

To: South Central Waterfront Advisory Board

From: Alan Holt

Date: September 23, 2020

RE: Financial Calculator Assumptions- Notes, Affordable [housing], and Market

At the September 23, 2020 meeting of the SCWAB, staff will provide a real-time demonstration of the Financial Calculator, developed by ECONorthwest for the City of Austin Planning Department. The Financial Calculator is a dynamic spreadsheet which combines multiple layers of varying inputs (physical project costs; district buildout assumptions; redevelopment assumptions, etc.) that can be mixed-and-matched to do scenario pro forma analysis.

During this demonstration, staff will show the kinds of data which are included with the multiple “tabs” in the spreadsheet. The full range of tabs include: Notes; Rollup; Development Summary; Plan Scenarios; Pro Forms; OTC; Market; Infrastructure; Affordable.

Some of those data inputs the SCWAB has seen before. For instance, the “Infrastructure” tab includes the information from the District Physical Framework Project Costs spreadsheet, which was backup material provided to the SCWAB earlier this year that associates the costs per property. Another tab (“OTC”) looks specifically at six redevelopment scenarios for affordable housing on the One Texas Center parking lot, which was also supplied as backup in a prior SCWAB meeting. This supporting pdf backup provides a snapshot of the following three tabs, for the purpose of informing the live demonstration of the calculator tool at today’s meeting:

Notes Tab:

This tab provides an overview of the methodology, assumptions and terms that ECONorthwest used in developing the calculator. The “Notes” tab provides specific definitions for data found in the subsequent tabs.

Affordable Tab:

The “Affordable” tab contains information about the cost incurred by the City of Austin to produce income-restricted housing units, with the intention to incentivize and support affordable housing to ultimately equal 20% of the district’s new residential units. The data draws from recent affordable housing projects that the NHCD helped develop.

Market Assumptions Tab:

The “Market” tab includes critical market assumption inputs that affect the pro forma analysis. In 2016, the SCW Appendices called these inputs the “development assumptions.” These are the range of inputs that a developer uses to create a pro forma analysis. For this new calculator, EcoNorthwest recycled the development assumptions from 2016 as one potential input, and created six new “Development Assumptions” that can be chosen to compare the feasibility.

For the demonstration today, the “2019 Interviews” market assumptions are used to drive the financial modeling. These values triangulated from confidential 2019 interviews that EcoNorthwest conducted with approximately twenty Austin-based contractors, developers, market researchers, and others. We provide the pdf of this tab to show the other potential “development assumptions” that can also be tested.

'NOTES' TAB

Notes on Draft SWC Tool

Tool delivered July 23rd, 2020; Updated August 12th, 2020

About this Spreadsheet:

This Excel file has been developed by ECONorthwest for the City of Austin Planning Department. This is a sketch planning tool to directionally compare and contrast the financial implications of different policy options.

A primary purpose of this analysis tool is to test the affordability requirements that might be feasible within the South Central Waterfront plan area.

This spreadsheet is modeled on prior analyses conducted by ECONorthwest. The outputs on the 'Development Summary' tab are formatted similarly to the Framework Plan appendix to allow for comparison.

While the Framework Plan analyses relied on cash flow models, this spreadsheet uses pencil outs that consider threshold yields on stabilized income and returns on sales. No IRR calculations exist in this spreadsheet.

The scale of buildings assumed for the '2020 Updated SCW Plan' scenario generally match the values found in the 'Robust_Scenario' developed by McCann Adams Studio as part of the SCW planning process and delivered to ECONorthwest in 2016. The scale of buildings in other scenarios reflect sites and building programs developed by McCann Adams Studio based on 2019 proposals for the Statesman site.

For Users of this Spreadsheet:

Blue text is relied upon by other calculations in the spreadsheet. Critical assumptions are found in blue text throughout the workbook, particularly on the 'Rollup', 'Plan Scenarios', 'OTC', 'Market', 'Infrastructure', and 'Affordable' tabs.

