Closing Date 10/1/2017 School Year Start 8/1/2020



	RET	URN METRICS			
LEVERED IRR	23.07%	RETURN ON COS	T		7.26%
LP LEVERED IRR	13.69%	GP LEVERED IRR			50.64%
LP PROFIT	\$ 21,227,151	GP PROFIT		\$	18,692,270
LP MULTIPLE	1.73	GP MULTIPLE			6.76
			Total \$	Per Unit	Per Sq Ft
TOTAL DEVELOPMENT COST		\$	85,285,320	\$ 106,076 \$	276.58

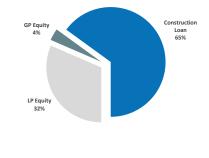
Construction Financing	
Construction LTC	65.00%
Construction Loan Interest	4.00%
Libor	4.00%
Lender Spread	0.00%
Add'l Spread	0.00%
Last Disbursement	26 months
Construction Loan Term	37 months
Total Interest Carry	3,581,459
Max Loan Balance	55,435,458

Disposition			
Month of Sale	9/30/2022		Month 60
Sale NOI Forward 12		\$	6,355,401
Sale CAP Rate			5.00%
Sale Amount	\$ 158,095	\$	127,108,029
Cost of Sale			1.00%
Stabilized NOI / Input Occ %	95%	\$	6,187,487
Breakeven NOI Month			36
Breakeven NOI F-12		Ś	675,520

Mini-Perm #1 used?

Mini-Perm #2 used? N

Month 37
0.0%
70%
5.0%
\$ 5,125,389
\$ 71,755,441
\$ -
5.00%
360 months
ب



## NET OPERATING INCOME



## **Exit Cap Rate Values**



SOURCES	
LP Equity (Less Mezz Debt)	26,864,876
GP Equity	2,984,986
Construction Loan Draws	55,435,458
Mezzanine Debt	-
Mezzanine Int Reserve	-
Total Sources	0E 20E 220

USES	
Land or Acq. Price	7,155,725
Financing Costs/Contingenc	3,536,100
Other Development Costs	125,000
Operating Deficit	165,041
Hard Costs	62,000,000
Soft Costs Exc Int Res and O	8,721,995
Interest Reserve	3,581,459
Mezz Interest Reserve Payn	-
Total Uses	85,285,320

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Net Rental Revenue	-	-	535,599	6,436,939	8,188,718	8,434,812	8,688,296	8,949,395	9,218,335	38,766,577
Total Other Income	-	-	56,851	686,071	863,586	880,858	898,475	916,444	934,773	4,015,54
Total Effective Revenue	-	-	592,450	7,123,010	9,052,304	9,315,669	9,586,771	9,865,839	10,153,108	42,782,12
expenses										
Controllable Expenses										
	-	-	-	-	-	-	-	-	-	-
Payroll and Related	-	-	52,595	396,566	645,909	658,827	672,003	685,443	699,152	3,003,37
Combined Utilities	-	-	99,361	749,182	1,220,233	1,244,637	1,269,530	1,294,921	1,320,819	5,673,89
General & Administrative	-	-	16,080	96,802	98,738	100,712	102,727	104,781	106,877	459,11
Property Tax	-	-	124,158	263,704	429,509	438,099	446,861	455,798	464,914	1,997,15
Insurance	-	-	105,605	156,474	91,332	93,159	95,022	96,923	98,861	424,68
	-	-	-	-	-	-	-	-	-	-
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Management Expense Fee	-	-	17,774	213,690	271,569	279,470	287,603	295,975	304,593	1,283,46
Total Controllable/Non-Controllable Expenses	-	-	415,573	1,876,419	2,757,289	2,814,904	2,873,746	2,933,841	2,995,216	12,841,68
Replacement Reserves	-	-	-	121,203	124,839	128,584	132,442	136,415	140,507	618,97
Total Operating Expenses		-	415,573	1,997,622	2,882,128	2,943,489	3,006,188	3,070,256	3,135,724	13,460,65
Net Operating Income	-	-	176,877	5,125,389	6,170,176	6.372.181	6.580.583	6.795.583	7,017,384	29,321,46
Cash on Cash	0.00%	0.00%	-0.53%	1.69%	5.19%	0,0712,1201	,500,505		7,027,007	25,522,70
DSC Ratio	-	-	0.17	1.11	1.33					
Debt Yield	0.00%	0.00%	0.32%	7.20%	9.60%					
Return on Cost	0.00%	0.00%	0.21%	6.01%	7.23%					

