## **REVENUE**

Development Name: 975 S. Rochester Road City/Township/Village: Rochester Hills County: Oakland County Construction Type: New Construction Property Type: Office Date: May 10, 2021

Fill in all blue shaded input cells

This worksheet is utilized as an input page only with information being utilized to populate information within the "Proforma" and "Cash Flow" worksheets.

### **DEVELOPMENT INCOME ASSUMPTIONS**

INCOME RESIDENT	IAL TENAN	NTS							
					Gross Ann.	Vacancy	Net Ann.		
Unit Type	# Units	Baths	Sq. Ft.	Mo. Rent	Income	Loss	Income	Total Sq. Ft.	Rent/Sq. Ft.
					\$0	\$0	\$0	0	\$0.00
					\$0	\$0	\$0	0	\$0.00
					\$0	\$0	\$0	0	\$0.00
					\$0	\$0	\$0	0	\$0.00
					\$0	\$0	\$0	0	\$0.00
					\$0	\$0	\$0	0	\$0.00
					\$0	\$0	\$0	0	\$0.00
					\$0	\$0	\$0	0	\$0.00
					\$0	\$0	\$0	0	\$0.00
					\$0	\$0	\$0	0	\$0.00
					\$0	\$0	\$0	0	\$0.00
					\$0	\$0	\$0	0	\$0.00
					\$0	\$0	\$0	0	\$0.00
					\$0	\$0	\$0	0	\$0.00
					\$0	\$0	\$0	0	\$0.00
					\$0	\$0	\$0	0	\$0.00
					\$0	\$0	\$0	0	\$0.00
					\$0	\$0	\$0	0	\$0.00
Common Area								0	
					Gross Ann.	Vacancy	Net Ann.		
Income Source				Mo. Income	Income	Loss	Income		
					\$0	\$0	\$0		
					\$0	\$0	\$0		
					\$0	\$0	\$0		
					\$0	\$0	\$0		
					\$0	\$0	\$0		
TOTALS:	0				\$0	\$0	\$0	0	\$0.00

RESIDENTIAL ASSUMPTIONS	Year 2 Inflation Factor	Year 3 Inflation Factor	Year 4 Inflation Factor	Future Inflation Factor
Income Increase	2.0%	2.0%	2.0%	2.0%
	Year 1	Year 2	Year 3	Stabilized
Vacancy Rate	5.0%	5.0%	5.0%	5.0%

INCOME COMMERCIAL/RETAIL/OF	FICE TENANTS						
					Gross Ann.	Vacancy	Net Ann.
Description	Lease Type	Sq. Ft.	Rent/Sq. Ft.	CAM/Sq. Ft.	Income	Loss	Income
Office Spaces	NNN	26,575	\$32.50		\$863,688	(\$43,184)	\$820,503
					\$0	\$0	\$0
					\$0	\$0	\$0
					\$0	\$0	\$0
					\$0	\$0	\$0
					\$0	\$0	\$0
					\$0	\$0	\$0
					\$0	\$0	\$0
					\$0	\$0	\$0
					\$0	\$0	\$0
					\$0	\$0	\$0
					\$0	\$0	\$0
Common Area							
			Monthly		Gross Ann.	Vacancy	Net Ann.
Income Source			Income		Income	Loss	Income
					\$0	\$0	\$0
					\$0	\$0	\$0
					\$0	\$0	\$0
					\$0	\$0	\$0
					\$0	\$0	\$0
TOTALS:		26,575			\$863,688	(\$43,184)	\$820,503

	Year 2	Year 3	Year 4	Future
COMMERCIAL	Inflation	Inflation	Inflation	Inflation
ASSUMPTIONS	Factor	Factor	Factor	Factor
Income Increase	2.0%	2.0%	2.0%	2.0%
	Year 1	Year 2	Year 3	Stabilized
Vacancy Rate	5.0%	5.0%	5.0%	5.0%

			Avg. Daily	Gross Ann.		Net Ann.
Description	# Rooms	Sq. Ft.	Rate/Rm.	Income	Vacancy Loss	Income
Hotel Rooms				\$0	\$0	\$0
Other Rev/Rm - Food & Beverage				\$0	\$0	\$0
Other Rev/Rm - Tel & Data				\$0	\$0	\$0
Other Rev/Rm - Miscellaneous				\$0	\$0	\$0
			Monthly	Annual		
Income Source		Sq. Ft.	Income	Income		
Banquet				\$0		\$0
Conference				\$0		\$0
Restaurant				\$0		\$0
Miscellaneous				\$0		\$1
TOTALS:	0	0		ŚO	\$0	Ś