Black text is either a label or a calculation that will adjust automatically.

Notes are provided in italicized gray text.

Tab Descriptions:

The 'Rollup' tab includes both critical inputs and outputs from the model.

The 'Development Summary' tab describes parcel-by-parcel results. While not identical, this sheet is comparable to the summary table used during the framework planning process.

The 'Plan Scenarios' tab includes data provided by McCann Adams for a variety of development scenarios

The 'Pro Formas' tab contains financial calculations for each parcel besides the OTC site.

The 'OTC' tab includes details on the various development scenarios that were evaluated on the OTC site. This tab contains assumptions and feeds other tabs, especially the 'Development Summary' tab.

The 'Market' tab includes critical inputs into the pro forma analysis.

The 'Infrastructure' tab includes infrastructure cost allocation options. The user can select options on the 'Development Summary' tab to see how they influence the results.

The 'Affordable' tab contains information about the cost incurred by the City of Austin to produce income-restricted housing units. The tab also includes information about in-lieu fees, which are based on the cost to subsidize housing in market-rate buildings.

Caveats / Notes:

This model relies on in-place tipping prices from the 2016 plan. In other words, the hurdle for viable development is inaccurate, but is consistently so across scenarios. This value influences the district funding gap calculations in particular.

This model assumes all condo buildings pay the citywide affordable housing in-lieu fee (based on assumed unit mix and proposed LDC Revision fees). This reflects NHCD practice and is expected to be policy in the district. Further, this model assumes in-lieu fees are paid to district (or to a dedicated NHCD fund) and funds are used to build/preserve units outside of condo developments.

While we included 2016 plan options and market values, it is not possible to get the same results shown in the 2016 plan appendix due to different inputs/calculations from previous analyses.

The '2019 Interview' market values represent our triangulations from diverse sources and our best estimate of market conditions for an array of development entities that might invest in the plan area. Some interviewees and contributors of market assumptions did not provide comprehensive information. For example, some sources did not provide low-rise building inputs. In these instances, we used '2019 Interview' values to fill in missing values.

Assumed gross sq ft per hotel room in 'Market' tab that matches values found in the 305 S Congress PUD proposal.

OTC LIHTC deals (>85% aff units) assume negligible land transfer price (e.g., \$1) to a non-profit developer and mid-rise NHCD subsidy costs per unit to make development feasible, which is an optimistic assumption. Assumes NHCD funds OTC units from funds generated outside of the district.

There was a previous agreement with owners of the Statesman site for an affordability requirement that reflected higher infrastructure burden on the site. The affordable units are expected to be achieved in one building under the 2016 SCW plan and the 305 S Congress PUD proposal, which is reflected in the '2020 Updated Plan' and '305 S Congress PUD' scenarios. We assume the requirement is met across all residential buildings in the '2020 Hybrid' scenario.

Assumes district fees are reduced by crediting the development for any district-required infrastructure costs (bonus costs above baseline infrastructure requirements) and affordable housing contribution (in-lieu fees or the equivalent in-lieu fee payment for the quantity of on-site units delivered).

For the purposes of this model, we relied on City of Austin staff to determine whether residential buildings were modeled as condo or multifamily rentals. In the case of the '305 S Congress PUD' scenario, building tenures match the 305 S Congress PUD proposal.

