	430.297	439,420	448.742	458.265	467.997	477.939	488.099
Replacement Reserves		30,477	4,461	7.800	7,956	8,115	8,277	8,443	8,612	8,784
Replacement Reserves	-	-	4,401	7,800	7,950	0,113	0,277	0,443	0,012	0,704
Total Operating Expenses	-	56,477	281,380	438,097	447,376	456,857	466,543	476,439	486,551	496,883
Net Operating Income		(56,477)	333,928	803,482	831,963	861,391	891,796	923,210	955,665	989,195
Cash on Cash	0.00%	0.00%	1.07%	7.36%	8.70%					
DSC Ratio			0.64	1.39	1.48					
Debt Yield	0.00%	-0.65%	3.71%	9.08%	10.41%					
Return on Cost	0.00%	-0.47%	2.75%	6.61%	6.84%	7.08%	7.33%	7.59%	7.86%	8.13%
Rent Growth	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
SOURCES		Growth Com	pounding	Monthly						
I D Equity (Loss Morr Dobt) 2 726 E20				,		Woightod	Augrage	T	AND ACREACE	

LP Equity (Less Mezz Debt)	2,736,53
GP Equity	304,06
Construction Loan Draws	9,121,79
Mezzanine Debt	
Mezzanine Int Reserve	-
otal Sources	12,162,39

USES	
Land or Acq. Price	4,900,000
Financing Costs/Contingenc	302,500
Other Development Costs	125,000
Operating Deficit	93,141
Hard Costs	6,050,000
Soft Costs Exc Int Res and O	-
Interest Reserve	691,754
Mezz Interest Reserve Payn	-
Total Uses	12,162,395

DEVELOPMENT TIMING	
Permit Stage	5
Construction Duration	30
Total Development Cycle	35

ipouliulig	iviolitilly				
		Weighted Average			LAND ACREAGE
		\$/SqFt/Month	<b>Monthly Rent</b>		1.00
		\$3.57	\$ 2,031		
		Bedrooms	Units	% of Units	Avg Rent
		1 Bedrooms	41	84%	\$1,903
		2 Bedrooms	8	16%	\$2,684
		3 Bedrooms	0	0%	\$0

beuroom #	Offic Type	rioorpian	Ullits	76 UI TULAI	TOLAI SYFL	Avg Ullit Sqrt	Rent / Syrt	Monthly Kent
1	Studio	1A	10	20.4%	4,530	453	\$3.97	\$1,800
1	1x1	1B	11	22.4%	5,787	526	\$3.53	\$1,856
1	Open 1 Bed	1C	19	38.8%	10,735	565	\$3.48	\$1,964
1	x1 + large pati	1C	1	2.0%	552	552	\$4.17	\$2,300
2	2x1	2A	7	14.3%	5,332	762	\$3.42	\$2,607
2	2x2	2A	1	2.0%	907	907	\$3.56	\$3,225
Т	otals/Wtd. Ave.		49	100%	27,843	568	\$3.57	\$99,510

# CRE MODELS SM

					CURRENT		STAE	BILIZED
Unit Type	Floorplan	Units	% of Total	Avg Unit SqFt	Rent / SqFt	Monthly Rent	Rent / SqFt	Monthly Rent
Studio	1A	10	20.4%	453	\$3.97	\$1,800	\$4.28	\$1,940
1x1	1B	11	22.4%	526	\$3.53	\$1,856	\$3.80	\$2,000
Open 1 Bed	1C	19	38.8%	565	\$3.48	\$1,964	\$3.75	\$2,117
1x1 + large patio	1C	1	2.0%	552	\$4.17	\$2,300	\$4.49	\$2,479
2x1	2A	7	14.3%	762	\$3.42	\$2,607	\$3.69	\$2,810
2x2	2A	1	2.0%	907	\$3.56	\$3,225	\$3.83	\$3,476
Totals/Wtd. Ave.		49	100%		\$3.60	\$99,510	\$3.88	\$107,250

