

#### **KEYSER MARSTON ASSOCIATES** ADVISORS IN PUBLIC/PRIVATE REAL ESTATE DEVELOPMENT

#### **MEMORANDUM**

ADVISORS IN:	То:	Charles Bryant, AICP
AFFORDABLE HOUSING		Community Development Director, City of Emeryville
Economic Development		
Berkeley	From:	Debbie Kern and Kevin Feeney
A. JERRY KEYSER		
DERRIC M KELLY	Date:	August 12, 2019
DAVID DOFZEMA	Buto.	August 12, 2010
KEVIN FEENEY		
REVIIV I EEIVEI	Subject:	Financial Feasibility Analysis of Hypothetical High-Rise Residential
LOS ANGELES	-	Prototypes
Kathleen H. Head		Поютурез
James A. Rabe		
Gregory D. Soo-Hoo	In accordan	ce with your request. Keyser Marston Associates. Inc. (KMA) has evalu
Kevin E. Engstrom		
Iulie L. Romey	the develop	ment economics of hypothetical high-rise residential projects as well as

San Diego PAUL C. MARRA

TIM BRETZ

aluated as the economics of mid-rise residential development, which is currently the predominate residential product type being built in Emeryville. The purpose of the analysis is to determine if the development of high-rise residential projects is likely to be financially feasible given the City's current requirements, including unit mix requirements that limit a project's percentage of studio and one-bedroom units. The findings of the analysis are summarized in this memorandum.

#### Background

The City's planning regulations require that residential projects of 10 or more units include a minimum percentage of two- and three-bedroom units. The regulations stipulate that at least 50% of units must have two or more bedrooms and 15% of units must have three or more bedrooms. In addition, a maximum of 10% of units are permitted to be studios. The intent of the regulations is to encourage the development of larger units that can accommodate families with children.

The City has received feedback from applicants proposing high-rise residential projects that the City's unit mix requirements would render their projects financially infeasible. This analysis evaluates and compares the development economics of hypothetical highrise residential prototypes to the economics of mid-rise construction to understand the effect that unit mix requirements have on project feasibility.

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### Attachment 3

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#### **Development Scenarios**

KMA has evaluated the development economics of five hypothetical development scenarios, including one base mid-rise scenario and four high-rise development scenarios. The high-rise scenarios differ in terms of unit mix and the distribution of the affordable housing units within the project. All scenarios provide the requisite percentage of affordable units.

As summarized in Exhibit 1, the scenarios are as follows:

- Scenario 1 Scenario 1 is a 7-story, 350-unit mid-rise rise apartment project with a unit mix that is consistent with the City's requirements. Scenario 1's construction type—five floors of wood frame Type III construction over a twostory podium—is representative of what is currently being built in Emeryville.
- Scenario 2a Scenario 2a is a 48-story, 510-unit high-rise apartment project of Type I construction, with a unit mix that is consistent with the City's requirements.
- Scenario 2b Scenario 2b is a 43-story, 510-unit high-rise apartment project of Type I construction. Scenario 2b assumes a modified unit mix with a lower percentage of two- and three-bedroom units (34%) than is permitted by the City's requirements.
- Scenario 3a and Scenario 3b are physically identical to Scenario 2a and Scenario 2b but assume that onsite affordable units are provided in the bottom two thirds of the building with the top third of the building reserved for market rate units. Current City policy requires that affordable units be distributed evenly throughout the building. Scenarios 3a and 3b are contingent on the City changing current policy to allow high-rise developments to reserve upper floors for market rate units. The City of San Francisco provides this option to high-rise developments to support feasibility.

	Scenario 1	Scenario 2a	Scenario 2b	Scenario 3a	Scenario 3b
	Mid-Rise	High-Rise	High-Rise	High-Rise	High-Rise
Construction Type	Type III over IA	Type IA	Type IA	Type IA	Type IA
Stories	5 over 2	48	43	48	43
Gross Bldg. Area (sf)	479,871	725,968	655,589	725,968	655,589
Ground fl retail (sf)	20,000	20,000	20,000	20,000	20,000
Residential Units	350	510	510	510	510
Density (units/acre)	117	170	170	170	170
2-3 BR % of Units	52%	52%	34%	52%	34%
Average Unit Size	1,043	1,048	936	1,048	936
Affordable % of Units	14%	17%	17%	17%	17%
Affordable Distribution	All Floors	All Floors	All Floors	Bottom 2/3	Bottom 2/3
Community Benefits	1.7% CV	5.0% CV	5.0% CV	5.0% CV	5.0% CV

#### Exhibit 1: Development Scenarios

CV = Construction Valuation.

Physical parameters of development scenarios including building heights, building square footage, and unit sizes are based on a massing study prepared by Arnold Mammarella, Architecture + Consulting on behalf of the City of Emeryville. The share of affordable units and the level of community benefits reflect the City's development bonus policy, which requires projects seeking height, floor area, or density above the base zoning to earn bonus points through the provision of affordable housing and other community benefits. High-rise scenarios would require the maximum of 100 bonus points, assumed to be earned by providing 17% onsite affordable units and a community benefits payment of 5.0% of the construction valuation. The mid-rise scenario, which does not maximize the height, floor area, or density of the site, would require 37 bonus points, assumed to be earned by providing 14% onsite affordable units and a community benefits payment of 1.7% of the construction valuation.

#### **Financial Feasibility Analysis**

To assess the financial feasibility of the development scenarios, KMA has prepared a development pro forma for each scenario which models the costs to develop a new residential project, the rental income generated by the project upon completion, the magnitude of investment supported by the project's rental income, and the financial return or profit that the project will generate. For purposes of this analysis, the pro forma is organized as a residual land value analysis. Under this approach, the project's value to determine the magnitude of residual value available for land acquisition. The

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residual land value yielded by the pro forma analysis is then compared with recent land sale transactions in the Emeryville market area for property purchased for residential development to determine if the project's economics can afford to fund development costs and purchase land at current market rates. If the residual land value approximates current land sale transactions, then the analysis indicates that a project is likely to be financially feasible.

It should be noted that every project is different, every site is unique, and different developers have different investment return requirements. Because of these differences, a pro forma analysis of a hypothetical project provides an "order of magnitude" indicator of financial feasibility but not a precise measure of feasibility of a specific project.

#### **Estimated Development Costs**

Exhibit 2 provides a summary comparison of the estimated development costs of each scenario, excluding land acquisition costs.

	Scenario 1	Scenario 2a	Scenario 2b	Scenario 3a	Scenario 3b
	Mid-Rise	High-Rise	High-Rise	High-Rise	High-Rise
Direct Costs	\$333/sf	\$395/sf	\$392/sf	\$395/sf	\$392/sf
Community Benefits Rqmt. <sup>1</sup>	\$5/sf	\$20/sf	\$20/sf	\$20/sf	\$20/sf
Other Soft Costs	<u>\$118/sf</u>	<u>\$140/sf</u>	<u>\$141/sf</u>	<u>\$140/sf</u>	<u>\$141/sf</u>
Total Costs, Ex. Land	\$456/sf	\$555/sf	\$553/sf	\$555/sf	\$553/sf

#### Exhibit 2: Development Costs Per Square Foot (Excluding Land)

<sup>1</sup> See page 3 for explanation of difference in community benefits requirements between mid-rise and high-rise scenarios.

As shown, the total estimated development cost of the mid-rise prototype is in the range of \$455 per gross square foot of building area (excluding land). In comparison, the cost of high-rise prototypes approximates \$555 per gross square foot of building area, or 22% more than the cost of mid-rise construction. The costs include direct construction costs and all indirect or soft costs of development such as architecture and engineering, governmental fees and permits, taxes, insurance, tenant improvements, financing, and developer overhead and administration.

Physical differences explain the cost variation among high-rise development scenarios. Scenario 2a is five stories taller than Scenario 2b, which is estimated to result in slightly higher direct construction costs based on estimates published by Marshall & Swift and RS Means. Scenario 2b includes smaller units than Scenario 2a, which results in higher soft costs per square foot for governmental fees, many of which are assessed on a per

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unit basis. Soft costs for retail tenant improvements are also higher on a square foot basis under Scenario 2b, because retail comprises a greater share of the building area under this scenario.

#### Estimated Rental Income

Retail

Estimated market rate apartment rents are informed by a survey of comparable projects (see attached Table 12) in the Emeryville market area. As shown in Exhibit 3, monthly rental rates in new mid-rise developments range from \$3,165 for studio units to \$5,485 for three-bedroom units. Assuming the City's target mix of unit sizes, the average monthly rental rate is \$4,200 per unit, or \$4.03 per square foot.

Exhibit 3: Rental Income Assumptions									
		Mid-Rise	Hig	High-Rise (Scenario 2					
	Unit Size	Monthly Rent	\$/sf	Unit Size	Monthly Rent				
<b>Residential</b>									
Studio	548	\$3,165	\$5.78	608	\$3,980				
1BR	792	\$3,660	\$4.62	817	\$4,535				
2BR	1,228	\$4,515	\$3.68	1,222	\$5,370				
3BR	1,535	\$5,485	\$3.57	1,416	\$5,860				
Penthouse	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>2,052</u>	<u>\$10,000</u>				
Wtd. Average	1,041	\$4,200	\$4.03	1,049	\$5,080				

20.000 sf

Market rate units in high-rise projects are estimated to command a rent premium relative to mid-rise units of the same size and type. The rent premium for units on the first seven floors of high-rise projects is estimated to be 5% greater than the rents of similar mid-rise units. The rent premium is estimated to increase by 0.75% per floor for units located above the seventh floor due to their superior views. For example, the rent premium for a unit on the ninth floor of a high-rise development is estimated to be 6.5% (5% base premium plus 0.75% for each floor above seven). The rent premium for high-rise developments is based on analysis of recently built apartment towers in San Francisco.

\$3.33/sf

20.000 sf

As shown in Exhibit 3, with the high-rise rent premiums, it is estimated that monthly rental rates in a high-rise project would range from approximately \$3,980 for studio units to \$5,860 for three-bedroom units and \$10,000 for penthouse units. The average blended monthly rental rate assuming the City's target mix of units would approximate \$5,080 per unit or \$4.84 per square foot. In summary, it is estimated that a high-rise

\$/sf

\$6.55 \$5.55 \$4.39 \$4.14 \$4.87 \$4.84

\$3.33/sf

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project would command a 20% rental premium over mid-rise construction assuming the same mix of units.

Exhibit 4 summarizes the average market rate apartment rent per square foot estimated for each of the development scenarios, reflecting differences in unit mix, building type, and rent premiums.



Exhibit 4: Average Monthly Market Rate Apartment Rent Per Square Foot

As shown in the comparison of Scenario 2b to 2a, relaxing the unit mix requirement to permit only 30% two- and three-bedroom units (versus the City's target of 50% two- and three-bedroom units), increases the average rental rate by approximately 4.3%. And, as shown in the comparison of Scenario 3a to Scenario 2a, permitting the upper third of building floors to be dedicated to solely market rate units increases the average rent by 0.8% to 0.9%. Scenario 3b represents the combination of relaxing the unit mix requirement and restricting affordable units to the lower floor. As shown, the average rental rate is \$5.08 per square foot, which is 5.1% more than the base rate for a high-rise project (Scenario 2a) and 25.1% higher than the base rate for a mid-rise project.

#### Warranted Investment, Residual Land Value, and Financial Returns

To calculate the developer investment warranted by each scenario, KMA first estimated the Net Operating Income (NOI), which is equal to the annual rental income minus operating expenses. The NOI is then divided by a blended 5.05% developer return on cost (ROC) to estimate the amount of investment (or cost) is warranted by the project's income. The ROC threshold of 5.05% reflects current investor return requirements for

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new multifamily apartment projects in the San Francisco Bay Area based on the returns generated by recently sold apartment properties with ground floor retail and San Francisco Bay apartment investor underwriting requirements published by Situs RERC, Integra Realty Resources, and CBRE.

Residual land value is calculated as the difference between the warranted investment of each scenario and the development costs other than land. The residual land value represents the amount a project can afford to pay for a development site while still achieving an industry standard return on cost (ROC) of 5.05%. Given that land costs reflect a smaller component of costs for a high-rise development than for a mid-rise project, we have also evaluated each scenario's estimated ROC assuming a land acquisition cost of \$238 per square foot of land area, which is based on recent land sales for multifamily development in the market area.<sup>1</sup>

Exhibit 5 presents the estimated returns of each scenario, measured in terms of both return on cost (assuming a land acquisition cost of \$238 per square foot) and residual land value (assuming a standard return on cost threshold of 5.05%). As shown, the midrise prototype (Scenario 1) is estimated to support a land value of \$240 per square foot of land, which is slightly higher than the average price of recent transactions. Assuming the market average land price of \$238 per square foot of land, it is estimated that the mid-rise project would yield a 5.06% return on cost, which is slightly higher than the estimated current industry standard threshold of 5.05%.

As shown, all of the high-rise scenarios are estimated to yield a lower return on cost or residual land value than the mid-rise scenario. Scenario 3b, which benefits from both a mix of smaller units and all market rate units on the top floors, is the top-performing high-rise scenario with an estimated 5.00% ROC or a residual land value of \$220 per square foot of land area. It is followed by Scenario 2b, which also benefits from the mix of smaller units, with a supported land value of \$191 per square foot or a ROC of 4.96%. The least profitable high-rise scenario is Scenario 2a, which reflects both the City's required mix of larger units and the City's standard policy that affordable units be distributed throughout a project. Scenario 2a's estimated ROC is 4.82% and its supported residual land value is \$99 per square foot of land area.