HUSFITALITI	16412	icai 3	rear 4	ruture
ROOM	Inflation	Inflation	Inflation	Inflation
ASSUMPTIONS	Factor	Factor	Factor	Factor
Income Increase	2.0%	2.0%	2.0%	2.0%
	Year 1	Year 2	Year 3	Stabilized
Vacancy Rate	35.00%	35.00%	35.00%	35.00%
HOSPITALITY	Year 2	Year 3	Year 4	Future
OTHER	Inflation	Inflation	Inflation	Inflation
ASSUMPTIONS	Factor	Factor	Factor	Factor
Banquet	2.0%	2.0%	2.0%	2.0%
Conference	2.0%	2.0%	2.0%	2.0%
Restaurant	2.0%	2.0%	2.0%	2.0%
Miscellaneous	2.0%	2.0%	2.0%	2.0%

HOSPITALITY Year 2 Year 3 Year 4 Futur

PARKING				
			Monthly	Gross Ann.
Description	# of Spaces	Sq. Ft.	Income	Income
Public Spaces				\$0
Dedicated Spaces 1				\$0
Dedicated Spaces 2				\$0
Dedicated Spaces 3				\$0
	0	0		\$0

	Year 2	Year 3	Year 4	Future
PARKING	Inflation	Inflation	Inflation	Inflation
ASSUMPTIONS	Factor	Factor	Factor	Factor
Public Spaces	2.0%	2.0%	2.0%	2.0%
Ded Spaces 1	2.0%	2.0%	2.0%	2.0%
Ded Spaces 2	2.0%	2.0%	2.0%	2.0%
Ded Spaces 3	2.0%	2.0%	2.0%	2.0%

		Year 2	Year 3	Year 4	Future
Monthly	Annual	Inflation	Inflation	Inflation	Inflation
Income	Income	Factor	Factor	Factor	Factor
	\$0	2.0%	2.0%	2.0%	2.0%
	\$0				
	\$0				
	\$0				
	\$0				
\$0	\$0				
	Income	Income	Monthly	Monthly	Monthly

## STABILIZED OPERATING STATEMENT

Development Name: 975 S. Rochester Road City/Township/Village: Rochester Hills County: Oakland County Construction Type: New Construction Property Type: Office

Date: May 10, 2021

### **DEVELOPMENT INCOME**

DEVELOR MICHAELE		70 G1 033	/0 LIII.
Annual TIF Reimbursements	\$21,638	2.4%	2.6%
Other Recurring Revenue		0.0%	0.0%
Annual Gross Residential Rental Income	\$0	0.0%	0.0%
Annual Gross Commercial Rental Income	\$863,688	97.6%	102.6%
Annual Gross Hospitality Room & Related Income	\$0	0.0%	0.0%
Annual Gross Hospitality Other Income	\$0	0.0%	0.0%
Annual Gross Parking Income	\$0	0.0%	0.0%
Annual Other Income	\$0	0.0%	0.0%
Gross Income	\$885,326	100.0%	105.1%
Vacancy Loss (Residential, Commercial, Hospitality)	(\$43,184)	-4.9%	-5.1%
Net Income Detential	Ć043 141	05 10/	100.00/

Fill in all blue shaded input cells

This worksheet is utilized to proforma out the stabilized operations of the project utilizing the projected initial rental rates, the stabilized vacancy rates, and the anticipated full operating expenses of the project.

