

Late Backup

# 1600 E 4<sup>th</sup> St – 4EAST

Land Size: 36,528 SF

Baseline: -- 2:1 FAR: 73,056 SF

### Council Approval – 60' Height

Height	Gross Square Feet	Bonus Square Feet	Sq. Ft. Fee	Total Fee
60 Feet	120,000 SF	46,944	\$11.00	\$516,384

### Offered to Neighborhood Contact Team (January 2018) – 72' Height

Height	Gross Square Feet	Bonus Square Feet	Sq. Ft. Fee	Total Fee
60 Feet	120,000 SF	46,944	\$11.00	\$516,384
Additional 12 Feet	30,000 SF	30,000	\$22.00	\$660,000
			Total Fee:	\$1,176,384

### Current Offer

### Administrative Fee-In-Lieu + On-Site Affordable Artist/Creative Space – 72' Height

Height	Gross Square Feet	Bonus Square Feet	Sq. Ft. Fee	Total Fee
60 Feet	120,000 SF	46,944	\$11.00	\$516,384
Additional 12 Feet	30,000 SF	30,000	-	-
			Total Fee:	\$516,384

**Plus** Approx. 9,000 SF of Affordable Creative Arts Space for 1 additional Floor

Years 1 – 2: Total gross payment for the space (excluding utilities) will be 50% of market

Years 3 – 5: Total gross payment for the space (excluding utilities) will be 60% of market

Reduced Rent Consideration: \$946,000

Current Offer Total Consideration: \$1,462,384

Rent Discount Consideration at 9,000 SF:

Annual Market Base Rent (per Square Ft.)	Estimated NNNs* (per Square Ft.)	Annual Market Gross Rent	Total Annual Market Rent @ 9,000 Sq. Ft.
\$33.00	\$15.00	\$48.00	\$430,000

Total Annual Market Rent	Percentage of Market	Discounted Annual Rent	Net Difference
\$430,000	50%	\$215,000	(\$215,000)
\$430,000	60%	\$258,000	(\$172,000)

2 Years at 50% ( $\$215,000 \times 2$ ) = \$430,000.

3 Years at 60% ( $\$172,000 \times 3$ ) = \$516,000.

Total Consideration Over 5 Years = \$946,000

Definitions

NNN stands for "net, net, net." These pass-through expenses of leasing are portions tenants or lessees pay in addition to the lease fee, or rent to the landlord or lessor. The NNN fees are property taxes, property insurance and common area maintenance.

Gross Rent is the sum of Base Rent and NNN.