<sup>&</sup>lt;sup>1</sup> Recent land sales are detailed in Table 9.

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	Scenario 1	Scenario 2a	Scenario 2b	Scenario 3a	Scenario 3b
	Mid-Rise	High-Rise	High-Rise	High-Rise	High-Rise
Annual NOI	\$12.6M	\$20.9M	\$19.5M	\$21.2M	\$19.7M
Development Cost					
Before Land	\$218.8M	\$402.9M	\$362.6M	\$402.9M	\$362.6M
Land @ \$238/sf land	<u>\$31.1M</u>	<u>\$31.1M</u>	<u>\$31.1M</u>	<u>\$31.1M</u>	<u>\$31.1M</u>
Total Cost, incl. Land	\$249.9M	\$434.0M	\$393.7M	\$434.0M	\$393.7M
Return on Cost %	5.06%	4.82%	4.96%	4.88%	5.00%
Residual Land Value Assuming 5.05% ROC	\$240/sf land	\$99/sf land	\$191/sf land	\$135/sf land	\$220/sf land

#### Exhibit 5: Developer Return on Cost, Based on Prevailing Land Prices

#### **Summary of Findings and Conclusions**

The findings of the pro forma analyses indicate that the rental income generated by a high-rise multifamily apartment project is likely to be sufficient to support 100% of a project's development costs excluding land acquisition costs, but it is not likely to be sufficient to yield a rate of return that is commensurate with current industry targets for multifamily rental projects. The primary driver of this conclusion is that current market rents are not sufficient to cover the cost of high-rise construction.

It is important to note that while projected returns are somewhat less than industry standards, the analysis does not indicate that developing a high-rise project is financially infeasible, even with all of the City's current policies. This is an analysis of a hypothetical project and the return requirements of specific projects and developers can vary significantly, depending on the sources of capital, the developer's / investor's overall business strategy, business segmentation, etc.

Another finding of the analysis is that the development economics of high-rise apartment projects could be significantly improved if the City modifies some of its regulations, including:

- 1) reducing the required percentage of two- and three-bedroom units; and
- 2) relaxing the requirement that affordable units be evenly distributed throughout the development.

With changes to these policies, it is estimated that the development economics of highrise construction would approach the economics of mid-rise construction.

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#### **Technical Appendix**

The pro forma analysis and supporting market data are provided in the attached Tables 1 through 16.

#### Pro Forma Analysis

Pro Forma Summary
Rental Pro Forma; Scenario 1
Rental Pro Forma; Scenario 2a
Rental Pro Forma; Scenario 2b
Rental Pro Forma; Scenario 3a
Rental Pro Forma; Scenario 3b
Development Fees, Permits, and Community Benefits
Key Pro Forma Assumptions

#### Supporting Market Data

Table 9	Emeryville and Nearby Residential Land Transactions
Table 10	Affordable Residential Rent Assumptions
Table 11	Retail Rent Assumptions
Table 12	Market Rate Residential Rent Assumptions
Table 13	Adjusted Rents Based on View Premiums; Scenarios 2a/b
Table 14	Adjusted Rents Based on View Premiums; Scenarios 3a/b
Table 15	Calculation of View Premium by Floor
Table 16	View Premium Source Data

### Table 1Pro Forma SummaryFinancial Feasibility Analysis of High-Rise PrototypesEmeryville, CA

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		<u>Scenario 1</u>	Scenario 2a	Scenario 2b	<u>Scenario 3a</u>	Scenario 3b
		Mid-Rise	High-Rise	High-Rise	High-Rise	High-Rise
		~50% 2/3 BR	~50% 2/3 BR	~30% 2/3 BR	~50% 2/3 BR	~30% 2/3 BR
		BMR All Floors	BMR All Floors	BMR All Floors	BMR Bottom 2/3	BMR Bottom 2/3
		Table 2	+5% Rent Premium	+5% Rent Premium	+5% Rent Premium	+5% Rent Premium
						Table 0
Ι.	Development Program					
	Construction Type	Type III	Type IA	Type IA	Type IA	Type IA
	Stories	7	48	43	48	43
	Density (du/acre)	117	170	170	170	170
	Gross Building Area (GSF)	479,871	725,968	655,589	725,968	655,589
	Residential Units	350	510	510	510	510
	Average Unit Size (NSF)	1,043	1,048	936	1,048	936
	Parking Ratio	0.8	0.7	0.7	0.7	0.7
	<u>Unit Mix</u>					
	Studio	9%	10%	19%	10%	19%
	1BR	39%	38%	47%	38%	47%
	2BR	37%	36%	27%	36%	27%
	3BR	<u>15%</u>	<u>15%</u>	<u>7%</u>	<u>15%</u>	<u>7%</u>
		100%	100%	100%	100%	100%
	Total Development Cost					
п.	Total Development Cost		· · · · · · · ·			
	Total \$	\$218.8M	\$402.9M	\$362.6M	\$402.9M	\$362.6M
	Per Unit	\$625,000	\$790,000	\$711,000	\$790,000	\$711,000
	Per GSF	\$456	\$555	\$553	\$555	\$553
ш	Income Assumptions					
	Market Apartments					
	Units (%)	301 (86%)	423 (83%)	423 (83%)	423 (83%)	423 (83%)
	\$/I Init	\$4 200	420 (00 %) \$5 080	\$4 725	420 (0070) \$5 130	420 (0070) \$4 765
	¢/SE	ψ <del>1</del> ,200 ¢1 02	ψ0,000 ¢1 Q1	φ=,725 \$5.04	ψ0,100 ¢1 00	ψ <del>1</del> ,700 ¢5 09
	PMP Anartmonte	ψ4.00	φ+.04	ψ0.04	φ4.00	ψ0.00
	Lipite (9()	40 (140/)	07 (170/)	07 (170/)	07 (170/)	07 (170/)
	Chilles (70)	49 (1470) ¢1 701	07 (1770) ¢1 600	07 (1770) ¢1 c24	07 (1770) ¢1 600	07 (1770) ¢1 c24
	\$/UIII	\$1,701 #4.04	\$1,090	\$1,034	\$1,090	\$1,034
	\$/SF	\$1.61	\$1.62	\$1.75	\$1.63	\$1.77
		<b>*</b> • • • •	<b>AA AA</b>	<b>AA AA</b>	<b>*</b> • ••	<b>*</b> • • • •
	\$/SF (NNN)	\$3.33	\$3.33	\$3.33	\$3.33	\$3.33
IV.	Residual Land Value					
	Supported Investment	\$250.1M	\$415.8M	\$387.6M	\$420.6M	\$391.4M
	(less) Development Cost	-\$218.8M	-\$402.9M	-\$362.6M	-\$402.9M	-\$362.6M
	Residual I and Value	\$31 3M	\$12.9M	\$25 0M	\$17.7M	\$28.8M
	\$ Per Unit	\$89,000	\$25,000	\$49 000	\$35,000	\$56,000
	\$ Per Land SF	\$240	φ <u>2</u> 0,000 <u>\$</u> 00	\$1Q1	\$136	\$220
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### Table 2Rental Pro Forma; Scenario 1Financial Feasibility Analysis of High-Rise PrototypesEmeryville, CA

Program: Scenario 1						Development Costs					
U							\$/GSF	\$/Unit	Total \$	%Directs	
Site Area				130,680	SF	Direct Costs					
Stories				7		Demo/ Sitework	\$11	\$15,600	\$5,454,440	3%	
						Residential Construction	\$283	\$387,600	\$135,661,945	85%	
Building Are	a					Non-Residential Construction	\$11	\$15,400	\$5,400,000	3%	
Apartments	(Net)			365,005	SF	Parking	\$27	\$37,500	\$13,134,000	8%	
Retail (Net)				20,000	SF	Total, Directs	\$333	\$456,100	\$159,650,385	100%	
Common/Ci	rc.		-	94,866	SF						
Total (excl F	Pkg)			479,871 SF		Indirect Costs					
Building Effi	ciency			80%	)	Fees & Permits (Table 6)	\$35 \$48,500		\$16,970,293	11%	
						Retail Tenant Improvements	\$2	\$2,900	\$1,000,000	1%	
Parking Spa	aces			283		Other Soft Costs (incl. A&E)	\$50	\$68,400	\$23,947,558	15%	
Parking Sq.	Ft.			109,450	SF	Contingency	\$17	\$22,800	\$7,982,519	5%	
						Total, Indirects	\$104	\$142,600	\$49,900,370	31%	
Residential Units											
Apartments				350		Construction Financing	\$19	\$26,600	\$9,296,195	6%	
Average Un	it Size			1,043	SF						
Units/Acre				117		Total Development Cost	\$456	\$625,300	\$218,846,950	137%	
Rent Scheo	lule					Operating Income					
	<u>Units</u>	<u>%</u>	NSF	<u>\$/Unit</u>	<u>\$/SF</u>				Total \$	%Gross	
Market						Residential					
0BR	28		548	\$3,165	\$5.78	Gross Rent/Year - Market \$4,200 /unit/mo		\$15,170,400	90%		
1BR	117		792	\$3,660	\$4.62	Gross Rent/Year - BMR	\$1,701 /unit/mo \$900 /mkt du		\$1,000,092	6%	
2BR	111		1,228	\$4,515	\$3.67	Misc. Income @			\$270,900	2%	
3BR	45		1,535	\$5,485	\$3.57	Parking Income @	\$1,200	/space	\$339,600	2%	
Subtotal	301	86%	1,041	\$4,200	\$4.03	(Less) Vacancy @	5%	gross	-\$839,050	-5%	
						(Less) Res OpEx @	\$5,500	/du	-\$1,925,000	-11%	
<u>Moderate</u>						(Less) Res Property Taxes	\$5,600	/du	-\$1,960,000	-12%	
0BR	2		548	\$2,018	\$3.68	(Less) Pkg. OpEx @	25%	gross	-\$84,900	-1%	
1BR	8		792	\$2,295	\$2.90	NOI - Residential			\$11,972,042	71%	
2BR	8		1,228	\$2,542	\$2.07						
3BR	3		1,535	\$2,794	\$1.82	<u>Retail</u>					
Subtotal	21	6%	1,041	\$2,434	\$2.34	Gross Rent/Year	\$3.33	/SF	\$799,200	100%	
						(less) Vacancy @	10%		-\$79,920	-10%	
Low						(less) OpEx @	\$2.50	/SF	-\$50,000	-6%	
0BR	1		548	\$1,040	\$1.90	NOI - Retail			\$669,280	84%	
1BR	7		792	\$1,178	\$1.49						
2BR	6		1.228	\$1.285	\$1.05	Total NOI			\$12.641.322	72%	
3BR	3		1,535	\$1,398	\$0.91				· · · · ·		
Subtotal	17	5%	1,063	\$1,246	\$1.17	Residual Land Value					
									Total \$	\$/Unit	
<u>Very Low</u>						Supported Investment					
0BR	1		548	\$845	\$1.54	Residential @	5.00%	ROC	\$239,440,848	\$684K	
1BR	4		792	\$955	\$1.21	Retail @	6.25%	ROC	\$10,708,480	\$31K	
2BR	4		1,228	\$1,034	\$0.84	I otal Supported Investment			\$250,149,328	\$715K	
3BR	2		1,535	\$1,118	\$0.73						
Subtotal	11	3%	1,063	\$1,003	\$0.94	(less) Total Development Cost			-\$218,846,950	-\$625K	
All BMR	49	14%	1,054	\$1,701	\$1.61	Residual Land Value (Rounde	ed)		\$31,300,000	\$89K	
All Units	350	100%	1.043	\$3.850	\$3.69	\$/Land SF			\$240		