Net Income Po	tential		\$842,141	95.1%	100.0%	
DEVELORS	AFAIT ODED ATIMO EVDEN	ICEC				Inflation
_	MENT OPERATING EXPEN	15E5		% Gross	% Eff.	Factor
Administrative	•	+	\$0	0.0%	0.0%	3.0%
Managem				0.0%	0.0%	
Office Pay				0.0%	0.0%	
Payroll Tax				0.0%	0.0%	
	Vorker's Comp.			0.0%	0.0%	
	g/Marketing			0.0%	0.0%	
Legal /Acc				0.0%	0.0%	
General O	ffice			0.0%	0.0%	
Other:				0.0%	0.0%	
Other:		_		0.0%	0.0%	
Utilities		+	\$0	0.0%	0.0%	3.0%
Electricity				0.0%	0.0%	
Fuel				0.0%	0.0%	
Water & S	ewer	_		0.0%	0.0%	
Maintenance/N	Non-Capitalized Repairs	+	\$0	0.0%	0.0%	3.0%
Maintenar	nce/Janitorial Payroll			0.0%	0.0%	
Janitorial	Supplies			0.0%	0.0%	
Extermina	tion			0.0%	0.0%	
Rubbish Re	emoval			0.0%	0.0%	
Snow Rem	oval			0.0%	0.0%	
Lawn/Tree	Maintenance			0.0%	0.0%	
Parking Lo				0.0%	0.0%	
-	Decorations/Cleaning			0.0%	0.0%	
	Air Repairs			0.0%	0.0%	
-	Electrical Repairs			0.0%	0.0%	
	laintenance			0.0%	0.0%	
	uipment Maintenance			0.0%	0.0%	
Security				0.0%	0.0%	
Other:				0.0%	0.0%	
Other:		_		0.0%	0.0%	
Real Estate Tax	rac .	_	\$84,921	9.6%	10.1%	1.0%
Tax Abatement			304,321	0.0%	0.0%	1.070
Property & Liab				0.0%	0.0%	3.0%
				0.0%	0.0%	3.0%
Reserve Requir			\$400.00F			
Other:	Operating Expenses		\$180,925	20.4%	21.5%	3.0%
Other:				0.0%	0.0%	3.0%
Other:				0.0%	0.0%	3.0%
Other:			40.50 0.45	0.0%	0.0%	3.0%
Total Expenses			\$265,846	30.0%	31.6%	
Cash Flow Ava	ilable for Debt Service / NOI		\$576,295	65.1%	68.4%	
Amortizing Loa	ins					
Loan 1 DS:	Loan		\$536,360	60.6%	63.7%	
Loan 2 DS:	xxx		\$0	0.0%	0.0%	
Loan 3 DS:	xxx		\$0	0.0%	0.0%	
Loan 4 DS:	xxx		\$0	0.0%	0.0%	
Int. Loan 5 DS:	xxx		\$0	0.0%	0.0%	
Other Oblig. 1			Ţ.	0.0%	0.0%	
Other Oblig. 2				0.0%	0.0%	
Ü						Required DSCR
MCRP Loan De	bt Service		\$0	0.0%	0.0%	0.00
Cash Flow Ava	ilable for Distribution		\$39,935	4.5%	4.7%	

\$7,005,000	240	240	4.5070		
	60	240	4.00%		
	60	240	4.00%		
	60	240	4.00%		
	60		4.00%		
	0		4.00%		
	0		4.00%		
Override					
\$0	(if requesting a grant input \$0)				
\$0	60	240	1.00%		
	Override \$0	60 60 60 0 0 0 0 0 0 0 0 0 0 (iii) (iii) (	60 240 60 240 60 240 60 0 0 0 0 0 0 0 0 0 (if requesting a grant)	60 240 4.00% 60 240 4.00% 60 240 4.00% 60 240 4.00% 60 4.00% 0 0 4.00% 0 0 0 0.00% 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	

Interest

4.50%

6.00%

6.00%

6.00%

6.00% 6.00%

LOAN TERMS

1.07 Debt Service Coverage Ratio

## **DEVELOPMENT BUDGET**

Development Name: 975 S. Rochester Road City/Township/Village: Rochester Hills County: Oskland County Construction Type: New Construction Property Type: Office Date: May 10, 2021

TOTAL DEVELOPMENT COSTS Amount % of TDC Land Building(s) Other: 30.22% 0.00% 0.00% 30.22% \$3,060,000 Subtotal Acquisition \$3,060,000

Fill in all blue shaded input cells

This worksheet is utilized to input the total Sources & Uses for the project from acquisition to construction completion. In addition, the maximum amount of MCRP Incentive the project is eligible for is calculated.

