

Pahokee Multifamily Project
2 & 3 Stories Bldgs
108 Units

May 2019

Project Data

Unit Mix:	# of Units	Unit Side (SF)	Total (SF)	Unit Rent per SF	Unit Rent (\$)	Total	Income (\$)
Unit A - 1Bd	8	600	4,800	1.34	805		77,280
Unit B - 2BD	50	900	45,000	1.32	1,186		711,600
Unit C - 3BD	35	1100	38,500	1.32	1,450		609,000
Unit D - 4BD	15	1250	18,750	1.27	1,586		285,480
(Vacancy and collection loss)							-84,168
Units Totals:	108	963	107,050	1.31			1,599,192

Project Cost Summary

Project Cost Summary:		per Unit	% of Cost	\$ per SF
Land Cost	1,620,000	15,000	11.4%	15
Soft Cost	1,398,525	12,949	9.8%	13
Hard Cost	10,705,000	99,120	75.2%	100
Financing Cost	513,000	4,750	3.6%	5
TOTAL:	14,236,525	131,820	100%	133

Project Source of Funds

Developer Equity	650,000	11%
Investor Equity	5,394,647	89%
Total Equity	6,044,647	42%
Financing	8,191,878	58%
	14,236,525	

Project Operation Summary

	Revenues	Rent (SqFt)	NOI	Cap Rate	Debt Services	Cash-on-Cash	Cashflow
Year 0	construction						
Year 1	399,798	\$0.66 /sf	161,540	1.1%	(279,075)	-1.9%	(117,535)
Year 2	1,599,192	\$1.31 /sf	1,122,677	7.9%	(558,151)	9.3%	564,526
Year 3	1,615,184	\$1.32 /sf	1,133,903	8.0%	(558,151)	9.5%	575,752
Year 4	1,631,336	\$1.34 /sf	1,145,242	8.0%	(558,151)	9.7%	587,091
Year 5	1,647,649	\$1.35 /sf	1,156,695	8.1%	(558,151)	9.9%	598,544
Year 6	1,664,126	\$1.36 /sf	1,168,262	8.2%	(558,151)	10.1%	610,111
Year 7	1,680,767	\$1.38 /sf	1,179,944	8.3%	(558,151)	10.3%	621,793
Year 8	1,714,550	\$1.39 /sf	1,191,744	8.4%	(558,151)	10.5%	633,593
Year 9	1,714,550	\$1.40 /sf	1,203,661	8.5%	(558,151)	10.7%	645,510
Year 10	1,731,696	\$1.42 /sf	1,215,698	8.5%	(558,151)	10.9%	657,547
							5,376,933

Project Exit Summary

Sale of Property @ Year 5 (Terminal Value)

NOI @ Year 10	1,215,698
Cap Rate at Exit:	5.50%
Sale Value:	22,103,598
Debt Service Balance	(6,761,657)
Closing Costs	(442,072)
Broker Commission	(663,108)

Total Cash - in:	14,236,761	
Equity Return	(6,044,647)	
Net Proceed (upside):		8,192,114
TOTAL PROCEEDS (upside + cashflow):		13,569,047
	IRR:	14.7%
	Eq multiplier:	2.24x