'AFFORDABLE' TAB

Affordable Housing Inputs

*ECO added new column to allocate costs by Statesman building																						
PARCEL ID	A6	B3-5	C6-8	D9	F12	G14-15	H16-20	S1	S2	S3	S4	S5	B67	J22-J23	C1	C2	C3	C4	K31-K33	L1	All	
Zero Aff Subsidy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0 M	
2016 Plan Doc	\$ -	\$ -	\$ -	\$ -	\$ 5,460,000	\$ 4,050,000	\$ -	\$ 4,300,000	\$ -	\$ -	\$ -	\$ -	\$ 2,400,000	\$ -	\$ -	\$ 20,440,000	\$ -	\$ 15,600,000	\$ -	\$ 8,510,000	\$ -	\$61 M
Aff Subsidy Per Unit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0 M	
2020 Aff Subsidy Option	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0 M	
For use in model based on 'Rollup' selection	\$ -	\$ -	\$ -	\$ -	\$ 5,460,000	\$ 4,050,000	\$ -	\$ 4,300,000	\$ -	\$ -	\$ -	\$ -	\$ 2,400,000	\$ -	\$ -	\$ 20,440,000	\$ -	\$ 15,600,000	\$ -	\$ 8,510,000	\$ -	

Affordable Percentage on-site in Framework Plan Appendix (for reference in model)													*ECO added new column to allocate costs by Statesman building									
PARCEL ID	A6	B3-5	C6-8	D9	F12	G14-15	H16-20	S1	S2	S3	S4	S5	B67	J22-J23	C1	C2	C3	C4	K31-K33	L1		
Framework Plan %	0%	0%	0%	0%	25%	100%	0%	20%	0%	0%	0%	0%	28%	0%	0%	20%	0%	20%	0%	24%	0%	
2020 site-by-site	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	

Assumes \$0 on all sites
Reflects values in 2016 Framework Plan analysis
Calculated from user input
Available for site-by-site user inputs

Reflects values in 2016 Framework Plan analysis
Available for site-by-site user inputs

NHCD Affordable Housing Costs

Deal data provided by NHCD in Fall 2019

AHI	Contract Date	Project ID	Project Name	Address	Total Units	Total Affordable	percent aff	Longitude	Latitude	Tenure	Field11	Total COA Funding	Subsidy Per Unit	LIHTC	30% MFI	50% MFI	60% MFI	80% MFI	Market-Ratr	% Funds	Leverage	Construction Ty	Parking Type	Affordable
117	9/9/2016	3502	Gaston Place	1915 Briarcliff Blvd	27	27	100%	-97.689883	30.313425	Multifamily	Rental	\$ 2,249,260	\$ 83,305.93	N/A			27			191.15%	5A	Surface		1
151	12/1/2017	3533	Housing First Oak Sprir	3000 Oak Springs Drive	50	50	100%	-97.70056603	30.273522	Multifamily	Rental	\$ 3,888,112	\$ 77,762	4%			50			472.97%	1A, 5B	podium Integrated podiu		1
160	2/29/2016	3541	LaMadrid Apartments	11320 Manchaca Road	95	83	87%	-97.82835765	30.1659	Multifamily	Rental	\$ 3,300,000	\$ 39,759	9%		9	34	40	12	518.31%	5A/5B	Surface		1
209	8/1/2018	3590	Ruth R. Schulze House	915 W 22nd Street	34	9	26%	-97.74790896	30.28524	Multifamily	Rental	\$ 928,089	\$ 103,121	N/A			9		25		5A	Surface (only prc		0
272	12/28/2017	3757	Elysium Grand	3300 Oak Creek Drive	85	72	85%	-97.704184	30.426674	Multifamily	Rental	\$ 3,320,000	\$ 46,111	4%		12	40	20	13	434.71%	5B	Surface		1
292	5/31/2016	3772	The Rail at MLK	1800 Alexander Avenue	235	58	25%	-97.709385	30.27815	Multifamily	Rental	\$ 2,500,000	\$ 43,103	N/A			3		167	1300%	3A	Free standing ga		0
337	9/22/2016	5417	Rebekah Baines Johnsc	21 Waller Street	279	246	88%	-97.733152	30.253439	Multifamily	Rental	\$ 6,479,000	\$ 26,337	4%		27	153	52	24	468		rehab of existing tower & constr		1
380	12/18/2017	3973	Aria Grand	1800 S IH 35	70	60	86%	-97.738699	30.238642	Multifamily	Rental	\$ 1,500,000	\$ 25,000	9%		6	24	30	10	1023.53%	5A	Tuck under		1
422	1/11/2018	4487	Waterloo Terrace	12190 N Mopac Expressway	132	132	100%	-97.708737	30.413996	Multifamily	Rental	\$ 3,200,000	\$ 24,242.42	9%		27	105			681.02%	5B	Surface		1
164	7/20/2016	3545	Linden - SF	1018 Linden Street	1	1		-97.70504537	30.26568	Single Family	Ownership	\$ 158,600	\$ 158,600	N/A										
257	4/19/2016	3683	Guadalupe Neighbor	809 E 9th Street	1	1		-97.73283499	30.26807	Single Family	Rental	\$ 50,000	\$ 50,000	N/A										
289	7/18/2016	3769	2203 Salina Street Re	2203 Salina Street	1	1		-97.722755	30.28299	Single Family	Rental	\$ 150,095	\$ 150,095	N/A										
417	8/3/2017	4442	GNDC Alley Flats	2800 Prado Street	1	1		-97.70835214	30.26229	Single Family	Rental	\$ 213,577	\$ 213,577	N/A										
417	8/3/2017	4445	GNDC Alley Flats	2808 Gonzales Street	1	1		-97.708853	30.2603	Single Family	Rental	\$ 213,577	\$ 213,577	N/A										
417	8/3/2017	4443	GNDC Alley Flats	2800 Prado Street	1	1		-97.70835214	30.26229	ADU	Rental	\$ 213,577	\$ 213,577	N/A										
417	8/3/2017	4446	GNDC Alley Flats	2808 Gonzales Street	1	1		-97.708853	30.2603	ADU	Rental	\$ 213,577	\$ 213,577	N/A										
417	8/3/2017	4447	GNDC Alley Flats	1902 Willow Street	1	1		-97.724599	30.25636	ADU	Rental	\$ 213,577	\$ 213,577	N/A										
417	8/3/2017	4444	GNDC Alley Flats	705 Lydia Street	2	2		-97.7285	30.26545	Duplex	Rental	\$ 213,577	\$ 106,788	N/A										