						Ineligible	
rd Costs						Amt.	Eligible Basis
Public Infrastructure (roads, sidewalks, utilities, se	\$0	\$0					
Site Improvements (walks, drives, landscaping, fe	\$0	\$0					
Demolition (Include Lead & Asbestos Abatement)					0.00%	\$0	\$0
Other Environmental Mitigation					0.00%	\$0	\$0
Earth Work					0.00%	\$0	\$0
Site Utilities					0.00%	\$0	\$0
Other:					0.00%	\$0	\$0
		New	Rehabilitation				
		Construction	Renovation				
Structures	+	\$5,500,000	\$0	\$5,500,000	54.32%	\$0	\$5,500,000
Parking Structures				\$0	0.00%	\$0	\$0
Building Concrete/Masonry				\$0	0.00%	\$0	\$0
Carpentry				\$0	0.00%	\$0	\$0
Roofing/Metal/Siding/Insulation/Caulking				\$0	0.00%	\$0	\$0
Doors/Windows/Glass				\$0	0.00%	\$0	\$0
Drywall/Acoustical				\$0	0.00%	\$0	\$6
Flooring				\$0	0.00%	\$0	\$6
Cabinets/Countertops/Appliances				\$0	0.00%	\$0	\$6
Painting/Decorating				\$0	0.00%	\$0	\$6
Plumbing/Electrical/Fire Protection				\$0	0.00%	\$0	\$6
HVAC				\$0	0.00%	\$0	\$
Accessory Buildings/Garages				\$0	0.00%	\$0	\$0
Elevators/Special Equipment				\$0	0.00%	\$0	\$0
Tenant Upgrades				\$0	0.00%	\$0	\$0
Other: Total Cost	_	\$5,500,000		\$5,500,000	54.32%	\$0	\$5,500,000
Builder Overhead/Profit/General Requirements		\$0	\$0		0.00%	\$0	\$
Permits/Tap Fees/Bond/Cost Certification		\$30,000	\$0	\$30,000	0.30%	\$0	\$30,00
Construction Contingency		\$0	\$0		0.00%	\$0	\$1
Other: Tenant Improvement Allow		\$1,000,000	\$0	\$1,000,000	9.88%	\$0	\$1,000,000
Subtotal Hard Costs				\$6,530,000	64.49%		
her Eligible Costs							
Machinery & Equipment					0.00%	\$0	\$
Furniture & Fixtures					0.00%	\$0	\$
Architectural & Engineering				\$135,000	1.33%	\$0	\$135,000
Environmental Studies/Soil Testing				\$25,000	0.25%	\$0	\$25,00
Survey					0.00%	\$0	\$0
Other:					0.00%	\$0	\$0

Total Eligible
Basis | Max. MEDC |
Investment | % Eligible |
\$6,690,000 | \$1,338,000 | 20%

Override

Override

Ineligible Soft C				
Other Prof	essional Fees			
Loan Fees				0.00%
Construction	on Interest	mos.	\$0	0.00%
Construction	on Taxes			0.00%
Construction	on Insurance			0.00%
MEDC Fees	5			0.00%
Title Work				0.00%
Rent-Up Re	eserve	mos.	\$0	0.00%
Replaceme	nt Reserve			0.00%
Operating	Reserve			0.00%
Other:	Carry Cost Interest		\$75,000	0.74%
Other:				0.00%
Other:				0.00%
Other Ineligible	Soft Costs - Related Party and Cons	sulting Fees		
Developer	Fee		\$250,000	2.47%
Project Ma	nagement Fees			0.00%
Construction	on Management Fees (Related Party)	)		0.00%
Consulting	Fees			0.00%
Other Rela	ted Party Fees		\$50,000	0.49%
Other:				0.00%
	Subtotal Ineligible Soft Costs		\$375,000	0.037037
TOTAL DEV	/ELOPMENT COSTS		\$10,125,000	100.00%

SALESFORCE S	UMMARY	
Infrastructure	\$0	0.00%
Site Improvement	\$0	0.00%
Demolition	\$0	0.00%
Building - New Construction	\$6,530,000	64.49%
Building - Renovation	\$0	0.00%
Machinery & Equipment - Purchased	\$0	0.00%
Furniture & Fixtures - Purchased	\$0	0.00%
Other Soft Costs	\$160,000	1.58%
Capital	\$3,435,000	33.939
Total Private Investment	\$10,125,000	100.009

TOTAL DEVELOPM	MENT SOURCES	Amount	% of TDC
Senior Debt			
Loan		\$7,065,000	69.78%
XXX		\$0	0.00%
	onventional Loan	\$0	0.00%
Subordinate Debt	/Grants		
MEDC Grant			0.00%
Other:			0.00%
Other:			0.00%
Other:			0.00%
Deferred Fees/Ca			
Deferred Dev			0.00%
	ed Related Party Fees		0.00%
Deferred Con			0.00%
Cash Equity O	)wner	\$3,060,000	30.22%
	Contribution Owner		0.00%
MSF/MCRP E	quity Investment		0.00%
Other:			0.00%
Other:			0.00%
Other:			0.00%
TOTAL DEVEL	OPMENT SOURCES	\$10,125,000	100.00%

Construction Loan:	XXX	0.00%
Interest Rate:		
merese nace.		