Stabilized Oper	ating Expe	nses		
Expenses		Total	Per Un	it
Controllable Expenses				
Utilities (Net of Reimb)	\$	33,523.34	\$	684
Utilities - Electric	\$	-	\$	-
Utilities - Water	\$	-	\$	-
Utilities- Sewer	\$	-	\$	-
Utilities - Gas	\$	-	\$	-
Utilities - Oil	\$	-	\$	-
Unit Turns	\$	4,641.69	\$	95
Repairs & Maintenance	\$	5,673.18	\$	116
Marketing	\$	6,188.92	\$	126
General and Administrative	\$	3,610.21	\$	74
Access System Contract	\$	4,641.69	\$	95
Custodial Contract	\$	5,673.18	\$	116
Elevator Contract	\$	6,188.92	\$	126
Exterminating Contract	\$	3,610.21	\$	74
Fire Protection Contract	\$	4,641.69	\$	95
Landscaping Contract	\$	5,673.18	\$	116
Security Contract	\$	6,188.92	\$	126
Snow Removal Contract	\$	3,610.21	\$	74
Trash Removal Contract	\$	5,157.44	\$	105
Managers / Leasing Consultant	\$	5,157.44	\$	105
Real Estate Taxes (Stabilized)	\$	257,871.81	\$	5,263
Insurance	\$	15,472.31	\$	316
Management Expense Fee	\$	49,047.12	\$	1,001
Total Controllable/Non-Controllable Exp	\$	377,524.33	\$	7,705
Replacement Reserves	\$	7,736.15	\$	158
Total Operating Expenses	\$	385,260.48	\$	7,862

	Trended Stabilized C	per	ating Statement	UnTrended Stabilized	Оре	erating Statement
	Total		Per Unit	Total		Per Unit
Gross Rental Revenue	1,308,108	\$	26,696	1,194,119	\$	24,370
Less Vacancy & Credit Loss	(92,293)	\$	(1,884)	(83,588)	\$	(1,706)
Net Rental Revenue	1,215,815	\$	24,813	1,110,531	\$	22,664
Total Other Income	10,363	\$	211	8,928	\$	182
Total Effective Revenue	1,226,178	\$	25,024	1,119,459	\$	22,846
Total Operating Expenses Less Mgmt	385,260	\$	7,862	358,680	\$	7,320
Management Expense Fee	49,047	\$	1,001	44,778	\$	914
Total Retail NOI	-			-		
Total Office NOI	-			-		
Net Operating Income (NOI)	791,870	\$	16,161	716,000	\$	14,612
Debt Service	(579,767)	\$	(11,832)	(579,767)	\$	(11,832)
Net Cash Flow At Stabilization	212,103	\$	4,329	136,233	\$	2,780
Debt Coverage Ratio	1.37			1.23		
Cash On Cash	7.0%			4.5%		
Debt Yield	8.8%			8.0%		

	Total \$	Per Unit	Per SF	% of Total
Land or Acq. Price	\$ 4,900,000	\$ 100,000	\$ 175.99	40%
Financing Costs/Contingencies	\$ 302,500	\$ 6,173	\$ 10.86	2%
Other Development Costs	\$ 125,000	\$ 2,551	\$ 4.49	1%
Operating Deficit	\$ 93,141	\$ 1,901	\$ 3.35	1%
Hard Costs	\$ 6,050,000	\$ 123,469	\$ 217.29	50%
Soft Costs Exc Int Res and Op Def	\$ -	\$ -	\$ -	0%
Interest Reserve	\$ 691,754	\$ 14,117	\$ 24.84	6%
Mezz Interest Reserve Payments	\$ -	\$ =	\$ -	0%
<b>Total Development Costs</b>	\$ 12,162,395	\$ 248,212	\$ 436.82	100%