#### Table 3 Rental Pro Forma; Scenario 2a Financial Feasibility Analysis of High-Rise Prototypes Emeryville, CA

Program: S	cenari	o 2a				Development Costs				
							\$/GSF	\$/Unit	Total \$	%Directs
Site Area				130,680	SF	Direct Costs				
Stories				48		Demo/ Sitework	\$8	\$10,700	\$5,454,440	2%
						Residential Construction	\$360	\$512,800	\$261,543,495	91%
Building Are	<u>a</u>					Non-Residential Construction	\$7	\$10,600	\$5,400,000	2%
Apartments	(Net)			534,398	SF	Parking	\$20	\$28,400	\$14,482,440	5%
Retail (Net)				20,000	SF	I otal, Directs	\$395	\$562,500	\$286,880,375	100%
Common/Cl	rc.		-	1/1,5/0	SF	Indian at Canata				
I Otal (excl h	²ĸg)			725,968	SF	Indirect Costs	<u> </u>	¢70.000	¢07.040.504	400/
Building Effi	ciency			76%	)	Pees & Permits (Table 6)	\$51	\$72,600	\$37,046,521	13%
<b>D</b> 1 · 0				054		Retail Tenant Improvements	\$1	\$2,000	\$1,000,000	0%
Parking Spa	aces			354		Other Soft Costs (Incl. A&E)	\$59	\$84,400	\$43,032,056	15%
Parking Sq.	⊢t.			120,687	SF	Contingency	\$20	\$28,100	\$14,344,019	5%
Pacidontial	Lloito					Total, Indirects	\$131	\$187,100	\$95,422,596	33%
Apartments	Units			510		Construction Financing	\$28	\$40,300	\$20,547,590	7%
, Average Un	it Size			1.048	SF			, .,	· · · · · · · · · · · · · · · · · · ·	
Units/Acre				170		Total Development Cost	\$555	\$789,900	\$402,850,561	140%
						•				
Rent Sched	lule	0/	NOF	¢/Llasit	¢/or	Operating Income			Tetel ¢	0/ Стала
Market	Units	<u> 70</u>	<u>INSF</u>	<u>5/0111</u>	<u> 7/2F</u>	Residential		•	TOTAL \$	%Gross
OBR	12		608	¢3 080	\$6.54	Gross Rent/Vear - Market	\$5 080	/unit/mo	\$25 786 080	01%
180	163		917	\$3,300 \$4,535	Ψ0.04 ¢5.55	Gross Pont/Voor BMP	\$3,000 \$1,600	/unit/mo	¢1 763 052	6%
200	163		1 222	\$4,000 ¢5,270	φJ.JJ ¢4.20	Miss Income @			¢200 700	10/0
	104 E4		1,222	\$5,570 ¢5,000	Φ4.39 Φ4.44		\$900 ¢4 000	/mki au ,	\$360,700	1 70
	54 40		1,410	\$0,800 ¢0,000	\$4.14 ¢4.07	Parking income @	\$1,200	/space	\$424,800	1 %0
	10	000/	2,052	\$9,998	\$4.87		<b>F</b> 0/		<i><b>¢</b>4 447 777</i>	<b>C</b> 0/
Subtotal	423	83%	1,049	\$5,080	\$4.84	(Less) vacancy @	5%	gross	-\$1,417,777	-5%
						(Less) Res OpEx @	\$5,800	/du	-\$2,958,000	-10%
<u>Moderate</u>						(Less) Res Property Taxes	\$7,100	/du	-\$3,621,000	-13%
0BR	4		608	\$2,018	\$3.32	(Less) Pkg. OpEx @	25%	gross	-\$106,200	0%
1BR	14		817	\$2,295	\$2.81	NOI - Residential			\$20,252,555	71%
2BR	13		1,222	\$2,542	\$2.08					
3BR	5		1,416	\$2,794	\$1.97	Retail				
3BR PH	1		2,052	\$2,794	\$1.36	Gross Rent/Year	\$3.33	/SF	\$799,200	100%
Subtotal	37	7%	1,051	\$2,433	\$2.31	(less) Vacancy @	10%		-\$79,920	-10%
						(less) OpEx @	\$2.50	/SF	-\$50,000	-6%
Low						NOI - Retail			\$669,280	84%
0BR	3		608	\$1,040	\$1.71					
1BR	12		817	\$1,178	\$1.44					
2BR	11		1.222	\$1.285	\$1.05	Total NOI		:	\$20.921.835	72%
3BR	4		1,416	\$1,398	\$0.99				+,,	
Subtotal	30	6%	1 024	\$1 233	\$1.20	Residual Land Value				
Custota	00	070	1,021	¢1,200	¢1.20				Total \$	\$/Unit
Very Low						Supported Investment				
0BR	2		608	\$845	\$1.39	Residential @	5.00%	ROC	\$405,051,108	\$794K
1BR	7		817	\$955	\$1.17	Retail @	6.25%	ROC	\$10,708,480	\$21K
2BR	8		1,222	\$1,034	\$0.85	Total Supported Investment			\$415,759,588	\$815K
3BR	3		1,416	\$1,118	\$0.79					
Subtotal	20	4%	1,048	\$1,000	\$0.95	(less) Total Development Cost			-\$402,850,561	-\$790K
	87	170/	1 011	\$1 600	\$1 67	Residual Land Value (Rounda	ad)		\$12 000 000	\$25K
	510	1000/	1,041	\$1,030 \$1 500	ψ1.02 ¢1 20		,		ψ1 <b>2,300,000</b> ¢∩∩	ΨΖΟΛ
All Utills	510	10070	1,040	$\phi_{7},002$	$\phi_{7.50}$	ψ/Lanu Si			φ99	

#### Table 4 Rental Pro Forma; Scenario 2b Financial Feasibility Analysis of High-Rise Prototypes Emeryville, CA

Program: Scenario 2b						Development Costs				
							\$/GSF	\$/Unit	Total \$	%Directs
Site Area				130,680	SF	Direct Costs				
Stories				43		Demo/ Sitework	\$8	\$10,700	\$5,454,440	2%
						Residential Construction	\$354	\$454,900	\$231,989,985	90%
Building Are	ea					Non-Residential Construction	\$8 \$10,600		\$5,400,000	2%
Apartments	(Net)			477,571	SF	Parking	\$22	\$28,400	\$14,482,440	6%
Retail (Net)				20,000	) SF	Total, Directs	\$393	\$504,600	\$257,326,865	100%
Common/C	irc.		-	158,018	SF					
Total (excl	Pkg)			655,589	) SF	Indirect Costs				
Building Eff	iciency			76%	)	Fees & Permits (Table 6)	\$52	\$67,300	\$34,320,747	13%
						Retail Tenant Improvements	\$2	\$2,000	\$1,000,000	0%
Parking Spa	aces			354		Other Soft Costs (incl. A&E)	\$59	\$75,700	\$38,599,030	15%
Parking Sq.	Ft.			120,687	SF	Contingency	\$20	\$25,200	\$12,866,343	5%
						Total, Indirects	\$132	\$170,200	\$86,786,120	34%
<b>Residential</b>	Units									
Apartments				510		Construction Financing	\$28	\$36,300	\$18,494,998	7%
Average Ur	nit Size			936	SF					
Units/Acre				170		Total Development Cost	\$553	\$711,000	\$362,607,982	141%
Rent Sche	dule					Operating Income				
	<u>Units</u>	%	NSF	<u>\$/Unit</u>	<u>\$/SF</u>				Total \$	%Gross
<u>Market</u>						<u>Residential</u>				
0BR	81		568	\$3,690	\$6.49	Gross Rent/Year - Market	\$4,725	/unit/mo	\$23,984,100	91%
1BR	198		827	\$4,490	\$5.43	Gross Rent/Year - BMR	\$1,634	/unit/mo	\$1,705,896	6%
2BR	114		1,209	\$5,265	\$4.35	Misc. Income @	\$900	/mkt du	\$380,700	1%
3BR	20		1,418	\$5,690	\$4.01	Parking Income @	\$1,200	/space	\$424,800	2%
3BR PH	10		2,052	\$9,709	\$4.73					
Subtotal	423	83%	937	\$4,725	\$5.04	(Less) Vacancy @	5%	gross	-\$1,324,775	-5%
						(Less) Res OpEx @	\$5,800	/du	-\$2,958,000	-11%
Moderate						(Less) Res Property Taxes	\$6,400	/du	-\$3,264,000	-12%
0BR	7		568	\$2,018	\$3.55	(Less) Pkg. OpEx @	25%	gross	-\$106,200	0%
1BR	17		827	\$2,295	\$2.78	NOI - Residential		-	\$18,842,521	71%
2BR	10		1,209	\$2,542	\$2.10					
3BR	2		1,418	\$2,794	\$1.97	<u>Retail</u>				
3BR PH	1		2,052	\$2,794	\$1.36	Gross Rent/Year	\$3.33	/SF	\$799,200	100%
Subtotal	37	7%	946	\$2,350	\$2.48	(less) Vacancy @	10%		-\$79,920	-10%
						(less) OpEx @	\$2.50	/SF	-\$50,000	-6%
Low						NOI - Retail			\$669,280	84%
0BR	6		568	\$1.040	\$1.83				,,	
1BR	14		827	\$1,178	\$1.42					
2BR	8		1.209	\$1.285	\$1.06	Total NOI		:	\$19.511.801	71%
3BR	2		1.418	\$1.398	\$0.99				<b>+</b> ···,-··,-··	
Subtotal	30	6%	916	\$1,194	\$1.30	Residual Land Value				
					,				Total \$	\$/Unit
Very Low						Supported Investment				
0BR	3		568	\$845	\$1.49	Residential @	5.00%	ROC	\$376,850,424	\$739K
1BR	10		827	\$955	\$1.15	Retail @	6.25%	ROC	\$10,708,480	\$21K
2BR	6		1,209	\$1,034	\$0.86	Total Supported Investment			\$387,558,904	\$760K
3BR	1		1,418	\$1,118	\$0.79					
Subtotal	20	4%	932	\$970	\$1.04	(less) Total Development Cost			-\$362,607,982	-\$711K
All BMR	87	17%	933	\$1.634	\$1.75	Residual Land Value (Rounde	d)		\$25.000.000	\$49K
All Units	510	100%	936	\$4,198	\$4.48	\$/Land SF	,		\$191	

### Table 5Rental Pro Forma; Scenario 3aFinancial Feasibility Analysis of High-Rise PrototypesEmeryville, CA

Program: S	cenari	o 3a				Development Costs				
							\$/GSF	\$/Unit	Total \$	%Directs
Site Area				130,680	SF	Direct Costs				
Stories				48		Demo/ Sitework	\$8	\$10,700	\$5,454,440	2%
						Residential Construction	\$360	\$512,800	\$261,543,495	91%
Building Are	a					Non-Residential Construction	\$7	\$10,600	\$5,400,000	2%
Apartments	(Net)			534,398	SF	Parking	\$20	\$28,400	\$14,482,440	5%
Retail (Net)				20,000	SF	Total, Directs	\$395	\$562,500	\$286,880,375	100%
Common/Ci	rc.		-	171,570	SF					
Total (excl F	Pkg)			725,968	SF	Indirect Costs				
Building Effi	ciency			76%	)	Fees & Permits (Table 6)	\$51	\$72,600	\$37,046,521	13%
						Retail Tenant Improvements	\$1	\$2,000	\$1,000,000	0%
Parking Spa	aces			354		Other Soft Costs (incl. A&E)	\$59	\$84,400	\$43,032,056	15%
Parking Sq.	Ft.			120,687	SF	Contingency	\$20	\$28,100	\$14,344,019	5%
						Total, Indirects	\$131	\$187,100	\$95,422,596	33%
<b>Residential</b>	<u>Units</u>									
Apartments				510		Construction Financing	\$28	\$40,300	\$20,547,590	7%
Average Un	it Size			1,048	SF					
Units/Acre				170		Total Development Cost	\$555	\$789,900	\$402,850,561	140%
Rent Scheo	lule					Operating Income				
	<u>Units</u>	<u>%</u>	<u>NSF</u>	<u>\$/Unit</u>	<u>\$/SF</u>			-	Total \$	%Gross
<u>Market</u>						Residential				
0BR	42		608	\$3,985	\$6.56	Gross Rent/Year - Market	\$5,130	/unit/mo	\$26,039,880	91%
1BR	163		817	\$4,580	\$5.61	Gross Rent/Year - BMR	\$1,690	/unit/mo	\$1,763,952	6%
2BR	154		1,222	\$5,420	\$4.44	Misc. Income @	\$900	/mkt du	\$380,700	1%
3BR	53		1,416	\$5,895	\$4.16	Parking Income @	\$1,200	/space	\$424,800	1%
3BR PH	11		2,052	\$9,998	\$4.87					
Subtotal	423	83%	1,051	\$5,130	\$4.88	(Less) Vacancy @	5%	gross	-\$1,430,467	-5%
						(Less) Res OpEx @	\$5,800	/du	-\$2,958,000	-10%
Moderate						(Less) Res Property Taxes	\$7,100	/du	-\$3,621,000	-13%
0BR	4		608	\$2,018	\$3.32	(Less) Pkg. OpEx @	25%	qross	-\$106,200	0%
1BR	14		817	\$2.295	\$2.81	NOI - Residential			\$20,493,665	72%
2BR	13		1.222	\$2,542	\$2.08				• • • • • • • • • •	
3BR	6		1,416	\$2,794	\$1.97	Retail				
3BR PH	0		2.052	\$2,794	\$1.36	Gross Rent/Year	\$3.33	/SF	\$799.200	100%
Subtotal	37	7%	1.034	\$2,433	\$2.35	(less) Vacancy @	10%		-\$79.920	-10%
			.,	+_,	,	(less) OpEx @	\$2.50	/SF	-\$50,000	-6%
Low						NOI - Retail	φ2.00		\$669,280	84%
088	3		608	\$1 040	\$1 71				<i>\\</i> 000,200	0470
1BR	12		817	\$1,040 \$1,178	\$1.44					
288	11		1 222	\$1,170	\$1.05	Total NOI		-	\$21 162 0/5	72%
3BR	1		1,222	\$1,200 \$1,200	\$0.00 \$0.00				ψ21,102,340	1270
Subtotal	30	6%	1,410	\$1,380	\$0.99	Posidual Land Valuo				
Subiolai	50	070	1,024	φ1,2 <b>3</b> 3	φ1.20	Residual Land Value			Total \$	\$/Unit
Very Low						Supported Investment				
0BR	2		608	\$845	\$1.39	Residential @	5.00%	ROC	\$409,873,308	\$804K
1BR	7		817	\$955	\$1.17	Retail @	6.25%	ROC	\$10,708,480	\$21K
2BR	8		1,222	\$1,034	\$0.85	Total Supported Investment		-	\$420,581,788	\$825K
3BR	3		1,416	\$1,118	\$0.79					
Subtotal	20	4%	1,048	\$1,000	\$0.95	(less) Total Development Cost			-\$402,850,561	-\$790K
All BMR	87	17%	1,034	\$1,690	\$1.63	Residual Land Value (Rounde	ed)		\$17,700.000	\$35K
All Units	510	100%	1,048	\$4,543	\$4.34	\$/Land SF			\$136	
	-		· ·			<u> </u>			,	