Sources & Uses	
Total Development Costs	\$10,125,000
Total Development Sources	\$10,125,000
Surplus/(Gap)	\$0

er Calculations				
Rental S.F.		26,575	Construct Cost	Develop
Common Space Oth	er		/S.F	Cost/S.F.
Total S.F. Building w	o Parking	26,575	\$245.72	\$381.0
			Construct	Construct
	# Spaces	Park S.F.	Cost/Space	Cost/S.F.
Parking	0	0	#DIV/0!	#DIV/0!
				% TDC
Cash Equity			\$3,060,000	30.229
Land/Building Contr	bution		\$0	0.009
Owner Contributio	n		\$3,060,000	30.22
Cash IRR			0.3%	
Avg. Annual Cash on	Cash Return		5.2%	
Owner Equity IRR			0.3%	
Avg. Annual Return	on Owner Equity		5.2%	

#### PROJECT CASH FLOW Fill in all blue shaded inputs cells Development Name: 975 S. Rochester Road City/Township/Village: Rochester Hills This worksheet is utilized to provide County: Oakland County Construction Type: New Construction a 20 year operating projection Property Type: Office following construction completion. Date: May 10, 2021 Factor Inflation Factor Mos. of Op 12 Inflation F Inflation 10 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032 DEVELOPMENT INCOME: TIF Reimbursements \$472,068 \$ 21,638.32 \$21,975 \$22,315 \$22,658 \$23,005 \$23,355 \$23,709 \$24,066 \$24,427 \$24,791 Other Recurring Revenue Annual Gross Residential Rental Income 2.0% 2.0% 2.0% 2.0% Ś0 Annual Gross Commercial Rental Income 2.0% 2.0% 2.0% 2.0% \$863,688 \$880.961 \$898.580 \$916,552 \$934.883 \$953,581 \$972,652 \$992.105 \$1.011.948 \$1.032.187 Annual Gross Hospitality Room & Related Income 2.0% 2.0% 2.0% 2.0% \$0 ŚO \$0 \$0 \$0 ŚO \$0 ŚO \$0 Ś0 Ś0 Ś0 Annual Gross Hospitality Ranguet Income 2.0% 2.0% 2.0% 2.0% Ś0 \$0 Ś0 Ś0 \$0 Ś0 Annual Gross Hospitality Conference Income 2.0% 2.0% 2.0% 2.0% ŚO ŚO ŚO \$0 ŚO ŚO \$0 ŚO \$0 Annual Gross Hospitality Restaurant Income 2.0% 2.0% 2.0% 2.0% ŚO ŚO \$0 \$0 \$0 ŚO \$0 \$0 \$0 Annual Gross Hospitality Miscellaneous Income 2.0% 2.0% 2.0% 2.0% Ś0 Ś0 Ś0 Ś0 Ś0 Ś0 ŚΩ Ś0 Ś0 Annual Gross Public Parking Income 2.0% 2.0% 2.0% 2.0% ŚN ¢η \$0 Ś0 Ś0 ŚΩ ŚΩ ŚŊ Ś0 Annual Gross Dedicated Spaces 1 Parking Income 2.0% 2.0% 2.0% 2.0% \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 Annual Gross Dedicated Spaces 2 Parking Income 2.0% 2.0% 2.0% 2.0% Ś0 \$0 \$0 \$0 Ś0 Ś0 Annual Gross Dedicated Spaces 3 Parking Income 2.0% 2.0% 2.0% 2.0% Ś0 Ś0 ŚΩ ¢η Ś0 ŚΩ ĠΩ ŚŊ Annual Other Income 2.0% 2.0% 2.0% 2.0% Gross Income Yr. 1 Yr. 2 Yr. 3 Stab \$885,326 \$902,936 \$939,210 \$1,016,171 \$1,036,374 \$920,895 \$957,888 \$976,936 \$996,361 Vacancy Loss Residential 5.0% 5.0% 5.0% 5.0% \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 5.0% 5.0% 5.0% 5.0% (\$51.609) Vacancy Loss Commercial (\$43.184) (\$44.048) (\$44,929) (\$45.828) (\$46,744) (\$47,679) (\$48.633) (\$49,605) (\$50.597) Vacancy