2.00

	YEAR 0	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	TOTAL
ANNUAL CASH FLOWS	(construction)	stabilization - 50% Rent \$0.66/sf	stabilized - 95% Rent \$1.31/sf	stabilized - 95% rent growth 0% Rent \$1.32/sf	stabilized - 95% rent growth 0% Rent \$1.34/sf	stabilized - 95% rent growth 0% Rent \$1.35/sf	stabilized - 95% rent growth 0% Rent \$1.36/sf	stabilized - 95% rent growth 0% Rent \$1.38/sf	stabilized - 95% rent growth 0% Rent \$1.39/sf	stabilized - 95% rent growth 0% Rent \$1.40/sf	stabilized - 95% rent growth 0% Rent \$1.42/sf	
REVENUES												
UNIT RENTALS		\$420,840	\$1,683,360	\$1,700,194	\$1,717,196	\$1,734,367	\$1,751,711	\$1,769,228	\$1,786,921	\$1,804,790	\$1,822,838	
LESS VACANCY		(\$21,042)	(\$84,168)	(\$85,010)	(\$85,860)	(\$86,718)	(\$87,586)	(\$88,461)	(\$89,346)	(\$90,239)	(\$91,142)	
TOTAL REVENUES		\$399,798	\$1,599,192	\$1,615,184	\$1,631,336	\$1,647,649	\$1,664,126	\$1,680,767	\$1,697,575	\$1,714,550	\$1,731,696	\$15,381,872
TOTAL EXPENSES		(\$238,258)	(\$476,515)	(\$481,281)	(\$486,093)	(\$490,954)	(\$495,864)	(\$500,822)	(\$505,831)	(\$510,889)	(\$515,998)	(\$4,702,505)
CASH AVAILABLE FOR DEBT SERVICE - NOI -		\$161,540	\$1,122,677	\$1,133,903	\$1,145,242	\$1,156,695	\$1,168,262	\$1,179,944	\$1,191,744	\$1,203,661	\$1,215,698	\$10,679,367
ROC - Cap Rate % PROJ COST: \$14,236,525		1.1%	7.9%	8.0%	8.0%	8.1%	8.2%	8.3%	8.4%	8.5%	8.5%	
LESS: INTEREST ON SENIOR @ 5.5%		(\$55,176)	(\$116,577)	(\$123,152)	(\$130,099)	(\$137,438)	(\$145,190)	(\$153,380)	(\$162,032)	(\$171,172)	(\$180,828)	(\$1,375,045)
LESS: PRINCIPAL REDUCTION ON SENIOR:		(\$223,900)	(\$441,574)	(\$434,999)	(\$428,052)	(\$420,713)	(\$412,961)	(\$404,771)	(\$396,119)	(\$386,979)	(\$377,323)	(\$3,927,390)
TOTAL DEBT SERVICE		(\$279,075)	(\$558,151)	(\$558,151)	(\$558,151)	(\$558,151)	(\$558,151)	(\$558,151)	(\$558,151)	(\$558,151)	(\$558,151)	(\$5,302,434)
-1.00												
CASH AVAILABLE AFTER DEBT		(117,535)	564,526	575,752	587,091	598,544	610,111	621,793	633,593	645,510	657,547	5,376,933
EQUITY: (\$6,044,647)												
CASH-ON-CASH %		-1.9%	9.3%	9.5%	9.7%	9.9%	10.1%	10.3%	10.5%	10.7%	10.9%	
DEBT SERVICE COVERAGE			2.0x	2.0x	2.1x	2.1x	2.1x	2.1x	2.1x	2.2x	2.2x	
REVERSIONARY CASH FLOWS												
REVERSION PRICE @ CAP RATE: 5.50%											\$22,103,598	
LESS: CLOSING COSTS 2.00%											(\$442,072)	
LESS: BROKER COMMISSIONS 3.00%											(\$663,108)	
LESS: REPAYMENT OF UNAMORTIZED DEBT -FIRST (PRINCIPAL)											(\$6,761,657)	
LESS REPAYMENT OF EQUITY TO INVESTORS											(\$6,044,647)	
PROCEEDS AFTER REPAYMENT OF DEBT, EQUITY (UPSIDE):											\$8,192,114	13,569,047

Construction Budget

	# of Units		Area (SF)	Sq Ft
Residencial	108	x	107,050	107,050
Common areas	0	x	0	0
Retail				0

Building SF	107,050
Parking Spaces	surface parkings
Land SF	- acres

Detail	Budget	Per Unit	Per SF	% of Total
Land, Plans & Entitlements				
TOTAL LAND COST	\$1,620,000	\$15,000	\$15	11.4%
<u>HARD COSTS</u>				
Construction Costs Units	9,634,500	\$89,208	\$90	
Site Work	1,070,500	\$9,912	\$10	
Contingency	0			
TOTAL HARD COSTS:	10,705,000	\$99,120	\$100	75.2%
<u>SOFT COSTS</u>				
Architect Design, Civil & Land Development	300,000	\$2,778	\$2.80	
Impact Fees, Utility Fees, & Zonning Permit Fee	0	\$0	\$0.00	
Const Permits, Testing, Inspection Services And	50,000	\$463	\$2.00	
Real Estate Taxes - 2 years	60,000	\$556	\$0.15	
Insurance	50,000	\$463		
Legal Fees	10,000	\$93		
Due Diligence / Administrative Expenses	50,000	\$463		
Project Management (1.5% of HC)	225,000	\$2,083		
Developer Fee (3% of HC)	600,000	\$5,556		
TOTAL SOFT COSTS:	1,345,000 13%	\$12,454	\$13	9.4%
SALES COMMISSIONS	0 0%			0.0%
MARKETING	53,525 0%	0.5% of HC		0.4%
<u>FINANCING COSTS</u>				
Lender Inspection Fees	30,000			
Bank Appraisal	25,000			
Loan Origination	30,000	0.4%		
Lender Expenses, Misc.	20,000	0.2%		
Stamp Taxes On Note	0	0.0%		
Intangible Taxes On Note	0	0.0%		
Title Insurance & Misc. Closing Costs	8,000	0.1%		
INTEREST RESERVE DURING CONSTRUCTION	400,000	4.9%		
TOTAL FINANCING COSTS:	513,000	\$4,750		3.6%
TOTAL	14,236,525	\$131,820	\$133	100.0%

Use of Funds			Source of Funds			
			Financing	Equity		Total
				Developer	Investor	
Use of Funds						
Land Cost	\$1,620,000	11%	\$970,000	\$650,000		
Soft Cost	\$1,398,525	10%	\$0		\$1,398,525	
Hard Cost	\$10,705,000	75%	\$6,708,878		\$3,996,122	
Financing Cost	\$513,000	4%	\$513,000			
	\$14,236,525	100%	\$8,191,878	\$650,000	\$5,394,647	\$6,044,647
			58%	11%	89%	100%
Sources of Funds RECAP:						
	Developer Equity		\$650,000		5%	
	Investor Equity		\$5,394,647		38%	42%
	Financing		\$8,191,878		58%	58%
			\$14,236,525			100%