Weighted	Avera	ige
\$/type	Mont	hly Rent
\$245,310	\$	847

LAND ACREAG
1.00

Unit Type	Floorplan	Beds	% of Total	Total SqFt	Avg Bed SqFt	Rent/Month	Rent/Bed
1 Bedroom	1A	31	3.9%	13,671	441	\$38,750	\$1,250
2 Bedroom	2A	236	29.4%	107,616	456	\$212,400	\$900
3 Bedroom	3A	129	16.0%	46,311	359	\$105,135	\$815
4 Bedroom	4A	408	50.7%	140,760	345	\$324,360	\$795
Totals/Wtd. A	0	804	100%	308,358	384	\$245,310	\$680,645

# CRE MODELS SM

					CURRENT		STAB	ILIZED
Unit Type	Floorplan	Beds	% of Total	Avg Bed SqFt	Rent / SqFt	Monthly Rent	Rent / SqFt	Monthly Rent
1 Bedroom	1A	31	3.9%	441	\$2.83	\$1,250	\$2.92	\$1,288
2 Bedroom	2A	236	29.4%	456	\$1.97	\$900	\$2.03	\$927
3 Bedroom	3A	129	16.0%	359	\$2.27	\$815	\$2.34	\$839
4 Bedroom	4A	408	50.7%	345	\$2.30	\$795	\$2.37	\$819
Totals/Wtd. Ave.		804	100%		\$2.22	\$680,645	\$2.29	\$701,064

Stabilized Operating Expenses										
Expenses		Total	Per Bed							
Controllable Expenses										
Payroll and Related	\$	615,361.50	\$	765						
Utilities	\$	594,196.20	\$	739						
Redecorating / Make-Ready	\$	101,123.10	\$	126						
Landscaping / Contracted Services	\$	170,890.20	\$	213						
Repairs & Maintenance	\$	151,292.70	\$	188						
Leasing & Marketing	\$	145,021.50	\$	180						
General & Administrative	\$	98,088.00	\$	122						
Property Tax	\$	409,195.80	\$	509						
Insurance	\$	98,168.40	\$	122						
Management Expense Fee	\$	268,900.18	\$	334						
Total Controllable/Non-Controllable Exp	\$	2,383,337.40	\$	2,964						
Replacement Reserves	\$	123,615.00	\$	154						
,		.,								
Total Operating Expenses	\$	2,506,952.40	\$	3,118						
NOTES:	7	_,555,552,40	7	2,0						

	Trended Stabilized Operating Statement			UnTrended Stabilized Operating Statement			
	Total	Total		Total		Per Unit	
Gross Rental Revenue	8,577,540	\$	10,669	8,167,740	\$	10,159	
Less Vacancy & Credit Loss	(471,755)	\$	(587)	(408,387)	\$	(508)	
Net Rental Revenue	8,105,785	\$	10,082	7,759,353	\$	9,651	
Total Other Income	857,554	\$	1,067	801,648	\$	997	
Total Effective Revenue	8,963,339	\$	11,148	8,561,001	\$	10,648	
Total Operating Expenses Less Mgmt	2,506,952	\$	3,118	2,428,884	\$	3,021	
Management Expense Fee	268,900	\$	334	256,830	\$	319	
Total Retail NOI	-			-			
Total Office NOI	-			-			
Net Operating Income (NOI)	6,187,487	\$	7,696	5,875,287	\$	7,308	
Debt Service	(4,622,385)	\$	(5,749)	(4,622,385)	\$	(5,749)	
Net Cash Flow At Stabilization	1,565,102	\$	1,947	1,252,902	\$	1,558	
Debt Coverage Ratio	1.34			1.27			
Cash On Cash	5.2%			4.2%			
Debt Yield	8.7%			8.3%			