Cost to NHCD to subsidize an income-restricted unit			
Bldg Type	Subsidy	Application	Notes
Lowrise	\$ 46,074	Shortfall offsite / OTC	Averages all NHCD 100% affordable projects; Includes 1 podium project
Podium	\$ 77,762	OTC	Considers the one affordable podium project subsidized by NHCD
Mid/Highrise	\$ 196,200	Shortfall onsite	Calc based on in-lieu fees to apply to all mixed-income projects

The fees will be included in a fee schedule that will continue to be re-calibrated up to adoption of the LDC revisions to reflect the most up-to-date market conditions. The proposed fees as of September 2019 can be found in the following table.

Proposed Fees in Lieu of Affordable Units under the Affordable Housing Bonus Program

Unit Type	Studio	1-Bedroom	2-Bedroom	3-Bedroom
Fee-in-Lieu	\$135,000	\$180,000	\$335,000	\$440,000

source: https://www.austintexas.gov/sites/default/files/files/LandDevCodeRev/Housing/AHBP_Guide-10-4-19_PUBLIC.pdf
Using proposed citywide fees-in-lieu, which reflect the cost to buy-down units in downtown adjacent areas, to:
1) Calculate NHCD subsidy for affordable units in mid/highrise towers
2) Compute the fees paid for affordable housing in the district’s condo developments

Units	Fees in Lieu	Unit mix from assumptions
Studio	135,000	45%
1-bed	180,000	35%
2-bed	335,000	15%
3-bed	444,000	5%
	196,200	100%

'MARKET' TAB (page 1)