### Table 6Rental Pro Forma; Scenario 3bFinancial Feasibility Analysis of High-Rise PrototypesEmeryville, CA

Site Area Stories         130,680         SF         Direct Costs Demol Stevork         \$8         \$10,700         \$53,454,440         2%           Building Area Apartments Retail (Net)         43         Demol Stevork         \$8         \$10,700         \$53,454,440         2%           Apartments Retail (Net)         277,571 sp. 555,589 sp. Total, locat Pkg)         Fors & Formatic Construction         \$34         \$10,800         \$23,899,895         90%           Parking Sq. Parking Sq. FL         158,018 sp. 555,589 sp. Total (wat Pkg)         655,589 sp. 655,589 sp. Total, locats (incl. A&E)         \$59         \$57,700         \$34,320,747         13%, Retail Tenant Ingrovements         \$22         \$22,000         \$14,400,00%         \$12,286,343         5%, Total, indirect Costs (incl. A&E)         \$59         \$34,400,00%         \$34,320,747         13%, Retail Tenant Ingrovements         \$22         \$22,200         \$34,320,747         13%, Total, indirect Costs (incl. A&E)         \$59         \$34,400,00%         \$34,320,747         13%, Total, indirect Costs (incl. A&E)         \$39         \$36,676,700         \$34,820,747         13%, Total, indirect Costs (incl. A&E)         \$39         \$34,480,908         7%, Total, indirect Costs (incl. A&E)         \$39         \$34,499,908         7%, Total, indirect Costs (incl. A&E)         \$30         \$36,767,00         \$38,620,769,20         141%, S66,760,7982 <td< th=""><th colspan="5">Program: Scenario 3b</th><th></th><th>Development Costs</th><th></th><th></th><th></th><th></th></td<>	Program: Scenario 3b						Development Costs				
Site Area         130,680         Sr         Direct Costs           Bindies         43         Demol Stework         \$38         \$10,700         \$5,454,440         2%           Apartments (Net)         477,571         sr         Parking         \$324         \$454,900         \$5,400,000         2%           Apartments (Net)         477,571         sr         Parking         \$52         \$28,400         \$25,328,460         \$227,328,465         \$14,482,440         6%           CommoNCirc.         158,018 sr         Total, Directs         \$333         \$504,600         \$247,328,482,440         6%           Parking Spaces         354         Other Soft Costs (ncl. A&E)         \$55,980 sr         \$34,320,747         13%           Parking Spaces         354         Other Soft Costs (ncl. A&E)         \$59         \$57,700         \$34,320,747         34%           Apartments         510         Sr         Construction Financing         \$22         \$36,300         \$18,494,998         7%           Apartments         570         Sr         Construction Financing         \$28         \$36,300         \$18,494,998         7%           Apartments         53.05         \$56.50         Gross RentYear - Market         \$4,765 Junktmo         \$1,41								\$/GSF	\$/Unit	Total \$	%Directs
Stories         43         Demo/Sitework         58         51 000         55.454.440         28           Building Area Apartments (Net)         477.571         sr         Residential Construction         53.45         54.400         523.1999.965         90%           Non-Residential Construction         53.45         44.48.24.40         2%         655.400.000         52.400.000         52.400.000         2%           Apartments (Net)         477.571         sr         Total, Directs         53.33         55.44.600         \$257.326.865         100%           Common/Circ.         168.018         sr         rdirect Costs         Feesa & Parmits (Table 6)         \$52         \$57.000         \$34.320.747         13%           Parking Spaces         35.4         Other Soft Costs (incl. A&E)         \$510         \$510         \$510         \$510         \$510         \$510         \$510         \$510         \$510         \$510         \$510         \$553         \$711.000         \$362,607.962         111%           Hink 1%         18         19         1.418         \$568         \$5.100         Gross Rent/Year - Market         \$4,765         \$44.400         2%         \$44.800         2%           Market         19         1.418         \$5.685 <td>Site Area</td> <td></td> <td></td> <td></td> <td>130,680</td> <td>SF</td> <td>Direct Costs</td> <td></td> <td></td> <td></td> <td></td>	Site Area				130,680	SF	Direct Costs				
Building Area Apartments (Net)         4477,571 sr 477,571 sr Retail (Net)         Residential Construction (Non-Residential Construction State)         S336         5454,690 510,800         523,328,885         900, 2%           CommonCire.         158,018 sr Total (excl Pkg)         655,559 sr 106,017 eration         Total (Directs         5333         \$504,600         \$237,328,885         1000           Parking Spaces         954         6455,599 sr 1000,000         76%         Feres & Permite (Table 6) State State	Stories				43		Demo/ Sitework	\$8	\$10,700	\$5,454,440	2%
Building Area Apartments (Net)         Non-Residential Construction         S8         \$10.00         \$5,400,000         2%           Apartments (Net)         20.000 sr         Total, Directs         \$333         \$504,600         \$257,328,865         100%           Common/Circ.         158,018 sr         etail, Bar         Indirect Costs         \$333         \$504,600         \$34,320,747         13%, Retail Tenant Improvements         \$22         \$22,000         \$1,000,000         0%, S4,000,000         0%,           Parking Spaces         354         Other Soft Costs (ncl. A&E)         \$59         \$77,00         \$38,890,000         10%,           Parking Spaces         354         Other Soft Costs (ncl. A&E)         \$50         \$57,00         \$38,890,000         17%,           Apartments         510         Construction Financing         \$28         \$36,300         \$18,494,998         7%,           Average Unit Size         936         \$57         Cost Struction Financing         \$28         \$36,000         \$18,494,998         7%,           Average Unit Size         936         \$51.0         \$4.00         Barking         \$171,000         \$382,607,982         1414%           0BR         19         1,418         \$568         \$3.055         \$6.50							Residential Construction	\$354	\$454,900	\$231,989,985	90%
Apartments (Net)         477,571 sr 20,000 str         Parking 20,000 str         522         524,000 str         514,482,440 str         6% 5333 str         6% str           Common/Circ.         158,018 sr 101d (excl Pkg)         655,559 sr         Indirect Costs         5333 str         554,000 str         534,320,747         13% str         13% residential Units           Parking Spaces         354         00,887 str         00 str         555,500 str         538,590 030         15% str           Parking Sq. FL         120,687 sr         Contingency         526         \$57,000 str         \$58,760,120         358,590 030         15% str           Parking Sq. FL         120,687 sr         Construction Financing         \$28         \$36,300         \$18,494,998         7%           Average Unit Size         936 sr         Total Development Cost         \$553         \$711,000         \$362,607,982         141%           OBR         81         568         \$3,405         \$5,40         S4,480 x40         6%         %Greas           Market         001         1418         \$5,685         \$4,00         Yation str         \$4,487,440         1%           0BR         11         2,086         \$4,01         Parking Income         \$1,200         \$3,284,000 <t< td=""><td>Building Are</td><td><u>a</u></td><td></td><td></td><td></td><td></td><td>Non-Residential Construction</td><td>\$8</td><td>\$10,600</td><td>\$5,400,000</td><td>2%</td></t<>	Building Are	<u>a</u>					Non-Residential Construction	\$8	\$10,600	\$5,400,000	2%
Retail (Net)         20,000 sr 158,018 sr total (oxcl Pkg)         Total, Directs         \$393         \$504,600         \$257,326,865         100%           Building Efficiency         76%         100 (scl Pkg)         655,589 sr 10direct Costs         Indirect Costs         522         \$57,300         \$34,320,747         13%           Parking Spaces         354         Other Soft Costs (incl A&E)         \$59         \$75,700         \$34,320,747         13%           Residential Units Apartments         510         Construction Financing         \$22         \$25,200         \$12,869,343         5%           Average Unit Size         936 sr         Construction Financing         \$28         \$36,300         \$18,494,998         7%           Average Unit Size         936 sr         Total Development Cost         \$553         \$7711,000         \$362,607,982         141%           BR         19         4,418         \$568         \$3,695         \$65.00         Gross Rent/Year - Market         \$4,765, Juntimo         \$24,187,140         91%           2BR         19         1,418         \$5,690         \$4,765         \$300         \$40         \$300,700         1%         \$24,187,140         91%           2BR         19         \$4,148         \$5,690         \$4,73<	Apartments	(Net)			477,571	SF	Parking	\$22	\$28,400	\$14,482,440	6%
Common/Circ.         158.018 sF           Building Efficiency         76%         Fees & Permits (Table 6)         \$52         \$57.300         \$34,320,747         13%           Parking Spaces         354         Contingency         \$20         \$22,520         \$1,000,000         0%           Parking Spaces         354         Other Soft Costs (incl. A&E)         \$59         \$75,700         \$38,599,030         15%           Residential Units         Apartments         510         Construction Financing         \$28         \$36,300         \$18,494,998         7%           Average Unit Size         936 sF         Total Development Cost         \$553         \$711,000         \$362,607,982         141%           Market         Market         Market         S65,885,100         \$714,000         \$362,607,982         141%           BBR P1         1.418         \$5,685         \$4,01         Parking Income         \$1,200,000         1%         388,000         1%           BBR P1         1.418         \$2,025         \$3,709         \$4,765         \$5,000         144         \$24,800         2%           Subtotal         423         83%         939         \$4,765         \$5,000         \$1,000,000         \$380,000,01%         \$380,00	Retail (Net)				20,000	) SF	Total, Directs	\$393	\$504,600	\$257,326,865	100%
Total (exc) Pkg)         655,589 SF         Indirect Costs           Building Efficiency         76%         Fees & Permits (Table 6)         \$52         \$57,300         \$34,320,747         13%           Parking Spaces         354         Other Soft Costs (incl. A&E)         \$52         \$57,500         \$34,320,747         13%           Parking Spaces         354         Other Soft Costs (incl. A&E)         \$59         \$57,570         \$34,320,747         13%           Parking Spaces         354         Other Soft Costs (incl. A&E)         \$59         \$57,570         \$34,320,747         13%           Parking Spaces         356         Sf         \$59         \$57,570         \$34,320,747         13%           Apartments         200,687         SF         Construction Financing         \$22         \$377,0200         \$36,676,120         34%           Average Unit Size         938         SF         Total Development Cost         \$553         \$711,000         \$326,607,982         141%           OBR         81         568         \$3,695         \$650         Gross Rent/Year - Market         \$4,765, inntime         \$24,187,140         91%           JBR         19         1,418         \$5,305         \$4,101         Misc. income @         \$1,2	Common/Ci	rc.		-	158,018	}_SF					
Building Efficiency 76% Fees & Permits (Table 6) \$52 \$57.300 \$34.320,747 13% Retail Tenant Improvements \$2 \$2,000 0% Arking Spaces 354 Other Soft Coats (incl. A&E) \$59 \$57.700 \$38,699.030 15% Arking Spaces 354 Other Soft Coats (incl. A&E) \$59 \$57.700 \$38,699.030 15% Arking Parking Spaces 354 Other Soft Coats (incl. A&E) \$59 \$57.700 \$38,699.030 15% Arking Parking Spaces 356 Soft Total, Indirects \$132 \$170,200 \$58,6766,120 \$34% Average Unit Size 938 \$5F Other Soft Coats (incl. A&E) \$553 \$711,000 \$382,607,982 \$1449.998 7% Arking Unit Size 938 \$5F Other Soft Coats (incl. A&E) \$553 \$711,000 \$382,607,982 \$14141 \$100 \$382,000 \$164,000 \$164,000 \$382,000 \$12,896,303 \$16,494,998 7% Arking Unit Size 938 \$5F Other Soft Coats (incl. A&E) \$553 \$711,000 \$382,607,982 \$14141 \$100 \$100 \$382,000 \$164,000 \$382,000 \$164,000 \$382,000 \$164,000 \$382,000 \$164,000 \$382,000 \$164,000 \$382,000 \$164,000 \$382,000 \$164,000 \$382,000 \$164,000 \$382,000 \$164,000 \$382,000 \$170,000 \$31,000 \$170,000 \$170,000 \$19,704,689 \$19,000 \$10,000 \$19,704,689 \$19,000 \$100,000 \$19,704,689 \$19,000 \$100,000 \$19,704,689 \$19,000 \$100,000 \$19,704,689 \$10,000 \$100,000 \$19,704,689 \$10,000 \$100,000 \$100,000 \$10,700,000 \$100,0	Total (excl F	²kg)			655,589	) SF	Indirect Costs				
Parking Spaces         354         Other Soft Costs (incl. A&E)         \$2,000         \$1,000,000         0%           Parking Sq. FL         120,887         sr         Contingency         \$20         \$25,200         \$12,866,343         5%           Apartments         Soft         Construction Financing         \$28         \$36,000         \$18,494,998         7%           Average Unit Size         936         Sr         Total I Development Cost         \$553         \$711,000         \$362,907,982         141%           Market         0PR         81         568         \$3,693         \$5.48         Gross Rent/Year - Market         \$4,765 Junit/mo         \$24,187,140         91%           BR         11         1,209         \$5,513         \$4.40         Misc. Income @         \$1,200 mit du         \$380,700         1%           3BR         11         1,209         \$5,310         \$4.40         Misc. Income @         \$1,200 mit du         \$380,700         1%           Subtotal         423         83%         939         \$4.765         \$5.60         //w         \$24,187,140         91%           Uses         11         2,052         \$9,709         \$4.73         Parking Income @         \$1,200         \$24,187,040	Building Effi	ciency			76%	)	Fees & Permits (Table 6)	\$52	\$67,300	\$34,320,747	13%