	Total \$	Per Bed	Per SF	% of Total
Land or Acq. Price	\$ 7,155,725	\$ 8,900	\$ 23.21	8%
Financing Costs/Contingencies	\$ 3,536,100	\$ 4,398	\$ 11.47	4%
Other Development Costs	\$ 125,000	\$ 155	\$ 0.41	0%
Operating Deficit	\$ 165,041	\$ 205	\$ 0.54	0%
Hard Costs	\$ 62,000,000	\$ 77,114	\$ 201.06	73%
Soft Costs Exc Int Res and Op Def	\$ 8,721,995	\$ 10,848	\$ 28.29	10%
Interest Reserve	\$ 3,581,459	\$ 4,455	\$ 11.61	4%
Mezz Interest Reserve Payments	\$ -	\$ -	\$ -	0%
Total Development Costs	\$ 85,285,320	\$ 106,076	\$ 276.58	100%



CRE Models 5M

										10/1/201
Year Beginning Analysis Year	Oct-17 1	Oct-18 2	Oct-19 3	Oct-20 4	Oct-21 5	Oct-22 6	Oct-23 7	Oct-24 8	Oct-25 9	Oct-26
ACQUISITION & CONSTRUCTION COSTS										
Total Acquisition Costs				_		_				
Total Development Costs	47,597,954	35,600,547	2,086,819	-	-	-	-	-	-	-
Total Acquisition & Construction 85,285,320	47,597,954	35,600,547	2,086,819	-	-	-	-	-	-	-
OPERATIONS			250							
Jnits Rented Fotal Units Rented	-	-	350 54	454 651	804	804	804	804	804	- 804
otal ollis kenteu	-	-	1	10	12	12	12	12	12	49
Revenues	-	-	-	-	-	-	-	-	-	-
Gross Rental Revenue	-	-	566,781	6,811,834	8,665,155	8,925,110	9,192,863	9,468,649	9,752,709	41,018,26
Less Vacancy & Credit Loss	-	-	(31,182)	(374,895)	(476,437)	(490,298)	(504,567)	(519,255)	(534,374)	(2,251,69
Net Rental Revenue	-	-	535,599	6,436,939	8,188,718	8,434,812	8,688,296	8,949,395	9,218,335	38,766,57
Other Income										
Parking Income	-	-	53,601	646,851	814,217	830,501	847,111	864,054	881,335	3,785,98
Other	=	=	-	-		=		=		-
otal Retail NOI	-	_	_	_	-	-	-	-	-	
Total Office NOI	-	-	-	-	-	-	-	-	- -	-
Total Other Income	-	-	56,851	686,071	863,586	880,858	898,475	916,444	934,773	4,015,543
Total Effective Revenue			592,450	7,123,010	9,052,304	9,315,669	9,586,771	9,865,839	10,153,108	42,782,120
Expenses						-				
Payroll and Related	-	-	- 52,595	396,566	- 645,909	658,827	672,003	- 685,443	699,152	3,003,37
Utilities Utilities	-	-	50,786	382,926	623,693	636,167	648,890	661,868	675,105	2,900,07
Redecorating / Make-Ready	-	-	8,643	65,168	106,143	108,266	110,431	112,640	114,893	493,54
Landscaping / Contracted Services	-	-	14,606	110,129	179,373	182,961	186,620	190,352	194,159	834,05
Repairs & Maintenance	-	-	12,931	97,500	158,803	161,979	165,219	168,523	171,894	738,410
Leasing & Marketing	-	-	12,395	93,458	152,221	155,265	158,370	161,538	164,768	707,802
General & Administrative	-	-	16,080	96,802	98,738	100,712	102,727	104,781	106,877	459,11
Property Tax	-	-	124,158	263,704	429,509	438,099	446,861	455,798	464,914	1,997,15
Insurance	-	-	105,605	156,474	91,332	93,159	95,022	96,923	98,861	424,683