Market Assumptions

Input	Value being modeled		2016 Plan	2019 Interviews	2019 Low CAPs	2019 CAP History	2019 Local Consultan	2019 Endeavor	305 S Congress PUD	202+ TIF Inputs	Notes				
	Selection determined by 'Rollup' inputs		Known values from framework plan process	Values triangulated from 2019 interviews with contractors, market researchers, and others	Values triangulated from 2019 interviews with aggressive CAP rates from ranges provided by interviewees	Values compiled from 2019 interviews combined with 2000-2019 historical CAP rates	Assumptions from 2019 Interviews conducted by ECONW, adjusted based on local economic consultant opinion	Values provided by Endeavor based on recent market conditions and related to their proposed redevelopment of the Statesman site	Values interpreted from proposed 305 S Congress PUD application	Placeholder for values to be used in a TIF study so that apples to apples comparisons can be made					
Affordable Unit Variables															
Austin 2018	\$	86,000	\$	86,000	\$	86,000	\$	86,000	\$	86,000					
Aff Gross to Net		85%		85%		85%		85%		85%					
Vacancy		2%		2%		2%		2%		2%					
Opex (100% aff bldg)		40%		40%		40%		40%		40%					
Target AMI Rentals		60%		60%		60%		60%		60%					
Target AMI Sales		100%		100%		100%		100%		100%	Unused in model				
Affordable Unit Rent															
District Multifamily Mix											No affordable condo, so mix is based on multifamily; Assumes mix of affordable is required to be identical to market				
% of Units Studio		15%		45%		15%		15%		10%			16%		16%
% of Units 1-bed		55%		35%		55%		55%		60%			50%		50%
% of Units 2-bed		25%		15%		25%		25%		25%			35%		35%
% of Units 3-bed		5%		5%		5%		5%		5%			4%		4%
Rental rate target	This analysis	50% MFI	60% MFI	80% MFI								Defaults to 60% when input is not in list			
NHCD Rent Studio	\$	994	\$	828	\$	994	\$	1,321							
NHCD Rent 1-bed	\$	994	\$	828	\$	994	\$	1,321							
NHCD Rent 2-bed	\$	1,135	\$	946	\$	1,135	\$	1,510							
NHCD Rent 3-bed	\$	1,278	\$	1,065	\$	1,278	\$	1,698							
Weighted average NHCD ren:	\$	1,043.45													
Efficiency - Gross to Net															
Use															
Low Office		100%		100%		100%		100%		100%		100%		100%	
Low Hotel		85%		85%		85%		85%		85%		85%		85%	
Low Retail		100%		100%		100%		100%		100%		100%		100%	
Low Multi-family		80%		80%		80%		80%		80%		80%		80%	
Low Condo		85%		85%		85%		85%		85%		85%		85%	
Mid Office		100%		100%		100%		100%		100%		100%		100%	
Mid Hotel		85%		85%		85%		85%		850%		85%		85%	
Mid Retail		100%		100%		100%		100%		100%		100%		100%	
Mid Multi-family		85%		80%		85%		85%		80%		85%		85%	
Mid Condo		85%		85%		85%		85%		80%		85%		85%	
High Office		100%		100%		100%		100%		100%		100%		100%	
High Hotel		85%		85%		85%		85%		85%		85%		85%	
High Retail		100%		100%		100%		100%		100%		100%		100%	
High Multi-family		85%		85%		85%		85%		80%		80%		95%	
High Condo		85%		90%		85%		85%		80%		78%		78%	
Parking Costs and Revenues															
Hard Cost Surface	\$	7,000	\$	5,000	\$	7,000	\$	7,000	\$	8,500	\$	7,000	\$	7,000	
Hard Cost Structure	\$	30,000	\$	25,000	\$	30,000	\$	30,000	\$	35,000	\$	30,000	\$	28,000	
Hard Cost Underground	\$	50,000	\$	40,000	\$	50,000	\$	50,000	\$	55,000	\$	53,000	\$	50,000	
Hard Cost Wrap	\$	22,000	\$	15,000	\$	22,000	\$	22,000	\$	20,000	\$	22,000	\$	22,000	
Res Rev/Yr Surface	\$	750	\$	750	\$	750	\$	750	\$	-	\$	1,200	\$	1,200	
Res Rev/Yr Structure	\$	1,500	\$	1,500	\$	1,500	\$	1,500	\$	1,500	\$	1,200	\$	1,200	
Res Rev/Yr Underground	\$	1,500	\$	1,500	\$	1,500	\$	1,500	\$	1,500	\$	1,200	\$	1,200	