<sup>2 -</sup> Forward 12 months

<sup>3 -</sup> Leave blank if not in use





	Beginning lysis Year	Jan-18 1	Jan-19 2	Jan-20 3	Jan-21 4	Jan-22 5	Jan-23 6	Jan-24 7	Jan-25 8	Jan-26 9	Jan-27 10	Jan-28 11
ACQUISITION & CONSTRUCTION COSTS												
Total Acquisition Costs		-	-	-	-	-	-	-	-	-	-	-
Total Development Costs  Total Acquisition & Construction 1	12,162,395	11,468,988 11,468,988	505,974 <b>505,974</b>	187,433 <b>187,433</b>	-	-	-	-	-	-	-	-
OPERATIONS												
Units Rented		-	-	49	-	-	-	-	-	-	-	-
Total Units Rented			-	25 6	49 12	49 12	49 12	49 12	49 12	49 12	49 12	49 1
Revenues		-	-	-	-	-	-	-	-	-	-	-
Gross Rental Revenue Less Vacancy & Credit Loss		-	-	667,126 (47,066)	1,324,541 (93,452)	1,364,829 (96,294)	1,406,341 (99,223)	1,449,116 (102,241)	1,493,193 (105,350)	1,538,609 (108,554)	1,585,408 (111,855)	134,274 (9,474)
Net Rental Revenue		-	-	610,060	1,231,089	1,268,534	1,307,118	1,346,876	1,387,843	1,430,056	1,473,552	124,800
Other Income												
Garage Parking		-	-	5,248	10,490	10,805	11,129	11,463	11,807	12,161	12,526	1,075
Other		-	-	-	-	-	-	-	-	-	-	-
Total Retail NOI			-	-		-		=	-	-	8	-
Total Office NOI Total Other Income		-	-	- 5,248	- 10,490	10,805	- 11,129	- 11,463	- 11,807	- 12,161	- 12,526	- 1,075
Total Effective Revenue			_	C15 200	1,241,579	4 270 220	4 240 247	4 250 220	1 200 640	4 442 247	4 400 070	425.075
				615,308	1,241,373	1,279,339	1,318,247	1,358,339	1,399,649	1,442,217	1,486,078	125,875
Expenses			-	-	-	-	-	-		-		-
Utilities (Net of Reimb)			10,829	24,853	33,799	34,475	35,165	35,868	36,586	37,317	38,064	3,235
Utilities - Electric Utilities - Water			-	-	-	-	-	-	-	-	-	-
Utilities- Sewer			-	-	-	-	-	-	-	-	-	-
Utilities - Gas Utilities - Oil			-	-	-	-	-	-		-	-	-
Unit Turns		-	2,999	4,588	4,680	4,774	4,869	4,966	5,066	5,167	5,270	448
Repairs & Maintenance		-	3,665	5,608	5,720	5,834	5,951	6,070	6,191	6,315	6,442	548
Marketing General and Administrative		-	3,998 2,332	6,118 3,569	6,240 3,640	6,365 3,713	6,492 3,787	6,622 3,863	6,754 3,940	6,889 4,019	7,027 4,099	597 348
Access System Contract		-	2,999	4,588	4,680	4,774	4,869	4,966	5,066	5,167	5,270	448
Custodial Contract		-	3,665	5,608	5,720	5,834	5,951	6,070	6,191	6,315	6,442	548
Elevator Contract Exterminating Contract		-	3,998 2,332	6,118 3,569	6,240 3,640	6,365 3,713	6,492 3,787	6,622 3,863	6,754 3,940	6,889 4,019	7,027 4,099	597 348