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Management Expense Fee	-	-	17,774	213,690	271,569	279,470	287,603	295,975	304,593	1,283,464
Total Controllable/Non-Controllable Expenses	_	-	415,573	1,876,419	2,757,289	2,814,904	2,873,746	2,933,841	2,995,216	12,841,684
Replacement Reserves	-	-	-	121,203	124,839	128,584	132,442	136,415	140,507	618,972
Total Operating Expenses	-	-	415,573	1,997,622	2,882,128	2,943,489	3,006,188	3,070,256	3,135,724	13,460,657
			476.077	E 40E 000	6.479.476	C 272 404	6 500 500	5 707 700	7017001	20.204.454
Net Operating Income	-		176,877	5,125,389	6,170,176	6,372,181	6,580,583	6,795,583	7,017,384	29,321,464
Gross Sales Price	-	-	-	-	127,108,029	-	-	-	-	-
Cost Of Sale	-	-	-	-	1,271,080	-	-	-	-	-
Total Unlevered Cash Flows	(47,597,954)	(35,600,547)	(1,909,942)	5,125,389	132,007,124	-	-	-	-	-
DEBT										
PEBT	1									
Debt										
T	47.507.054	25.500.547	2.005.040	74 755 444						
Total Funding All Sources Total Principal Paid Const., Mini Perms, Perm	47,597,954 -	35,600,547	2,086,819	71,755,441 (1,058,655)	(1,112,818)	-	-	-	-	-
Fotal Construction and Mini Perm Interest Paid	-	-	(333,641)	(1,056,655)	(1,112,010)	-	-	-	-	-
Total Mezz Payments	-	-	(333,041)	-	-	-	-	-	-	-
Total Perm Loan Interest Paid	-	-	-	(3,563,730)	(3,509,567)	-	-	-	-	-
Total Payoff	-	-	-	(55,435,458)	(69,583,969)	-	-	-	-	-
		35,600,547	1,753,178	11,697,599	(74,206,353)	-	-	-	-	-
TOTAL FINANCING CASH FLOWS	47.597 954	33,000,347	1,, 55,176	11,007,000	(, 1,200,333)					
	47,597,954									
Total Debt Service	-	-	(333,641)	(1,058,655)	(1,112,818)	-	-	-	-	-
TOTAL FINANCING CASH FLOWS  Total Debt Service  Net Cash Flow Exc. Capital Events	- (29,849,862)	- -	510,519	6,184,044	133,119,942	- -		-		- -
Total Debt Service	-						-	-	-	-
Total Debt Service  Net Cash Flow Exc. Capital Events  Total Levered Cash Flows  23.1%	- (29,849,862)		510,519	6,184,044	133,119,942		-	-	-	-
Total Debt Service Net Cash Flow Exc. Capital Events	- (29,849,862)		510,519	6,184,044	133,119,942		-	-	-	-

# **EQUITY STRUCTURE & RETURNS**

Sample Property

7/15/2019

[INSEF	RT PROPERTY IMAG	E]

Levered	Retur	ns	
Project IRR		:	23.07%
Project Profit		\$4	4,782,174
Project Multiple			2.49
Equity S	tructi	ıre	
Preferred Return Preferred Return Type	Qua	ırterly	5% Compounding

LP Split after Pref Manager Split after Pref		50% 50%
1st Hurdle 1st Hurdle Type LP Split after 1st Hurdle Manager Split after 1st Hurdle	Monthly	8% Compounding 50% 50%
2nd Hurdle 2nd Hurdle Type LP Split after 2nd Hurdle Manager Split after 2nd Hurdle	Semiannual	12% Compounding 50% 50%
3rd Hurdle 3rd Hurdle Type LP Residual Split Manager Residual Split	Annual	15% Compounding 50% 50%