'MARKET' TAB (page 2)

Res Rev/Yr Wrap	\$	1,500	\$	1,500	\$	1,500	\$	1,500	\$	1,500	\$	1,200	\$	1,200
Office Rev/Yr Surface	\$	750	\$	750	\$	750	\$	750	\$	1,500	\$	1,200	\$	1,200
Office Rev/Yr Structure	\$	1,000	\$	1,500	\$	1,000	\$	1,000	\$	1,000	\$	1,500	\$	1,200
Office Rev/Yr Underground	\$	1,000	\$	1,500	\$	1,000	\$	1,000	\$	1,000	\$	1,500	\$	1,200
Office Rev/Yr Wrap	\$	1,000	\$	1,500	\$	1,000	\$	1,000	\$	1,000	\$	1,500	\$	1,200

Hard Costs per SF / Key														
Use														
Low Office	\$	200		125	\$	200	\$	200	\$	200	\$	200	\$	200
Low Hotel	\$	185,000		175,000	\$	185,000	\$	185,000	\$	185,000	\$	185,000	\$	185,000
Low Retail	\$	165		130	\$	165	\$	165	\$	165	\$	165	\$	165
Low Multi-family / Condo	\$	165		120	\$	165	\$	165	\$	165	\$	165	\$	165
Low Site Prep	\$	-		-	\$	-	\$	-	\$	-	\$	-	\$	-
Mid Office	\$	200		140	\$	200	\$	200	\$	200	\$	200	\$	200
Mid Hotel	\$	200,000		175,000	\$	200,000	\$	200,000	\$	200,000	\$	200,000	\$	200,000
Mid Retail	\$	165		130	\$	165	\$	165	\$	165	\$	165	\$	165
Mid Multi-family / Condo	\$	205		190	\$	205	\$	205	\$	205	\$	215	\$	215
Mid Site Prep	\$	-		0	\$	-	\$	-	\$	-	\$	-	\$	-
High Office	\$	200		160	\$	200	\$	200	\$	200		165		165
High Hotel	\$	225,000		175,000	\$	225,000	\$	225,000	\$	225,000	\$	225,000		325,000
High Retail	\$	165		130	\$	165	\$	165	\$	165	\$	165	\$	150
High Multi-family / Condo	\$	240		220	\$	240	\$	240	\$	240	\$	240		225
High Site Prep	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-

Assume negligible site prep for general case

Assume negligible site prep for general case

Assume negligible site prep for general case

Soft Costs as % of Hard Costs									
Low Office		25%		20%		25%		25%	
Low Hotel		25%		20%		25%		25%	
Low Retail		25%		20%		25%		25%	
Low Multi-family		25%		20%		25%		25%	
Low Condo		25%		20%		25%		25%	
Mid Office		25%		20%		25%		25%	
Mid Hotel		25%		20%		25%		25%	
Mid Retail		25%		20%		25%		25%	
Mid Multi-family		25%		20%		25%		25%	
Mid Condo		30%		20%		30%		30%	
High Office		25%		20%		25%		25%	
High Hotel		25%		20%		25%		25%	
High Retail		25%		20%		25%		25%	
High Multi-family		25%		17%		25%		25%	
High Condo		30%		25%		30%		30%	