Fire Protection Contract		-	2,999	4,588	4,680	4,774	4,869	4,966	5,066	5,167	5,270	448
Landscaping Contract		-	3,665	5,608	5,720	5,834	5,951	6,070	6,191	6,315	6,442	548
Security Contract Snow Removal Contract			3,998 2,332	6,118 3,569	6,240 3,640	6,365 3,713	6,492 3,787	6,622 3,863	6,754 3,940	6,889 4,019	7,027 4,099	597 348
Trash Removal Contract		-	3,332	5,098	5,200	5,304	5,410	5,518	5,629	5,741	5,856	498
Managers / Leasing Consultant			3,332	5,098	5,200	5,304	5,410	5,518	5,629	5,741	5,856	498
Real Estate Taxes (Stabilized) Insurance		-	-	148,691 8,921	259,996 15,600	265,196 15,912	270,500 16,230	275,910 16,555	281,428 16,886	287,057 17,223	292,798 17,568	24,888 1,493
Management Expense Fee		-	-	24,612	49,663	51,174	52,730	54,334	55,986	57,689	59,443	5,035
Total Controllable/Non-Controllable I	Expenses	-	56,477	276,919	430,297	439,420	448,742	458,265	467,997	477,939	488,099	41,471
Replacement Reserves			-	4,461	7,800	7,956	8,115	8,277	8,443	8,612	8,784	747
Total Operating Expenses		-	56,477	281,380	438,097	447,376	456,857	466,543	476,439	486,551	496,883	42,217
Net Operating Income		-	(56,477)	333,928	803,482	831,963	861,391	891,796	923,210	955,665	989,195	83,657
Gross Sales Price			-	-		17,227,813				-		
Cost Of Sale		-	-	-	-	172,278	-	-	-	-	-	-
Total Unlevered Cash Flows		(11,468,988)	(562,451)	146,495	803,482	17,887,497	-	-	-	-	-	-
DEBT												
Debt												
		11 460 000	EOE 074	0.107.422								
Total Funding All Sources Total Principal Paid Const., Mini Perms, F	Perm	11,468,988	505,974 -	9,187,433 (76,650)	(136,704)	(131,448)	-	-	-	-	-	-
Total Construction and Mini Perm Intere		-	-	-	-	-	-	-	-	-	-	-
Total Mezz Payments Total Perm Loan Interest Paid		-	-	- (261,547)	- (443,063)	- (436,069)	-	-	-	-	-	-
Total Payoff		-	-	(9,121,796)	-	(8,655,197)	-	-	-	-		-
TOTAL FINANCING CASH FLOWS		11,468,988	505,974	(272,560)	(579,767)	(9,222,714)	-	-	-	-	-	-
Total Debt Service			_	(76,650)	(136,704)	(131,448)					_	
Net Cash Flow Exc. Capital Events		- (3,040,599)	(56,477)	410,579	940,187	18,018,945	-	-	-	-	-	-
Total Levered Cash Flows 2	24.2%	(3,040,599)	(0)	(89,402)	223,715	8,664,783	-	-	-	-	-	-
Total Profit \$	5,758,498											
Total Equity \$	3,040,599											
Equity Multiple	2.79											