Parking Spaces         354         Other Soft Costs (incl. A&E.)         S59         \$75,700         \$538,599,030         15%           Parking Sq. FL         120,687         SF         Contingency         \$20         \$25,203         \$25,203         \$36,399,030         15%           Residential Units Average Unit Size         936         SF         Construction Financing         \$28         \$36,300         \$18,494,998         7%           Rent Schedule         Units/Acre         Total Development Cost         \$553         \$711,000         \$362,607,962         141%           Rent Schedule         Operating Income         Construction Financing         \$28         \$363,000         114         %Gross Rent/Year - Market         \$4,765         44,765         44,764         91%           BR         19         1,418         \$5,685         \$4,01         Misc. Income @         \$900         mit du         \$38,000         11%           BBR         19         1,418         \$5,685         \$5,08         (Less) Res OpEx @         \$5,400         /du         \$32,29,50,000         -11%           OBR         7         568         \$2,018         \$3,55         (Less) Res OpEx @         \$5,400         /du         \$32,29,50,000         -11%							Retail Tenant Improvements	\$2	\$2,000	\$1,000,000	0%
Parking Sq. FL         120,687         SF         Contingency Total, Indirects         S20         S25,200         S12,866,343         5%         S4%           Apartments         510         Construction Financing         \$132         \$170,200         \$866,786,120         34%           Apartments         510         Construction Financing         \$28         \$36,000         \$118,494,998         7%           Average Unit Size         936         SF         Total Development Cost         \$553         \$711,000         \$362,607,982         141%           OBR         81         568         \$3,695         \$6.40         Gross Rent/Year - Market         \$4,765 Junitime         \$1,634 Junitime         \$1,703         \$660,00         1%           2BR         114         1,209         \$5,310         \$4.40         Misc. Income @         \$1,604 Junitime         \$1,703         \$380,700         1%           3BR 19         1.141         \$2,025         \$2,79         \$4.73         \$1,804 Junitime         \$1,200         \$380,000         1%         \$380,000         1%         \$380,000         1%         \$380,000         1%         \$380,000         1%         \$380,000         1%         \$380,000         1%         \$380,000         1%         \$380,0	Parking Spa	aces			354		Other Soft Costs (incl. A&E)	\$59	\$75,700	\$38,599,030	15%
Residential Units Apartments         S132         \$170,200         \$86,786,120         34%           Apartments Average Unit Size         936         SF         Construction Financing         \$28         \$36,300         \$18,494,998         7%           Rent Schedule         170         Total Development Cost         \$553         \$711,000         \$362,607,982         141%           BR         Linits         54         NSF         \$101         \$255         \$711,000         \$362,607,982         141%           BR         198         827         \$4,530         \$54.8         Gross Rent/Year - Market         \$4,765         \$4,000         \$380,700         1%           3BR         19         1,418         \$5,685         \$4.01         Parking Income @         \$10,000         \$242,187,140         91%           JBR PH         11         2,052         \$8,703         \$54.48         Gross Rent/Year - Market         \$1,200         \$380,700         1%           GBR         19         1,418         \$5,685         \$4.01         Parking Income @         \$100         \$295         \$2,000         1%           GBR         7         568         \$2,018         \$3.55         \$106,00         1%         \$39,000         1%	Parking Sq.	Ft.			120,687	SF	Contingency	\$20	\$25,200	\$12,866,343	5%
Residential Units         Apartments         S10         Operating Income         \$28         \$36,300         \$18,494,998         7%           Average Unit Size         936         SF         Total Development Cost         \$553         \$711,000         \$362,607,982         141%           Rent Schedule         Total Development Cost         \$553         \$711,000         \$362,607,982         141%           Warket         Units         2         NSF         \$20111         \$255         \$711,000         \$362,607,982         141%           OBR         81         568         \$3,695         \$6,50         Gross Rent/Year - Market         \$4,765         \$4,187,140         91%           2BR         114         1,209         \$5,310         \$4,40         Misc. Income @         \$1,634         \$1,000         \$380,700         1%           3BR PH         19         1,418         \$5,685         \$4,01         Parking Income @         \$1,000         \$362,607,902         1%           Moderate         (Less) Res Property Taxes         \$6,400         /du         \$3,264,000         -11%           0BR         7         568         \$2,524         \$2,10         \$10,35,200         0%           2BR PH         2,2025							Total, Indirects	\$132	\$170,200	\$86,786,120	34%
Apartments         510         Construction Financing         528         \$36,300         \$18,494,998         7%           Average Unit Size         936         sr         Total Development Cost         \$553         \$711,000         \$362,607,982         141%           Rent Schedule         Units Acre         Total Development Cost         \$553         \$711,000         \$362,607,982         141%           BR         19         568         \$3,695         \$6,50         Gross Rent/Year - Market         \$4,765 /unitmo         \$24,187,140         91%           3BR         19         1,418         \$5,685         \$4.01         Parking Income @         \$900 /mit du         \$380,000         1%           Woderate         (Less) Res OpEx @         \$56,800 /du         -\$23,264,000         2%           0BR         7         568         \$2,704         \$1.97         Kless) Res OpEx @         \$56,800 /du         -\$23,264,000         -12%           Moderate         (Less) Res OpEx @         \$56,800 /du         -\$23,264,000         -2%         \$32,640,000         -12%           BR         17         827         \$2,294         \$1.97         Retail         \$333, /sr         \$99,200         10%           3BR PH         2,025	<u>Residential</u>	<u>Units</u>									
Average Unit Size         936         sr           Units/Acre         170         Total Development Cost         \$553         \$711,000         \$362,607,982         141%           Rent Schedule         Operating Income         Constant Schedule         Schedue         Schedule         Schedule<	Apartments				510		Construction Financing	\$28	\$36,300	\$18,494,998	7%
Units/Acre         170         Total Development Cost         \$553         \$711,000         \$362,607,982         141%           Rent Schedule         Operating Income         Total S         %Gross         Total S         %Gross           0BR         81         568         \$3,695         \$6,50         Gross Rent/Year - Market         \$4,765 / unit/mo         \$24,187,140         91%           1BR         198         827         \$4,530         \$5,48         Gross Rent/Year - Market         \$4,765 / unit/mo         \$24,187,140         91%           3BR         19         1,418         \$5,685         \$4,01         Parking Income @         \$900 / mkt du         \$380,700         1%           Subtotal         423         83%         99         \$4,765         \$5,08         (Less) Res OpEx @         \$5,800 / du         \$2,958,000         -11%           Moderate         0         2,052         \$2,794         \$1,36         Gross Rent/Year         \$3,33 / sF         \$10,03,409         71%           3BR 19         1,209         \$2,552         \$2,78         NOI - Residential         \$10,03,409         71%           BR         7         568         \$2,018         \$3,257         \$2,50         \$2,50         \$2,50         <	Average Un	it Size			936	SF			:		
Rent Schedule         Operating Income         Total \$         Moderate           0BR         81         568         \$3,695         \$6.50         Gross Rent/Year - Market         \$4,765 /unit/mo         \$24,187,140         91%           1BR         198         827         \$4,530         \$5.48         Gross Rent/Year - BMR         \$1,634 /unit/mo         \$1,705,896         6%           3BR         19         1,418         \$5,685         \$4.01         Misc. Income @         \$100 /inkt du         \$380,700         1%           3BR PH         1         2,052         \$9,709         \$4.73         Stototal         \$423,83%         939         \$4,765         \$5.60           Ubtotal         423         83%         939         \$4,765         \$5.60         (Less) Vacancy @         \$5,800 /du         \$23,264,000         -12%           Subtotal         7         568         \$2,018         \$3,55         (Less) Res OpEx @         \$25% gross         \$119,035,409         71%           2BR         10         1,209         \$2,254         \$2.10         319,035,409         \$1%           3BR PH         0         2,052         \$2,794         \$1.97         Retail         \$19,035,409         \$1%	Units/Acre				170		Total Development Cost	\$553	\$711,000	\$362,607,982	141%
Units         %         NSE         SUbit         SSE           Market 0BR         81         568         \$3,695         \$6.50         Gross Rent/Year - Market         \$4,765 / unit/mo         \$24,187,140         91%           2BR         114         1,209         \$5,310         \$4.40         Misc. Income @         \$1,004 /mkt du         \$380,0700         1%           3BR         19         1.418         \$5,685         \$4.01         Parking Income @         \$1,200 <i>space</i> \$424,800         2%           3BR 19         1.1         2,052         \$9,709         \$4.73         (Less) Vacancy @         5% gross         -\$1,334,927         -5%           Subtotal         423         83%         93         \$4,765         \$5.08         (Less) Vacancy @         5% gross         -\$1,334,927         -5%           Moderate          (Less) Res OpEx @         \$5,800         /du         -\$3,264,000         -11%           0BR         7         568         \$2,018         \$3.355         (Less) Pkg. OpEx @         25% gross         \$-\$106,200         0%           2BR         10         1,209         \$2,524         \$2,10         Stas         \$1,00         \$18,035,609         71%	Rent Scheo	dule					Operating Income				
$ \begin{array}{  c                                  $		Units	%	NSF	\$/Unit	<u>\$/SF</u>	-			Total \$	%Gross
OBR         81         568         \$3,095         \$6.50         Gross Rent/Year - Market         \$4,765 /unit/mo         \$24,187,140         91%           1BR         198         827         \$4,530         \$5.48         Gross Rent/Year - BMR         \$1,634 /unit/mo         \$1,705,896         6%           2BR         11         2,052         \$9,709         \$4.47         Misc. Income @         \$900 /mit du         \$380,700         1%           3BR PH         11         2,052         \$9,709         \$4.47         King Income @         \$1,200 /space         \$424,800         2%           Subtotal         423         83%         939         \$4,765         \$5.08         (Less) Vacancy @         \$5% gross         -\$1,334,927         -5%           Subtotal         423         83%         939         \$4,765         (Less) Res Property Taxes         \$6,400 /du         -\$2,2958,000         -11%           (Less) Res Property Taxes         \$6,400 /du         -\$3,264,000         -\$2,958         \$10,00         \$18,000         \$19,035,409         71%           2BR         10         1,209         \$2,249         \$2,104         \$1,36         Gross Rent/Year         \$3,33 /SF         \$799,200         100%           Subtotal	<u>Market</u>						<u>Residential</u>				
1BR       198       827       \$4,530       \$5,48       Gross Rent/Year - BMR       \$1,634 /unit/mo       \$1,705,896       6%         2BR       114       1,209       \$5,310       \$4.40       Misc. Income @       \$900 /imkt du       \$380,700       1%         3BR       19       1,418       \$5,685       \$4.01       Parking Income @       \$1,200 /space       \$424,800       2%         3BR PH       11       2,052       \$9,709       \$4.73       (Less) Vacancy @       5% gross       -\$1,334,927       -5%         Moderate       (Less) Res OpEx @       \$5,600 /du       -\$2,958,000       -11%         0BR       7       568       \$2,018       \$3.55       (Less) Res Property Taxes       \$6,400 /du       -\$3,264,000       -2%         3BR 10       1,209       \$2,542       \$2.10       NOI - Residential       \$19,035,409       71%         3BR 3       1,418       \$2,794       \$1.97       Retail       Gross Rent/Year       \$3.33 /SF       \$79,920       100%         Subtotal       37       7%       929       \$2,350       \$2.53       (less) Vacancy @       10%       -\$79,920       100%         Subtotal       30       6%       916       \$1,949	0BR	81		568	\$3,695	\$6.50	Gross Rent/Year - Market	\$4,765	/unit/mo	\$24,187,140	91%
2BR       114       1,209       \$5,310       \$4.40       Misc. Income @       \$900 /mkt du       \$380,700       1%         3BR       19       1,418       \$5,685       \$4.01       Parking Income @       \$1,200 /space       \$424,800       2%         Subtotal       423       83%       939       \$4,765       \$5.08       (Less) Vacancy @       5% gross       -\$1,334,927       -5%         Moderate       (Less) Res OpEx @       \$5,800 /du       -\$2,958,000       -11%         Moderate       (Less) Res Property Taxes       \$6,400 /du       -\$3,264,000       -12%         BR       17       827       \$2,295       \$2.78       NOI - Residential       \$19,035,409       71%         2BR       10       1,209       \$2,542       \$2.10       S1,670       \$19,035,409       71%         3BR PH       0       2,052       \$2,794       \$1.36       Gross Rent/Year       \$3.33       /SF       \$79,920       100%         Subtotal       37       7%       929       \$2,350       \$2.53       (less) Vacancy @       10%       -\$79,920       -10%         Low       0BR       6       568       \$1,040       \$1.83       16       \$1.778       \$1.42 </td <td>1BR</td> <td>198</td> <td></td> <td>827</td> <td>\$4,530</td> <td>\$5.48</td> <td>Gross Rent/Year - BMR</td> <td>\$1,634</td> <td>/unit/mo</td> <td>\$1,705,896</td> <td>6%</td>	1BR	198		827	\$4,530	\$5.48	Gross Rent/Year - BMR	\$1,634	/unit/mo	\$1,705,896	6%
3BR       19       1.418       \$5,685       \$4.01       Parking Income @       \$1,200 /space       \$424,800       2%         3BR PH       11       2.052       \$9,709       \$4.73       Image: Comparison of the compari	2BR	114		1,209	\$5,310	\$4.40	Misc. Income @	\$900	/mkt du	\$380,700	1%