Other Costs									
Developer Fee		4.0%		3.5%		4.0%		4.0%	
Contingency		4.0%		3.5%		4.0%		4.0%	
Retail TI	\$	50.00	\$	40.00	\$	50.00	\$	50.00	\$
Office TI	\$	75.00	\$	50.00	\$	75.00	\$	75.00	\$

% of Hard

% of Hard

/ SF

/ SF

Revenues per SF / Key														
Low Office	\$	40.00	\$	29.00	\$	40.00	\$	40.00	\$	38	\$	38	\$	38
Low Hotel	\$	82,125	\$	46,625	\$	82,125	\$	82,125	\$	82,125	\$	82,125	\$	82,125
Low Retail	\$	40.00	\$	35.00	\$	40.00	\$	40.00	\$	40	\$	40	\$	40
Low Multi-family	\$	31.80	\$	30.00	\$	31.80	\$	31.80	\$	30	\$	32	\$	32
Low Condo	\$	400	\$	400	\$	400	\$	400	\$	400	\$	400	\$	400
Mid Office	\$	40.00	\$	32.00	\$	40.00	\$	40.00	\$	38	\$	38	\$	38
Mid Hotel	\$	82,125	\$	45,625	\$	82,125	\$	82,125	\$	82,125	\$	82,125	\$	82,125
Mid Retail	\$	50.00	\$	35.00	\$	50.00	\$	50.00	\$	50	\$	50	\$	50
Mid Multi-family	\$	34.20	\$	34.20	\$	34.20	\$	34.20	\$	30	\$	34.20	\$	34.20
Mid Condo	\$	450	\$	450	\$	450	\$	450	\$	450	\$	450	\$	450
High Office	\$	40.00	\$	35.00	\$	40.00	\$	40.00	\$	38	\$	38	\$	38
High Hotel	\$	82,125	\$	45,625	\$	82,125	\$	82,125	\$	82,125	\$	120,450	\$	120,450
High Retail	\$	50.00	\$	35.00	\$	50.00	\$	50.00	\$	50	\$	35	\$	35
High Multi-family	\$	38.40	\$	37.20	\$	38.40	\$	38.40	\$	39	\$	41	\$	41

Endeavor provided high-rise only

Endeavor provided high-rise only

Endeavor provided high-rise only

Endeavor provided high-rise only

Endeavor provided high-rise only

Endeavor provided high-rise only

Endeavor provided high-rise only

Endeavor provided high-rise only

Endeavor provided high-rise only

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'MARKET' TAB (page 3)