# **EQUITY STRUCTURE & RETURNS**

Sample Property

11/2/2018

[INSERT PROPERTY IMAGE]	

Levered Retu	Levered Returns									
Project IRR	24.22%									
Project Profit	\$5,758,498									
Project Multiple	2.79									

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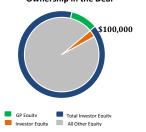
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Preferred Return		5%
Preferred Return Type	Quarterly	IRR
LP Split after Pref		50%
Manager Split after Pref		50%
1st Hurdle		8%
1st Hurdle Type	Monthly	IRR
LP Split after 1st Hurdle		50%
Manager Split after 1st Hurdle		50%
2nd Hurdle		12%
2nd Hurdle Type	Semiannual	IRR
LP Split after 2nd Hurdle		50%
Manager Split after 2nd Hurdle		50%
3rd Hurdle		15%
3rd Hurdle Type	Annual	IRR
LP Residual Split		50%
Manager Residual Split		50%

\*Equity will be returned on capital events only

# **Equity Contribution Breakdown**

Investor	90%
GP Co-Investment	10%

# Ownership in the Deal



										11/2/2018
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 1
Levered Cash Flow	(3,040,599)	-	(89,402)	223,715	8,664,783	-			-	
Manager Fees										
Asset Management Fee	(27,872)	(30,406)	(30,406)	(30,406)	(30,406)					
Acquisition Fee	(121,624)	(30,100)	(30,100)	(30,100)	(30,100)					
Debt Fee (Initial)	(91,211)			-						
Debt Fee (Refi)	(71,211)		(90,000)	-		-				
Disposition Fee	-		-		(172,278)		-	-	-	
Construction Fee	-	-	-	-	-	-	-	-		-
Legal Fee	(4,583)	(5,000)	(5,000)	(5,000)	(5,000)		-	-	-	
Tenant Improvement Fee	-	-	-	-		-	-			
Lease Commission Fee	-				-		-		-	
Total Manager Fees	(245,290)	(35,406)	(125,406)	(35,406)	(207,684)			-		
Levered Cash Flow Net Fees	(3,385,890)	(35,406)	(214,808)	188,309	8,457,099					
Develor districtive net rees	(0)000)030)	(55)155)	(211)000)	100,000	0,107,077					
Investor Pref	(3,047,301)	(31,865)	(193,327)	169,478	3,944,094	-	-	-	-	-
GP Co-Investment Pref	(338,589)	(3,541)	(21,481)	18,831	438,233	-	-	-	-	-
Manager Pref (N/A)										
Remaining Cash Flow After Pref	-	-	-		4,074,773	-				-
Investor CF up to First Hurdle					585,518					
GP Co-Investment CF up to First Hurdle	•	-	-		65,058	-	-	-	-	
Manager CF up to First Hurdle	-	-	-	-	650,575	-	-	-	-	-
Manager Cr up to rirst nurtile	-	-	-	-	030,373	-	-	-	-	-
Remaining Cash Flow After First Hurdle	-	•	-	-	2,773,623	-	•	-	-	-
Investor CF up to Second Hurdle	_	_	_	_	885,831	_	_	_	_	_
GP Co-Investment CF up to Second Hurdle	-	-	_	-	98,426	-	_	-	-	
Manager CF up to Second Hurdle	-	-	-	-	984,257	-	-	-	-	-
Remaining Cash Flow After Second Hurdle	-	-	_		805,109	_				
demaning cash riow inter second martie					000,100					
Investor CF up to Third Hurdle	-	-	-	-	362,300	-	-	-	-	-
GP Co-Investment CF up to Third Hurdle	-	-	-	-	40,256	-	-	-	-	-
Manager CF up to Third Hurdle	-	-	-	-	402,555	-	-	-	-	-
Remaining Cash Flow After Third Hurdle	-	-	-	-	-	-	-	-	-	
Investor Residual Split										
GP Co-Investment Residual Split		-								-
Manager Residual Split	-	-	-	-	-	-	-	-	-	-
Total Investor Cash Flow	(2,956,370)	(30,851)	(187,171)	164,082	5,593,773	-	_	-	-	
Total GP Co-Investment Cash Flow	(328,486)	(3,428)	(20,797)	18,231	621,530					-
Total Manager Cash Flow w/o Fees	(320,400)	(3,420)	(20,797)	10,231	2,037,386	-	-	-	-	-
Total manager Cash Flow W/O Fees		•	-	•	4,037,300	-	-	-		

	Investor Profit	Investor IRR			Investor Multiple		Distributions		
	\$2,583,461	13.44%			1.80		\$5,819,858		
				GP Returns					
	GP Profit	GP IRR			GP Multiple		GP Total Cash Distributions		
					•				
	\$2,324,438	52.58%			7.46		\$2,684,037		
Returns Based on Amount Invested									

Initial Investment	100,000
Total Cash Flow Received	179,825
Preferred Return	25,988
Return of Capital	100,000
Total Net Profit	79,825

Multiple	
1.80	

**Total Cash Distributions** \$179,825