3BR PH         11         2.052         \$9,709         \$4.73           Subtotal         423         83%         939         \$4,765         \$5.08         (Less) Vacancy @         5% gross         -\$1,334,927         -5%           Moderate         (Less) Res OpEx @         \$5,800         /du         -\$3,264,000         -11%           0BR         7         568         \$2,018         \$3.55         (Less) Pkg. OpEx @         25% gross         -\$1,034,927         -5%           2BR         10         1,209         \$2,5242         \$2.10         NOI - Residential         \$19,035,409         71%           3BR PH         0         2,052         \$2,794         \$1.97         Retail         Gross Rent/Year         \$3.33         /SF         \$799,200         100%           Subtotal         37         7%         929         \$2,350         \$2.53         (less) Vacancy @         10%         -\$57,9,920         100%           Subtotal         37         929         \$2,350         \$2.53         (less) Vacancy @         \$2.50         /SF         \$55,000         -\$669,280         84%           Subtotal         37         929         \$2,350         \$2.53         (less) OpEx @         \$2.50         /S	3BR	19		1,418	\$5,685	\$4.01	Parking Income @	\$1,200	/space	\$424,800	2%
Subtotal         423         83%         939         \$4,765         \$5.08         (Less) Vacancy @         5% gross         -\$1,334,927         -5%           Moderate         (Less) Res OpEx @         \$5,800         /du         -\$2,958,000         -11%           0BR         7         568         \$2,018         \$3,55         (Less) Res Property Taxes         \$6,400         /du         -\$3,264,000         -11%           0BR         7         568         \$2,018         \$3,55         (Less) Res OpEx @         25% gross         -\$106,200         0%           2BR         10         1,209         \$2,242         \$2,10         Retail         -\$106,200         0%         \$19,035,409         71%           3BR         3         1,418         \$2,794         \$1.97         Retail         -\$106,200         0%         \$100         \$19,035,409         71%           Subtotal         37         7%         929         \$2,250         \$2.53         (less) Vacancy @         10%         -\$579,920         100%         \$100         \$669,280         84%         \$4%         \$669,280         84%         \$669,280         84%         \$100         \$19,704,689         72%         \$388         2         1,418 <td< td=""><td>3BR PH</td><td>11</td><td></td><td>2,052</td><td>\$9,709</td><td>\$4.73</td><td></td><td></td><td></td><td></td><td></td></td<>	3BR PH	11		2,052	\$9,709	\$4.73					
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Subtotal	423	83%	939	\$4,765	\$5.08	(Less) Vacancy @	5%	gross	-\$1,334,927	-5%
Moderate 0BR         7         568         \$2,018         \$3.55         (Less) Res Property Taxes         \$6,400         /du         -\$3,264,000         -12%           0BR         7         568         \$2,018         \$3.55         (Less) Pkg. OpEx @         25% gross         -\$106,200         0%           1BR         17         827         \$2,295         \$2.78         NOI - Residential         \$19,035,409         71%           2BR         10         1,209         \$2,542         \$2.50         Retail         Gross Rent/Year         \$3.33         /\$F         \$799,200         100%           3BR PH         0         2,052         \$2,794         \$1.36         Gross Rent/Year         \$3.33         /\$F         \$799,200         100%           Subtotal         37         7%         929         \$2,350         \$2.53         (less) Vacancy @         10%         -\$79,920         -10%           Low         0BR         6         568         \$1,040         \$18.3         1         44         827         \$1,178         \$1.42           2BR         8         1,209         \$1,285         \$1.06         Supported Investment         \$380,708,184         \$746K           3BR         2							(Less) Res OpEx @	\$5,800	/du	-\$2,958,000	-11%
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$	Mode <u>rate</u>						(Less) Res Property Taxes	\$6,400	/du	-\$3,264,000	-12%
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	0BR	7		568	\$2.018	\$3.55	(Less) Pkg. OpEx @	25%	aross	-\$106,200	0%
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	1BR	17		827	\$2.295	\$2.78	NOI - Residential		3	\$19.035,409	71%
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	2BR	10		1.209	\$2.542	\$2.10				+ • • • • • • • • •	
3BR PH       0       2,052       \$2,794       \$1.36       Gross Rent/Year       \$3.33       /SF       \$799,200       100%         Subtotal       37       7%       929       \$2,350       \$2.53       Gross Rent/Year       \$3.33       /SF       \$799,200       100%         Low       10%       -\$79,920       10%       -\$79,920       -10%         Low       0BR       6       568       \$1,040       \$1.83       -\$70,920       -6%         NOI - Retail       \$2.50       /SF       -\$50,000       -6%       84%         0BR       6       568       \$1,040       \$1.83       1.42       Total NOI       \$19,704,689       72%         Subtotal       30       6%       916       \$1,194       \$1.30       Residual Land Value       \$19,704,689       72%         Very Low       0BR       3       568       \$845       \$1.49       Residential @       5.00% ROC       \$380,708,184       \$746K         1BR       10       827       \$955       \$1.15       Retail @       6.25% ROC       \$10,708,480       \$21K         2BR       1       1.418       \$1,118       \$0.79       Yotal Supported Investment       \$391,416,664	3BR	3		1,418	\$2,794	\$1.97	Retail				
Subtotal       37       7%       929       \$2,350       \$2.53       (less) Vacancy @       10% $-$79,920$ $-10%$ Low       0BR       6       568       \$1,040       \$1.83       (less) OpEx @       \$2.50       ///>////////////////////////////////	3BR PH	0		2.052	\$2.794	\$1.36	Gross Rent/Year	\$3.33	/SF	\$799,200	100%
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	Subtotal	37	7%	929	\$2.350	\$2,53	(less) Vacancy @	10%		-\$79.920	-10%
Low         NOI - Retail         CLOV 101	000000	•	• • •	•=-	<b>*-</b> ,	¥=	(less) OnFx @	\$2.50	/SF	-\$50,000	-6%
Low       Instruction       Construction       Construct								Ψ2.00		\$669,280	84%
1BR       14       827       \$1,178       \$1.42         2BR       8       1,209       \$1,285       \$1.06         3BR       2       1,418       \$1,398       \$0.99         Subtotal       30       6%       916       \$1,194       \$1.30         Residual Land Value         Very Low       0BR       3       568       \$845       \$1.49         1BR       10       827       \$955       \$1.15       Residual Land Value       \$380,708,184       \$746K         2BR       6       1,209       \$1,034       \$0.86       \$6.25% ROC       \$10,708,480       \$21K         2BR       6       1,209       \$1,034       \$0.86       Total Supported Investment       \$391,416,664       \$767K         3BR       1       1,418       \$1,118       \$0.79       \$1.04       (less) Total Development Cost       -\$362,607,982       -\$711K         All BMR       87       17%       925       \$1,634       \$1.77       Residual Land Value (Rounded)       \$28,800,000       \$56K         \$/Land SF       \$220       \$220       \$220       \$220       \$220	0BR	6		568	\$1 040	\$1,83				ψ000,200	01/0
Link       Init       State       \$1,110       \$1,111       \$1,110       \$1,0100	1BR	14		827	\$1,178	\$1.42					
2bit       0       1,203       \$1,203       \$1,203       \$1,003       \$1,003       \$1,003       \$1,003       \$1,003       \$1,003       \$1,003       \$1,203       \$1,003       \$1,003       \$1,003       \$1,203       \$1,003       \$1,003       \$1,203       \$1,003       \$1,203       \$1,003       \$1,203       \$1,003       \$1,203       \$1,003       \$1,203       \$1,203       \$1,003       \$1,203       \$1,203       \$1,203       \$1,203       \$1,203       \$1,203       \$1,203       \$1,203       \$1,203       \$1,203       \$1,203       \$1,203       \$1,203       \$2,003 <td< td=""><td>28R</td><td>8</td><td></td><td>1 209</td><td>¢1,285</td><td>\$1.06</td><td>ION Into T</td><td></td><td>-</td><td>\$10 704 689</td><td>72%</td></td<>	28R	8		1 209	¢1,285	\$1.06	ION Into T		-	\$10 704 689	72%
Subt         2         1,410         41,330         40.35           Subtotal         30         6%         916         \$1,194         \$1.30           Very Low         0BR         3         568         \$845         \$1.49         Residential @         5.00% ROC         \$380,708,184         \$746K           1BR         10         827         \$955         \$1.15         Retail @         6.25% ROC         \$10,708,480         \$21K           2BR         6         1,209         \$1,034         \$0.86         Total Supported Investment         \$391,416,664         \$767K           3BR         1         1,418         \$1,118         \$0.79         Subtotal         20         4%         932         \$970         \$1.04         (less) Total Development Cost         -\$362,607,982         -\$711K           All BMR         87         17%         925         \$1,634         \$1.77         Residual Land Value (Rounded)         \$28,800,000         \$56K           All Units         510         100%         936         \$4,231         \$4.52         \$/Land SF         \$220	RR	2		1 4 1 8	¢1,200 ¢1,308	\$0.00				ψ13,707,000	12/0
Very Low         Supported Investment         Total \$         \$/Unit           0BR         3         568         \$845         \$1.49         Residential @         5.00% ROC         \$380,708,184         \$746K           1BR         10         827         \$955         \$1.15         Retail @         6.25% ROC         \$10,708,480         \$21K           2BR         6         1,209         \$1,034         \$0.86         Total Supported Investment         \$391,416,664         \$767K           3BR         1         1,418         \$1,118         \$0.79         \$1.04         (less) Total Development Cost         -\$362,607,982         -\$711K           All BMR         87         17%         925         \$1,634         \$1.77         Residual Land Value (Rounded)         \$28,800,000         \$56K           All Units         510         100%         936         \$4,231         \$4.52         \$/Land SF         \$220	Subtotal	30	6%	Q16	¢1,000 ¢1 104	\$1.30	Posidual Land Value				
Very Low 0BR         3         568         \$845         \$1.49         Residential @         5.00% Roc         \$380,708,184         \$746K           1BR         10         827         \$955         \$1.15         Retail @         6.25% Roc         \$10,708,480         \$21K           2BR         6         1,209         \$1,034         \$0.86         Total Supported Investment         \$391,416,664         \$767K           3BR         1         1,418         \$1,118         \$0.79         \$310,708,184         \$746K           Subtotal         20         4%         932         \$970         \$1.04         (less) Total Development Cost         -\$362,607,982         -\$711K           All BMR         87         17%         925         \$1,634         \$1.77         Residual Land Value (Rounded)         \$28,800,000         \$56K           All Units         510         100%         936         \$4,231         \$4.52         \$/Land SF         \$220	Gubiotai	00	070	010	ΨΙ,ΙΟΙ	ψ1.00				Total \$	\$/Unit
0BR       3       568       \$845       \$1.49       Residential @       5.00% ROC       \$380,708,184       \$746K         1BR       10       827       \$955       \$1.15       Retail @       6.25% ROC       \$10,708,480       \$21K         2BR       6       1,209       \$1,034       \$0.86       Total Supported Investment       \$391,416,664       \$767K         3BR       1       1,418       \$1,118       \$0.79        Total Supported Investment       \$391,416,664       \$767K         Subtotal       20       4%       932       \$970       \$1.04       (less) Total Development Cost       -\$362,607,982       -\$711K         All BMR       87       17%       925       \$1,634       \$1.77       Residual Land Value (Rounded)       \$28,800,000       \$56K         All Units       510       100%       936       \$4,231       \$4.52       \$/Land SF       \$220	Very Low						Supported Investment				
1BR       10       827       \$955       \$1.15       Retail @       6.25% ROC       \$10,708,480       \$21K         2BR       6       1,209       \$1,034       \$0.86       Total Supported Investment       \$391,416,664       \$767K         3BR       1       1,418       \$1,118       \$0.79       (less) Total Development Cost       -\$362,607,982       -\$711K         All BMR       87       17%       925       \$1,634       \$1.77       Residual Land Value (Rounded)       \$28,800,000       \$56K         All Units       510       100%       936       \$4,231       \$4.52       \$/Land SF       \$220	0BR	3		568	\$845	\$1.49	Residential @	5.00%	ROC	\$380,708,184	\$746K
2BR 3BR         6         1,209         \$1,034         \$0.86         Total Supported Investment         \$391,416,664         \$767K           3BR         1         1,418         \$1,118         \$0.79         (less) Total Development Cost         -\$362,607,982         -\$711K           All BMR         87         17%         925         \$1,634         \$1.77         Residual Land Value (Rounded)         \$28,800,000         \$56K           All Units         510         100%         936         \$4,231         \$4.52         \$/Land SF         \$220	1BR	10		827	\$955	\$1.15	Retail @	6.25%	ROC	\$10,708,480	\$21K
3BR         1         1,418         \$1,118         \$0.79           Subtotal         20         4%         932         \$970         \$1.04         (less) Total Development Cost         -\$362,607,982         -\$711K           All BMR         87         17%         925         \$1,634         \$1.77         Residual Land Value (Rounded)         \$28,800,000         \$56K           All Units         510         100%         936         \$4,231         \$4.52         \$/Land SF         \$220	2BR	6		1,209	\$1,034	\$0.86	Total Supported Investment			\$391,416,664	\$767K
Subtotal         20         4%         932         \$970         \$1.04         (less) Total Development Cost         -\$362,607,982         -\$711K           All BMR         87         17%         925         \$1,634         \$1.77         Residual Land Value (Rounded)         \$28,800,000         \$56K           All Units         510         100%         936         \$4,231         \$4.52         \$/Land SF         \$220	3BR	1		1,418	\$1,118	\$0.79					
All BMR         87         17%         925         \$1,634         \$1.77         Residual Land Value (Rounded)         \$28,800,000         \$56K           All Units         510         100%         936         \$4,231         \$4.52         \$/Land SF         \$220	Subtotal	20	4%	932	\$970	\$1.04	(less) Total Development Cost			-\$362,607,982	-\$711K
All Units 510 100% 936 \$4,231 \$4.52 \$/Land SF \$220	All BMR	87	17%	925	\$1 634	\$1.77	Residual Land Value (Rounde	h)		\$28,800,000	\$56K
	All Units	510	100%	936	\$4.231	\$4.52	\$/Land SF			\$220	+