High Condo	\$	750	\$	450	\$	750	\$	750	\$	750	\$	900	\$	750	\$	750	
Vacancy																	
Low Office		10%		10%		10%		10%		10%		10%		10%		10%	
Low Hotel		25%		25%		25%		25%		25%		25%		25%		25%	
Low Retail		5%		5%		5%		5%		5%		5%		5%		5%	
Low Multi-family		4%		4%		4%		4%		4%		6%		4%		4%	
Mid Office		10%		10%		10%		10%		10%		10%		10%		10%	
Mid Hotel		25%		25%		25%		25%		25%		25%		25%		25%	
Mid Retail		5%		5%		5%		5%		5%		5%		5%		5%	
Mid Multi-family		4%		4%		4%		4%		4%		6%		4%		4%	
High Office		10%		10%		10%		10%		10%		10%		10%		5%	
High Hotel		25%		25%		25%		25%		25%		25%		25%		25%	
High Retail		5%		5%		5%		5%		5%		5%		5%		5%	
High Multi-family		4%		4%		4%		4%		4%		6%		4%		4%	
Operating Cost																	
Low Office	\$	19.20	\$	16.80	\$	19.20	\$	19.20	\$	19.20	\$	24.00	\$	29.00	\$	29.00	Endeavor provided high-rise only
Low Hotel		30%		30%		30%		30%		30%		30%		35%		35%	Endeavor provided high-rise only
Low Retail	\$	5.50	\$	3.85	\$	5.50	\$	5.50	\$	5.50	\$	3.85	\$	25.00	\$	25.00	Endeavor provided high-rise only
Low Multi-family		40%		30%		40%		40%		40%		40%		45%		45%	Endeavor provided high-rise only
Mid Office	\$	19.20	\$	16.80	\$	19.20	\$	19.20	\$	19.20	\$	24.00	\$	29.00	\$	29.00	Endeavor provided high-rise only
Mid Hotel		30%		30%		30%		30%		30%		30%		35%		35%	Endeavor provided high-rise only
Mid Retail	\$	5.50	\$	3.85	\$	5.50	\$	5.50	\$	5.50	\$	3.85	\$	25.00	\$	25.00	Endeavor provided high-rise only
Mid Multi-family		45%		30%		45%		45%		45%		45%		45%		45%	Endeavor provided high-rise only
High Office	\$	19.20	\$	16.80	\$	19.20	\$	19.20	\$	19.20	\$	26.00	\$	29.00	\$	29.00	
High Hotel		30%		30%		30%		30%		30%		30%		35%		35%	
High Retail	\$	5.50	\$	3.85	\$	5.50	\$	5.50	\$	5.50	\$	3.85	\$	25.00	\$	25.00	Edeavor provided significantly higher expenses than other sources
High Multi-family		45%		30%		45%		45%		45%		45%		45%		45%	
Parking		20%		20%		20%		20%		20%		20%		20%		20%	
Hotel Room Size																	
Gross SF		800		600		800		800		800		800		800		800	Assumption; Data not gathered from interviews; Results approximate room counts from plan
		0%															
Market-rate Unit Variables																	
Waterfront premium		20%		20%		20%		20%		20%		20%		20%		20%	Premium % increase over average residential rents/pricdes
Condo construction premi		10%		10%		10%		10%		10%		10%		10%		20%	Premium % increase over multifamily costs
Condo Sales costs		7%		4%		7%		7%		7%		6%		7%		7%	As % of total sales price
Monthly Condo fees	\$	700	\$	700	\$	700	\$	700	\$	700	\$	700	\$	700	\$	700	Unused in model
Valuation Metrics																	
Valuation CAP Rates																	
Hotel		7.00%		7.00%		7.00%		6.00%		7.50%		7.00%		7.75%		7.75%	"Yield on Cost" "Untrended ROC" or "Going-in CAP" if spread is 0%
Multi-family		5.00%		5.50%		5.00%		4.50%		6.25%		6.00%		4.50%		4.50%	"Yield on Cost" "Untrended ROC" or "Going-in CAP" if spread is 0%
Office		6.00%		6.00%		6.00%		5.50%		7.25%		6.50%		8.25%		8.25%	"Yield on Cost" "Untrended ROC" or "Going-in CAP" if spread is 0%
Retail		7.50%		9.00%		7.50%		6.50%		7.50%		6.50%		7.50%		7.50%	"Yield on Cost" "Untrended ROC" or "Going-in CAP" if spread is 0%
Returns																	
Condo ROC		33.00%		33.00%		33.00%		33.00%		33.00%		20.00%		35.00%		45.00%	Return on project cost used as a proxy for a 2:1 equity multiple assuming 35-40% equity; Not used in earlier mode
Hotel		1.50%		1.50%		1.50%		1.50%		1.50%		2.50%		1.75%		1.75%	Spread over CAP for 'Going-in CAP'
Multi-family		1.50%		1.50%		1.50%		1.50%		1.50%		2.00%		2.00%		2.00%	Spread over CAP for 'Going-in CAP'
Office		1.50%		1.50%		1.50%		1.50%		1.50%		2.00%		0.00%		0.00%	Spread over CAP for 'Going-in CAP'
Retail		1.50%		1.50%		1.50%		1.50%		1.50%		2.00%		0.00%		0.00%	Spread over CAP for 'Going-in CAP'