\*Equity will be returned on capital events only

## **Equity Contribution Breakdown**

Investor	90%
GP Co-Investment	10%

## Ownership in the Deal



										7/15/2019
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 1
Levered Cash Flow	(29,849,862)	-	8,277	16,822,987	57,800,771	-	-		-	
Manager Fees										
Asset Management Fee	(273,624)	(298,499)	(298,499)	(298,499)	(273,624)				_	
Acquisition Fee	(852,853)	(230,133)	(230,133)	(230,133)	(273,021)					
Debt Fee (Initial)	(554,355)	-		-						
Debt Fee (Refi)	-		-	(717,554)		-	-	-	-	
Disposition Fee		-	-	-	(1,271,080)		-	-	-	
Construction Fee			-		-	-				
Legal Fee	(4,583)	(5,000)	(5,000)	(5,000)	(4,583)	-	-	-	-	
Tenant Improvement Fee		-		-		-	-	-	-	-
Lease Commission Fee	-		-	-	-	-	-	-	-	-
Total Manager Fees	(1,685,415)	(303,499)	(303,499)	(1,021,053)	(1,549,287)	-	-	-	-	-
Levered Cash Flow Net Fees	(31,535,277)	(303,499)	(295,221)	15,801,934	56,251,484	-	-		-	-
	, , , , , ,			, , , , , , , , , , , , , , , , , , , ,	, ,					
Investor Pref	(28,381,749)	(273,149)	(265,699)	14,134,539	21,312,882	-	-	-	-	-
GP Co-Investment Pref	(3,153,528)	(30,350)	(29,522)	1,570,504	2,368,098	-	-	-	-	-
Manager Pref (N/A)										
Remaining Cash Flow After Pref	-	-	-	96,892	32,570,504	-				-
Investor CE on to Einst Hondle				42.601	5,019,482					
Investor CF up to First Hurdle	-	-	-	43,601		-	-	-	-	•
GP Co-Investment CF up to First Hurdle Manager CF up to First Hurdle	-	-	-	4,845 48,446	557,720 5,577,202	-	-	-	-	-
Manager Cr up to First nurtile	•	-		40,440	5,577,202	-	-	-	-	-
Remaining Cash Flow After First Hurdle	-	-	-	•	21,416,100	•	-	-	-	-
Investor CF up to Second Hurdle				_	7,493,370	_	_	_		
GP Co-Investment CF up to Second Hurdle				_	832,597					
Manager CF up to Second Hurdle	-	_	_	_	8,325,967	-	-	-	_	-
Remaining Cash Flow After Second Hurdle	-	-	-	-	4,764,166	-	-	-	-	-
Investor CF up to Third Hurdle	_	-	_	-	2,143,875	-	-	-	-	
GP Co-Investment CF up to Third Hurdle	-		-	-	238,208		-	-	-	
Manager CF up to Third Hurdle	-	-	-	-	2,382,083	-	-	-	-	-
Remaining Cash Flow After Third Hurdle	-		-				-			_
Investor Residual Split	-	-	-	-	-	-	-	-	-	-
GP Co-Investment Residual Split Manager Residual Split	-	-	-	-	-			-	-	-
Total Investor Cash Flow	(28,381,749)	(273,149)	(265,699)	14,178,139	35,969,609	-	-	-	-	-
Total GP Co-Investment Cash Flow	(3,153,528)	(30,350)	(29,522)	1,575,349	3,996,623	-	-	-	-	-
Total Manager Cash Flow w/o Fees	-	-	-	48,446	16,285,252	-	-	-	-	-

## **Investor Returns**

Investor Profit	Investor IRR		Investor Multiple	Investor Total Cash Distributions	
\$21,227,151	13.69%		1.73	\$50,409,675	
		GP Returns			
GP Profit	GP IRR		GP Multiple	GP Total Cash Distributions	
\$18,692,270	50.64%		6.76	\$21,934,773	
	Returns Ba	sed on Amou	ınt Invested		

Initial Investment	1,000,000
Total Cash Flow Received	1,727,393
Preferred Return	223,655
Return of Capital	1,000,000
Total Net Profit	727,393

Multiple
1.73

**Total Cash Distributions** \$1,727,393