## Table 7Development Fees, Permits, and Community BenefitsFinancial Feasibility Analysis of High-Rise PrototypesEmeryville, CA

		Scenario 1	Scenario 2a	Scenario 2b
		Table 2	Table 3	Table 4
Building Valuation (Direct Cos	sts)	\$159,650,385	\$286,880,375	\$257,326,865
Housing Units	/	350	510	510
5				
Estimated by Building Divis	ion			
Building Permit Fee		\$1,277,203	\$2,295,043	\$2,058,615
Plan Review Fee		\$830,182	\$1,491,778	\$1,338,100
Energy Review Fee		\$159,650	\$286,880	\$257,327
Electrical Permit Fee		\$255,441	\$459,009	\$411,723
Plumbing Permit Fee		\$229,897	\$413,108	\$370,551
Mechanical Permit Fee		\$217,125	\$390,157	\$349,965
S.M.I.P.		\$44,702	\$80,327	\$72,052
Microfiche		\$12,772	\$22,950	\$20,586
Fire Department Fees		\$510,881	\$918,017	\$823,446
Sewer Connection Fees		\$481,250	\$701,250	\$701,250
Transportation Facility Fees		\$705,400	\$980,600	\$980,600
School Fees		\$1,700,004	\$2,687,819	\$2,421,082
Art In Public Places		\$829,640	\$1,465,166	\$1,317,213
Technology Fee		\$159,650	\$286,880	\$257,327
Building Standards Commisio	n Fee	\$6,387	\$11,476	\$10,294
General Plan Maintenance Fe	e	\$798,252	\$1,434,402	\$1,286,634
Parks and Recreation Fee		<u>\$1,438,800</u>	<u>\$2,076,240</u>	<u>\$2,076,240</u>
Subtotal		\$9,657,236	\$16,001,102	\$14,753,003
Additional Fees/ Comm Ber	nefits			
Comm. Benefits: Tower	5.00%	\$0	\$14,344,019	\$12,866,343
Comm. Benefits: Midrise	1.70%	\$2,714,057	\$0	\$0
EBMUD: Water	\$10,530 /du	\$3,685,500	\$5,370,300	\$5,370,300
EBMUD: Sewer	\$2,610 /du	<u>\$913,500</u>	<u>\$1,331,100</u>	<u>\$1,331,100</u>
		\$7,313,057	\$21,045,419	\$19,567,743
<b>Total Fees, Permits &amp; Comr</b>	nunity Benefits	\$16,970,293	\$37,046,521	\$34,320,747

#### Table 8 Key Pro Forma Assumptions Financial Feasibility Analysis of High-Rise Prototypes Emeryville, CA

Development Costs		Income/Revenues	
Direct Construction Costs*		Base Market Rents	Table 12
Apartments: Type III	\$295 /GSF	Studio	\$5.78 /NSF
Apartments: Type I	\$365 /GSF	1BR	\$4.62 /NSF
Retail (Core & Shell)	\$270 /GSF	2BR	\$3.67 /NSF
Parking, Above Grade	\$120 /GSF	3BR (1,400 sf)	\$3.57 /NSF
Demolition	\$20 /GSF	Large 3BR	\$3.57 /NSF
Site Work	\$35 /SF site	Tower Premium	0.75% /fl above 7
Open Space	included above		
		BMR Rents	Table 10
Indirect Construction Costs			
Construction Contingency	5% of directs	Nonresidential Rents	Table 11
Retail Tenant Improvements	\$50 /NSF	Retail (NNN)	\$3.33 /SF/mo
Impact Fees	Table 6		
Other Soft Costs (incl A&E)	15% of directs	Parking & Misc. Income	
		Parking Income	\$100 /space/mo
Financing		Miscellaneous Income	\$75 /mkt du/mo
Loan-to-Cost	65% LTC		
Interest Rate	5.0% /year		
Points and Fees	1% Ioan		
Loan Term- Type III	24 months		
Loan Term - Type I	30 months		
Avg Outstanding Balance	55% Ioan		
Investment Thresholds		Operating Expenses	
			50/
Stabilized Return on Cost (ROC)	<b>E</b> 000% <b>-</b>	Residential Vacancy	5%
Apartments	5.00% ROC	Non-Residential Vacancy	10%
Retail	6.25% ROC		<b>AF FOO</b>
		Apartment OpEx: Mid-Rise	\$5,500 per unit
		Apartment OpEx: Tower	\$5,800 per unit
			25% of gross
			\$2.50 /net SF/yr.
*Construction Types		Residential Property Tax	
Type I = Concrete or steel		Property Tax Rate	1 11% tax
Type III = Wood frame over podium			

## Table 9Recent Emeryville and Nearby Residential Land TransactionsFinancial Feasibility Analysis of High-Rise PrototypesEmeryville, CA

Source: Costar, RealQuest

	Acres	Land SF	Est. Units <sup>1</sup>	Est. Density <sup>1</sup>	Price (\$M) <sup>2</sup>	Sale Year	\$/SF Land	\$/Unit
<b>F</b>	,	20.10 01	0	20.000	(+)			¢, e
Emeryville 6330 Christia Ava (Avalan D)	15	66 169	222	1/7	¢ንን በ	2016	¢220	¢00.000
6251 Shellmound St (Avalon C)	0.5	22 173	66	147	φ22.0 \$7.0	2010	\$316 \$316	\$99,000
2627 Adeline St (Adeline Springe) <sup>3</sup>	0.0	40.000	22	130	φ1.0 Φ1.Ε	2010	\$310 \$44E	¢100,000
Maighted Average	0.3	12,032	33	114	\$1.5	2016	\$115 \$115	<u>\$44,000</u> \$05,000
weighted Average							\$30Z	\$95,000
Oakland								
24th & Harrison (tower)	2.3	99,893	400	174	\$43.5	2018	\$435	\$109,000
451 28th St	0.3	11,761	40	148	\$4.0	2018	\$340	\$100,000
1518-1530 MLK Jr Way	0.5	23,050	140	265	\$7.0	2018	\$302	\$50,000
2400 Valdez	1.1	47,045	225	208	\$11.8	2016	\$251	\$52,000
915 Fallon St	0.2	10,454	58	242	\$2.5	2017	\$239	\$43,000
2820 & 2855 Broadway	1.1	48,443	218	196	\$11.5	2016	\$237	\$53,000
58 Vernon St	0.2	7,405	9	53	\$1.7	2017	\$227	\$186,000
5100-5132 Telegraph Ave	1.7	73,181	204	121	\$15.5	2017	\$211	\$76,000
2970 Summit St	0.1	4,792	8	73	\$0.9	2017	\$198	\$119,000
MacArthur BART Parcel A&C	2.1	93,000	385	180	\$17.2	2016	\$185	\$45,000
391 40th St	0.3	14,375	38	115	\$2.5	2018	\$176	\$67,000
1429 Alice St	0.4	19,166	79	180	\$3.2	2017	\$167	\$41,000
2805 Park Blvd (east of lake)	0.3	12,197	20	71	\$1.5	2017	\$119	\$73,000
1100 Clay St (purch. from City)	0.7	30,056	288	417	\$3.4	2018	\$111	\$12,000
550 27th St	0.3	14,375	40	121	\$1.5	2016	<u>\$104</u>	<u>\$38,000</u>
Weighted Average							\$250	\$59,000
Less Than 300 du/acre							\$213	\$55,000
Berkelev								
2190 Shattuck (tower)	0.5	19.680	274	606	\$23.0	2015	\$1.169	\$84.000
1951 Shattuck (tower - option value)	0.4	17.424	156	390	\$14.0	2018	\$803	\$90.000
2509 Haste St (student; units = BRs)	0.5	21,928	254	505	\$9.0	2018	\$410	\$35,000
2720 San Pablo Ave (frmlv. 80 du/ac)	0.2	9.583	39	177	\$1.4	2016	\$146	\$36.000
1740 San Pablo Ave (asking \$360/sf)	0.3	14,375	52	158	\$1.9	2016	\$134	\$37,000
Weighted Average		,					\$594	\$64,000
Less Than 300 du/acre							\$139	\$37,000
Weighted Average All Areas			03	transactions			\$200	\$64 000
Less Than 300 du/acre			20				\$262	\$69,000
Evoluting Highest and Lowest Trans	actions		15	transactions			\$221	\$62 000
2017 and 2018 only	500115		11				4201 ¢028	\$60,000 \$60,000
2017 and 2010 only 2018 only			5				9230 \$315	\$73 000
2010 01119			3	s transactions			9213	φ <b>73,000</b>

<sup>1</sup>Based on development proposals.

<sup>2</sup> Mixed use projects contain commercial uses that have not been discounted from the land value.

<sup>3</sup> Developer is considering financing the project as an affordable housing development, per recent CUP extension request.

### Table 10BMR Residential Rent AssumptionsFinancial Feasibility Analysis of High-Rise Prototypes

Emeryville,	CA
Source: City of	f Emervville

Unit Size	0BR	1BR	2BR	3BR
Occupancy	1 person	2 person	3 person	4 person
Area Median Income	\$73,100	\$83,500	\$93,950	\$104,400
Moderate: 110% AMI				
Gross Affordable Rent	\$2,151	\$2,457	\$2,765	\$3,072
(less) Utility Allowance*	-\$133	-\$162	-\$223	-\$278
Net Affordable Rent	\$2,018	\$2,295	\$2,542	\$2,794
Low: 60% AMI				
Gross Affordable Rent	\$1,173	\$1,340	\$1,508	\$1,676
(less) Utility Allowance*	-\$133	-\$162	-\$223	-\$278
Net Affordable Rent	\$1,040	\$1,178	\$1,285	\$1,398
Very Low: 50% AMI				
Gross Affordable Rent	\$978	\$1,117	\$1,257	\$1,396
(less) Utility Allowance*	-\$133	-\$162	-\$223	-\$278
Net Affordable Rent	\$845	\$955	\$1,034	\$1,118
<u>* Utility Allowance</u>				
Heating - Electric	\$21	\$21	\$28	\$39
Cooking - Electric	\$3	\$5	\$6	\$7
Hot Water - Electric	\$25	\$28	\$54	\$72
Water	\$33	\$47	\$60	\$73
Sewer	\$24	\$24	\$24	\$24
Electric - Other	\$27	\$37	\$51	\$63
	\$133	\$162	\$223	\$278

Table 11				
Retail Rent Assumptio	ns			
Financial Feasibility A	nalysis of High-	Rise Prototypes		0/40/0040
Emeryville, CA				8/12/2019
Source. Costar, Loopher				
Retail Project	Sq. Ft.	\$/ SF	Comments	
PRO FORMA ASSUMP	TION			
All Scenarios		\$3 33 NNN		
		<i><b>Q</b></i> <b>OOOOOOOOOOOOO</b>		
EMERYVILLE COMPS				
6262 Christia Ava				
GF Retail	4 903	\$3.00 NNN	Emervville submarket	
	1,000	φ0.00 Hiti	Emoryvino odbindikot	
BERKELEY COMPS				
The Aquatic	4.404		Built 2018	
GF Retail 1	4,134	\$3.33 NNN ¢2.22 NNN	Svv Berkeley submarket	
GF Relail 3	9,200	40.00 INININ		
OAKLAND COMPS				
Idora			Built 2017	
GF Retail	870	\$3.00 NNN	Shafter submarket	
Fourth Streat Fast			Built 2017	
GF Retail	2 166	\$2 75 NNN	Jack London submarket	
	_, : : : :	φο		