Loss Hospitality Ś0 35.0% 35.0% 35.0% 35.0% Ś0 Ś0 \$0 \$0 Ś0 Ś0 \$0 Ś0 Effective Income \$842.141 \$858.888 \$875.966 \$893.382 \$911.144 \$929.257 \$947.728 \$966,566 \$985.777 \$1.005.368 % Incurred DEVELOPMENT OPERATING EXPENSES: 100% 100% 100% 100% 100% 100% 100% 100% 100% 100% Administrative Expenses 3.0% 3.0% 3.0% 3.0% \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 3.0% 3.0% 3.0% 3.0% \$0 \$0 \$0 \$0 \$0 \$0 \$0 Utilities \$0 Ś0 Maintenance/Non-Capitalized Repairs 3.0% 3.0% 3.0% 3.0% \$0 \$0 \$0 Ś0 \$0 Ś0 \$0 \$0 Real Estate Taxes 1.0% 1.0% 1.0% 1.0% \$84,921 \$85,770 \$86,628 \$87,494 \$88,369 \$89,253 \$90,145 \$91,047 \$91,957 \$92,877 Tax Abatement (-) Property & Liability Insurance 3.0% 3.0% 3.0% 3.0% Ś0 Ś0 \$0 Ś0 Ś0 Ś0 \$0 Ś0 Ś0 Reserve Requirements 3.0% 3.0% 3.0% 3.0% ŚO ŚO ŚO \$0 ŚO ŚO \$0 ŚO ŚO \$186,353 \$216.034 \$222.515 Other: Operating Expenses 3.0% 3.0% 3.0% 3.0% \$180.925 \$191.943 \$197,702 \$203,633 \$209.742 \$229,190 \$236,066 Other: 3.0% 3.0% 3.0% 3.0% ŚN ¢η ŚΩ ŚΩ ŚΩ ŚΩ ŚΩ ŚΩ ŚΩ Other: 3.0% 3.0% 3.0% 3.0% ŚO ŚO ŚO ŚΩ ŚO ŚO \$0 \$0 \$0 Other: 3.0% 3.0% 3.0% 3.0% ŚO ŚO ŚO ŚΩ ŚO ŚO \$0 ŚO \$0 Exp. Adjust. (-) Exp. Adjust. (-) Total Expenses \$265,846 \$272,123 \$278,571 \$285,196 \$292,002 \$298,995 \$306,179 \$313,562 \$321,148 \$328,943 Cash Flow Available for Debt Service \$586,765 \$597,395 \$608,187 \$664,629 \$576,295 \$619.142 \$630.262 \$641.549 \$653,004 Term 0 DEBT SERVICE REQUIREMENTS: 12 240 240 \$317,925 \$536,360 Loan 1 DS: Loan \$536,360 \$536,360 \$536,360 \$536,360 \$536,360 \$536,360 \$536,360 \$536,360 Loan 2 DS: xxx 0 60 240 ŚO ŚO ŚO ŚO ŚO ŚO \$0 ŚO ŚO Loan 3 DS: XXX 0 60 240 ŚN Ś0 Ś0 Ś0 Ś0 ŚΩ ŚΩ ŚN Ś0 60 Ś0 Ś0 ŚΩ ŚΩ Loan 4 DS: YYY Ω 240 ŚN ĠΩ Ś0 ŚΩ Ś0 ŚO Int. Loan 5 DS: xxx N/A 60 N/A ŚO \$0 \$0 \$0 \$0 \$0 \$0 \$0 Other Oblig. 1 xxx N/A 0 N/A Other Oblig. 2 xxx N/A 0 N/A MEDC Conventional Loan 0 60 240 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 Cash Flow Available after Debt Service \$258,370 \$50,405 \$61,035 \$71,826 \$82,782 \$93,902 \$105,189 \$116,644 \$128,269 \$140,065 Debt Service Coverage Ratio 1.09 1.11 1.13 1.15 1.18 1.20 1.22 1.24 1.26 OTHER NON-RECURRING INCOME Annual Gross Income from Condo Sales Non-Recurring Income Non-Recurring Income Cash from Release of Reserves OTHER NON-RECURRING OBLIGATIONS: Debt Principal Repayments \$0 MEDC Subordinated Cash Flow Loan \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 Repayment of Deferred Developer Fees Historic Investor Preferred Returns MEDC Equity Disbursements Ś0 Ś0 \$0 \$0 \$0 \$0 \$0 Ś0 \$0 Cash Flow Available for Distribution to Investors \$258,370 \$50,405 \$61,035 \$71,826 \$82,782 \$93,902 \$105,189 \$116,644 \$128,269 \$140,065

