

Legacy Rochester Hills		Rochester Hills, MI	
Units	Large Employers	Chrysler, 34k employees	
368	Downtown/Airport	23mi, 35mi	
Submarket Growth 0%	Highway Access	M-59, 0.2 mi	

Unit Mix			
Unit	#	%	Rent
1br - Small	60	16%	1,300
1br - Large	85	23%	1,350
2br - Small	84	23%	1,600
2br - Large	84	23%	1,650
3br	55	15%	2,000
<b>Total</b>	<b>368</b>	<b>100%</b>	<b>1,565</b>

Sources & Uses		
Construction Loan	50%	24,000,000
Equity	50%	23,996,787
<b>Total Sources</b>	<b>100%</b>	<b>47,996,787</b>

Environmental	9,619,587
Land & DD Process	4,150,000
Sitework	3,500,000
General Conditions	1,350,000
Architect/Engineering	950,000
Permits & Fees	350,000
General Construction	26,827,200
Loan Interest & Taxes	1,250,000
<b>Total Uses</b>	<b>130k per unit 47,996,787</b>

Income Statement		Per Unit
Gross Potential Rent	6,909,000	1,565
Vacancy Loss	(690,900)	10%
<b>Total Revenue</b>	<b>6,218,100</b>	<b>1,408</b>
Management Fees	310,905	5%
Payroll	601,680	1,635
Administrative	147,200	400
Marketing	128,800	350
Utilities	294,400	800
Pool/Landscape/Security	128,800	350
Repairs & Maintenance	220,800	600
Turns	220,800	600
Insurance	128,800	350
Real Estate Taxes	655,461	1,781
Replacement Reserves	92,000	250
<b>Total Operating Expense</b>	<b>2,929,646</b>	<b>7,961</b>
<b>Net Operating Income</b>	<b>3,288,454</b>	
Development Yield	6.85%	
Stabilized Cap Rate	6.50%	
<b>Spread-to-Cap &amp; NPV</b>	<b>0.35%</b>	
Debt Payment	1,645,528	5.00%
Cap-Ex	184,000	500
Annual Cashflow	1,458,926	12 yrs
<b>Value / Waterfalls</b>		
Value & Equity	137k	<b>50,591,600</b>
Proceeds	1.05x	24,031,010
Construction Loan		24,000,000
GCI return & IRR	6.80%	31,010

Rent Comps						
Property Name	Year, Distance	Class	Rent/SF	1br	2br	3br
1st Street Lofts Rochester	2016, 3 miles	A+	\$2.00	1,420	2,112	2,555
Regents Park Troy	2001, 6 miles	A	\$1.56	1,369	1,624	2,075
Parkways of Auburn Hills	2017, 2 miles	A-	\$1.12		1,567	1,917
Harvard Place	2017, 4 miles	A-	\$1.06		1,585	1,695
Cidermill Village	2005, 5 miles	B+	\$1.16	1,261	1,508	1,664
VG: Rochester	2001, 4 miles	B+	\$1.37	1,305	1,503	1,847
VG: Rochester Hills	1999, 5 miles	B+	\$1.29	1,224	1,403	1,800
Auburn Square	2014, 2 miles	B+	\$1.28	979	1,390	
River Oaks Rochester	1987, 1 miles	A-	\$1.00	1,038	1,479	1,825
Lake Village	2000, 0 miles	B-	\$1.20	1,008	1,187	
<b>Average</b>	<b>3.2 miles</b>	<b>A-</b>	<b>\$1.30</b>	<b>1,200</b>	<b>1,536</b>	<b>1,836</b>
<b>Legacy Rochester Hills</b>	<b>2019</b>	<b>A</b>	<b>\$1.38</b>	<b>1,329</b>	<b>1,625</b>	<b>2,000</b>