Source: Costar, apartment websites

Rental Project	Unit	Average Sq. Ft.	Rent /Month	\$/ SF	
					1/4
PRO FORMA ASSUMPTION					
Base Rent Before	Studio	548	\$3,165	\$5.78	
Tower/ View Premiums	1BR	792	\$3,660	\$4.62	
	2BR	1,228	\$4,515	\$3.67	
	3BR	1,534	\$5,485	\$3.57	
	All	1.041	\$4.200	\$4.03	



Source: Costar, apartment websites

Pental Project	Linit	Average	Rent Month	¢/ SE
Rental Floject	Offic	Эч. т t.	/wonun	ψ/ ΟΙ
EMERYVILLE COMPS				
Emme Apartments				
6350 Christie Ave	Studio	473	\$2,479	\$5.24
Emeryville Submarket	1BR	720	\$2,938	\$4.08
Year Built: 2015	2BR	1,058	\$3,561	\$3.37
Floors: 8	3BR	1,228	\$4,303	\$3.50
Units: 190	All	802	\$3,141	\$3.92
Parc on Powell Apartments				
1333 Powell St	Studio	946	\$2,798	\$2.96
Emeryville Submarket	1BR	879	\$3,207	\$3.65
Year Built: 2015	2BR	1,149	\$3,647	\$3.17
Floors: 4	3BR	1,286	\$4,498	\$3.50
Units: 173	All	987	\$3,374	\$3.42
3900 Adeline St				
Longfellow Submarket	Studio	567	\$2,369	\$4.18
Year Built: 2016	1BR	820	\$2,639	\$3.22
Floors: 3	2BR	1,355	\$3,103	\$2.29
Units: 101	3BR	1,295	\$3,761	\$2.90
	All	922	\$2,777	\$3.01

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Source: Costar, apartment websites

Rental Project	Unit	Average Sq. Ft.	Rent /Month	\$/ SF
BERKELEY COMPS				
Higby				
3015 San Pablo Ave	1BR	768	\$2,974	\$3.87
SW Berkeley Submarket	2BR	1,056	\$3,724	\$3.53
Year Built: 2015	3BR	1,380	\$4,541	\$3.29
Floors: 5	All	870	\$3,263	\$3.75
Units: 98				
The Aquatic III				
2010 5th St	1BR	835	\$2,973	\$3.56
SW Berkeley Submarket	2BR	963	\$3,625	\$3.76
Year Built: 2018 Floors: 5 Units: 152	All	873	\$3,167	\$3.63
Parker Apartments 2038 Parker St S. Berkeley Submarket Year Built: 2016 Floors: 5 Units: 155	Studio 1BR 2BR 3BR All	580 698 1,111 1,703 709	\$2,825 \$3,193 \$4,770 \$6,902 \$3,267	\$4.87 \$4.57 \$4.29 \$4.05 \$4.61
OAKLAND COMPS				
4801 Shattuck Ave				
Temescal Submarket	Studio	438	\$2,782	\$6.35
Year Built: 2017	1BR	652	\$3,345	\$5.13
Floors: 5	2BR	933	\$3,926	\$4.21
Units: 43	All	628	\$3,256	\$5.18
Idora				
5239 Claremont Ave	1BR	691	\$3,071	\$4.44
Shafter Submarket	2BR	990	\$3,907	\$3.95
Year Built: 2017 Floors: 5 Units: 33	All	863	\$3,552	\$4.12

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Source: Costar, apartment websites

Rental Project	Unit	Average Sq. Ft.	Rent /Month	\$/ SF
OAKLAND, CONT.				
MacArthur Commons				
539 39th St	Studio	543	\$2,762	\$5.09
Mosswood Submarket	1BR	677	\$3,043	\$4.49
Year Built: 2018	2BR	923	\$3,231	\$3.50
Floors: 6 Units: 385	All	707	\$3,039	\$4.30
47Hundred				
4700 Telegraph Ave	Studio	476	\$2,710	\$5.69
Temescal Submarket	1BR	815	\$3,404	\$4.18
Year Built: 2019	2BR	1,216	\$4,416	\$3.63
Floors: 5	All	743	\$3,271	\$4.40
Units: 48				
Мауа				
4045 Broadway	Studio	536	\$3,028	\$5.65
Piedmont Submarket	1BR	562	\$2,783	\$4.95
Year Built: 2019	2BR	700	\$3,299	\$4.71
Floors: 5 Units: 47	All	544	\$3,035	\$5.58
The Broadway				
3093 Broadway	Studio	577	\$2,551	\$4.42
Pill Hill Submarket	1BR	752	\$2,982	\$3.97
Year Built: 2019	2BR	1,242	\$3,962	\$3.19
Floors: 6	3BR	1,433	\$4,725	\$3.30
Units: 423	All	848	\$3,174	\$3.74
Fourth Street East				
150 4th St	Studio	639	\$3,022	\$4.73
Jack London Submarket	1BR	792	\$3,641	\$4.60
Year Built: 2018	2BR	1,292	\$4,757	\$3.68
Floors: 7	3BR	1,421	\$5,145	\$3.62
	All	976	\$4,022	\$4.12

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# Table 13Adjusted Rents Based on View Premiums; Scenarios 2a/bFinancial Feasibility Analysis of High-Rise PrototypesEmeryville, CA

8/12/2019

		Studio	1BR	2BR	3BR	3BR-PH
Scenario 2A						
	Avg.					
Market Rate Unit Distribution	Premium <sup>1</sup>					
Below Floor 8	1.00	8	15	14	9	0
Floors 8-32	1.10	34	86	86	37	0
Floors 33-45	1.24	0	59	54	8	0
PH	1.30	0	3	0	0	10
		42	163	154	54	10
Average View Premium		1.08	1.14	1.14	1.10	1.30
Base Rent		\$5.78	\$4.62	\$3.67	\$3.57	\$3.57
Tower Adjustment	1.05	\$6.06	\$4.85	\$3.86	\$3.75	\$3.75
View Premium Adjustment		\$6.54	\$5.55	\$4.39	\$4.14	\$4.87
Scenario 2B						
	Avg.					
Market Rate Unit Distribution	Premium <sup>1</sup>					
Below Floor 8	1.00	15	21	10	4	0
Floors 8-29	1.09	66	111	58	16	0
Floors 30-40	1.21	0	64	46	0	0
PH	1.26	0	2	0	0	10
		81	198	114	20	10
Average View Premium		1.07	1.12	1.13	1.07	1.26
Base Rent		\$5.78	\$4.62	\$3.67	\$3.57	\$3.57
Tower Adjustment	1.05	\$6.06	\$4.85	\$3.86	\$3.75	\$3.75
View Premium Adjustment		\$6.49	\$5.43	\$4.35	\$4.01	\$4.73

<sup>1</sup> View premium of 0.75% per floor above floor eight. See Table 15

# Table 14Adjusted Rents Based on View Premiums; Scenarios 3a/bFinancial Feasibility Analysis of High-Rise PrototypesEmeryville, CA

8/12/2019

		Studio	1BR	2BR	3BR	3BR-PH
Scenario 3A						
	Avg.					
Market Rate Unit Distribution	Premium <sup>1</sup>					
Below Floor 8	1.00	7	13	13	8	0
Floors 8-32	1.10	35	76	76	35	0
Floors 33-45	1.24	0	71	65	10	0
PH	1.30	0	3	0	0	11
		42	163	154	53	11
Average View Premium		1.08	1.16	1.15	1.11	1.30
Base Rent (7 Stories)		\$5.78	\$4.62	\$3.67	\$3.57	\$3.57
Tower Adjustment	1.05	\$6.06	\$4.85	\$3.86	\$3.75	\$3.75
View Premium Adjustment		\$6.56	\$5.61	\$4.44	\$4.16	\$4.87
Scenario 3B						
	Avg.					
Market Rate Unit Distribution	Premium <sup>1</sup>					
Below Floor 8	1.00	14	19	9	4	0
Floors 8-29	1.09	67	100	50	15	0
Floors 30-40	1.21	0	77	55	0	0
PH	1.26	0	2	0	0	11
		81	198	114	19	11
Average View Premium		1.07	1.13	1.14	1.07	1.26
Base Rent (7 stories)		\$5.78	\$4.62	\$3.67	\$3.57	\$3.57
Tower Adjustment	1.05	\$6.06	\$4.85	\$3.86	\$3.75	\$3.75
View Premium Adjustment		\$6.50	\$5.48	\$4.40	\$4.01	\$4.73

<sup>1</sup> View premium of 0.75% per floor above floor eight. See Table 15

### Table 15Calculation of View Premium By FloorFinancial Feasibility Analysis of High-Rise PrototypesEmeryville, CA

	0.75%/fl	Scenario 2a	Scenario 2b
Floor	Premium <sup>1</sup>	Units	Units
8	1.01	12	14
9	1.02	12	14
10	1.02	12	14
11	1.03	12	14
12	1.04	12	14
13	1.05	12	14
14	1.05	12	14
15	1.06	12	14
16	1.07	12	14
17	1.08	12	14
18	1.08	12	14
19	1.09	12	14
20	1.10	12	14
21	1.11	12	14
22	1.11	12	14
23	1.12	12	14
24	1.13	12	14
25	1.14	12	14
26	1.14	12	14
27	1.15	12	14
28	1.16	12	12
29	1.17	11	12
30	1.17	11	12
31	1.18	11	12
32	1.19	11	12
33	1.20	11	12
34	1.20	11	12
35	1.21	11	12
36	1.22	11	12
37	1.23	11	12
38	1.23	11	12
39	1.24	11	12
40	1.25	11	12
41	1.26	11	7
42	1.26	11	3
43	1.27	12	3
44	1.28	12	
45	1.29	12	
46	1.29	7	
47	1.30	4	
48	1.31	3	
Average Premium			
Floors 8 to Last Flo	or Below PH	1,14	1.12
Bottom 2/3		1,10	1.09
Top 1/3		1 24	1 21
PH Floors		1.30	1.26

<sup>1</sup> Based on recently built tower projects. See Table 16

#### Table 16 View Premium Source Data Financial Feasibility Analysis of High-Rise Prototypes Emeryville, CA

Source: Property websites

Γ	N	EMA SF (	June 2019	)	399	Fremont	(June 201	9) 399 Fremont (July 2018)			8)	
	Rent \$	S/SF <sup>2</sup>	Premium/FI. % <sup>1</sup>		Rent \$	S/SF <sup>2</sup>	Premiun	n/FI. % <sup>1</sup>	Rent	\$/SF <sup>2</sup>	Premiun	n/FI. % <sup>1</sup>
Floor	Studio	1BR	Studio	1BR	Studio	2BR	Studio	2BR	1BR	2BR	1BR	2BR
5												
6		\$5.59										
7	\$6.95	\$5.59		-0.1%	_							
8	\$6.97	\$5.86	0.3%	2.4%		\$5.48		0.0%				
9		\$5.83		1.4%	\$5.90		0.0%					
10									\$5.62			
11	\$7.15		0.7%								•	
12		\$5.79		0.6%						\$5.75		
13						\$5.95		1.7%				
14		\$5.83		0.5%								
15					\$6.52		1.7%					
16												
17		\$5.94		0.6%								
18						\$6.52		1.9%				
19						\$6.21		1.2%				
20		\$5.95		0.5%								
21		\$6.08		0.6%					<b>*•</b> • • •		0.0404	
22		<b>\$0.05</b>		0.00/					\$6.19	<b>65 04</b>	0.84%	0.050/
23		\$6.35		0.8%	<b>#0.07</b>	<b>\$0.04</b>	0.00/	4 50/		\$5.34		-0.65%
24					\$6.67	\$6.81	0.9%	1.5%		<b>#0.47</b>		0.000/
25					¢C CO	<b>#C 04</b>	0.70/	0.00/		\$6.47		0.96%
20					\$0.60	\$0.04	0.7%	0.6%		¢ = 00		0.000/
27		¢6.20		0.6%						\$0.0Z		0.00%
20		φ0.3U		0.0%					¢6 24		0 57%	
29					¢6 59		0.5%		φ0.24	\$6.44	0.57 /0	0 67%
31					φ0.00	\$6.28	0.570	0.6%		φ0. <del>44</del>		0.07 /0
32		\$6.23		0.5%		\$6.00		0.0%				
33		ψ0.20		0.070		ψ0.00		0.470		\$6.80		0.87%
34						\$6.33		0.6%	\$6.60	ψ0.00	0.73%	0.01 /0
35						ψ0.00		0.070	φ0.00	\$5.56	0.1070	-0 14%
36						\$5 45		0.0%	\$6 71	\$6.72	0 74%	0.70%
37						<i>v</i> on o		0.070	<b>v</b> on i	\$6.93	••••	0.82%
38										\$6.74		0.66%
Average		_	0.51%	0.76%		_	0.77%	0.86%			0.72%	0.44%
Average, All U	nits	[	0.72	2%		[	0.96	5%			0.53	3%
Assumed		[	0.75 <u>%</u>	/floor								

<sup>1</sup> Percent increase in rent vs. base floor divided by difference in floors.

Α