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\$25,159	\$25,531	\$25,906	\$26,285	\$26,668	\$27,055	\$27,446	\$27,840	\$28,239											
\$0 \$1,052,830	\$0 \$1,073,887	\$0 \$1,095,365	\$0 \$1,117,272	\$0 \$1,139,617	\$0 \$1,162,410	\$0 \$1,185,658	\$0 \$1,209,371	\$0 \$1,233,558	\$0 \$1,258,230	\$0 \$1,283,394	\$0 \$1,309,062	\$0 \$1,335,243	\$0 \$1,361,948	\$0 \$1,389,187	\$0 \$1,416,971	\$0 \$1,445,310	\$0 \$1,474,217	\$0 \$1,503,701	\$0 \$1,533,775
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<b>\$1,077,989</b> \$0	<b>\$1,099,418</b> \$0	<b>\$1,121,271</b> \$0	<b>\$1,143,557</b> \$0	<b>\$1,166,286</b> \$0	<b>\$1,189,465</b> \$0	<b>\$1,213,104</b> \$0	<b>\$1,237,211</b> \$0	<b>\$1,261,797</b> \$0	<b>\$1,258,230</b> \$0	<b>\$1,283,394</b> \$0	<b>\$1,309,062</b> \$0	<b>\$1,335,243</b> \$0	<b>\$1,361,948</b> \$0	<b>\$1,389,187</b> \$0	<b>\$1,416,971</b> \$0	<b>\$1,445,310</b> \$0	<b>\$1,474,217</b> \$0	<b>\$1,503,701</b> \$0	<b>\$1,533,775</b> \$0
(\$52,642)	(\$53,694)	(\$54,768)	(\$55,864)	(\$56,981)	(\$58,120)	(\$59,283)	(\$60,469)	(\$61,678)	(\$62,911)	(\$64,170)	(\$65,453)	(\$66,762)	(\$68,097)	(\$69,459)	(\$70,849)	(\$72,266)	(\$73,711)	(\$75,185)	(\$76,689)
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$1,025,348	\$1,045,723	\$1,066,503	\$1,087,694	\$1,109,305	\$1,131,344	\$1,153,821	\$1,176,743	\$1,200,119	\$1,195,318	\$1,219,224	\$1,243,609	\$1,268,481	\$1,293,851	\$1,319,728	\$1,346,122	\$1,373,045	\$1,400,506	\$1,428,516	\$1,457,086
% Incurred 100%																			
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$93,806	\$94,744	\$95,691	\$96,648	\$97,614	\$98,591	\$99,577	\$100,572	\$101,578	\$102,594	\$103,620	\$104,656	\$105,703	\$106,760	\$107,827	\$108,905	\$109,994	\$111,094	\$112,205	\$113,327
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$243,148	\$250,443	\$257,956	\$265,695	\$273,665	\$281,875	\$290,332	\$299,042	\$308,013	\$317,253	\$326,771	\$336,574	\$346,671	\$357,071	\$367,783	\$378,817 \$0	\$390,181	\$401,887	\$413,944	\$426,362
\$0 \$0																			
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$336,954	\$345,186	\$353,647	\$362,343	\$371,280	\$380,466	\$389,908	\$399,614	\$409,591	\$419,847	\$430,391	\$441,230	\$452,374	\$463,831	\$475,611	\$487,722	\$500,176	\$512,981	\$526,149	\$539,689
\$688,394	\$700,537	\$712,856	\$725,351	\$738,025	\$750,878	\$763,913	\$777,129	\$790,529	\$775,471	\$788,834	\$802,379	\$816,107	\$830,020	\$844,117	\$858,400	\$872,869	\$887,524	\$902,367	\$917,397
\$536,360	\$536,360	\$536,360	\$536,360	\$536,360	\$536,360	\$536,360	\$536,360	\$536,360	\$536,360	\$536,193	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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\$152,034	\$164,177	\$176,495	\$188,991	\$201,665	\$214,518	\$227,552	\$240,769	\$254,168	\$239,111	\$252,641	\$802,379	\$816,107	\$830,020	\$844,117	\$858,400	\$872,869	\$887,524	\$902,367	\$917,397
1.28	1.31	1.33	1.35	1.38	1.40	1.42	1.45	1.47	1.45	1.47	#DIV/0!								
40	40	**	ćo	40	<b>60</b>	ćo	ćo	40	ćo	ćo	40	40	ćo	ćo	**	**	ćo	ćo	**
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# **DEVELOPER INVESTMENT RETURNS**

Fill in all blue shaded input cells

Development Name: 975 S. Rochester Road City/Township/Village: Rochester Hills County: Oakland County Construction Type: New Construction Property Type: Office Date: May 10, 2021

Property Sales Assumptions						
Capitalization Rate	8.00%					
Year of Sale	21					
Sale Expenses (% of sale price)	5.0%					

This worksheet utilized to calculate a rough estimate of anticipated developer return. In additon, a proposed sales date and other owner cash investments in the project following construction completion can be entered on this worksheet.

#### **Developer Return Analysis**

							Cash on	Return on
	Cash			Net Cash	Land/Building	Net Developer	Cash	Owner
Year	Investment	Cash flow	Sale Proceeds	Investment	Investment	Investment	Return	Equity
0	\$3,060,000	\$0	\$0	(\$3,060,000)	\$0	(\$3,060,000)	0.0%	0.0%
1		\$258,370	\$0	\$258,370	\$0	\$258,370	8.4%	8.4%
2		\$50,405	\$0	\$50,405	\$0	\$50,405	1.6%	1.6%
3		\$61,035	\$0	\$61,035	\$0	\$61,035	2.0%	2.0%
4		\$71,826	\$0	\$71,826	\$0	\$71,826	2.3%	2.3%
5		\$82,782	\$0	\$82,782	\$0	\$82,782	2.7%	2.7%
6		\$93,902	\$0	\$93,902	\$0	\$93,902	3.1%	3.1%
7		\$105,189	\$0	\$105,189	\$0	\$105,189	3.4%	3.4%
8		\$116,644	\$0	\$116,644	\$0	\$116,644	3.8%	3.8%
9		\$128,269	\$0	\$128,269	\$0	\$128,269	4.2%	4.2%
10		\$140,065	\$0	\$140,065	\$0	\$140,065	4.6%	4.6%
11		\$152,034	\$0	\$152,034	\$0	\$152,034	5.0%	5.0%
12		\$164,177	\$0	\$164,177	\$0	\$164,177	5.4%	5.4%
13		\$176,495	\$0	\$176,495	\$0	\$176,495	5.8%	5.8%
14		\$188,991	\$0	\$188,991	\$0	\$188,991	6.2%	6.2%
15		\$201,665	\$0	\$201,665	\$0	\$201,665	6.6%	6.6%
16		\$214,518	\$0	\$214,518	\$0	\$214,518	7.0%	7.0%
17		\$227,552	\$0	\$227,552	\$0	\$227,552	7.4%	7.4%
18		\$240,769	\$0	\$240,769	\$0	\$240,769	7.9%	7.9%
19		\$254,168	\$0	\$254,168	\$0	\$254,168	8.3%	8.3%
20		\$239,111	\$0	\$239,111	\$0	\$239,111	7.8%	7.8%
	\$3,060,000	\$3,167,967	\$0	\$3,167,967	\$0	\$3,167,967	5.18%	5.18%
			IRR =	0.28%	IRR =	0.28%		

Calculation of Sales Proceeds	
Net Operating Income (year before sale)	\$775,471
Capitalization Rate	8.009
Real Estate Value	\$9,693,388
Less: Sale Expenses	\$484,669
Net Sale Proceeds	\$9,208,719
Less: Outstanding Debt	
Loan	\$523,512
xxx	\$0
MSF/MCRP Loan	\$0
Other Obligations	
Proceeds Available for Distributions	\$8,685,207