



# FINANCIAL ANALYSIS

<b>SOURCES</b>	<b>\$ Amount</b>	<b>\$ / Unit</b>	<b>% Total</b>
<b>Debt Financing</b>			
Construction Loan	\$28,634,036	\$185,935	70.9%
<b>Equity Capital</b>			
Contributed Equity	\$11,774,173	\$76,456	29.1%
<b>TOTAL SOURCES</b>	<b>\$40,408,209</b>	<b>\$262,391</b>	<b>100%</b>

<b>USES</b>	<b>\$ Amount</b>	<b>\$ / Unit</b>	<b>% Total</b>
<b>Development Costs</b>			
Total Hard Costs	\$36,409,343	\$236,424	90.1%
Total Soft Costs	\$1,502,911	\$9,759	3.7%
Total Contingency	\$594,563	\$3,861	1.5%
Developer Fee	\$1,649,173	\$10,709	4.1%
Total Reserves	\$252,219	\$1,638	0.6%
<b>TOTAL USES</b>	<b>\$40,408,209</b>	<b>\$262,391</b>	<b>100%</b>



# RETURN SENSITIVITY

## 5 - Year Hold

Occupancy*	97%	96%	95%	94%	93%
Net Investor IRR	27.5%	26.5%	25.4%	24.3%	23.4%
Cash Yield	7.3%	7.1%	6.9%	6.8%	6.6%
Multiple	2.48x	2.41x	2.33x	2.26x	2.19x

\*Assumes 3.0% rent growth and 5.15% exit cap rate

Rent Growth**	4.00%	3.50%	3.25%	3.00%	2.75%
Net Investor IRR	26.5%	25.4%	24.9%	24.3%	23.8%
Cash Yield	7.0%	6.9%	6.8%	6.8%	6.7%
Multiple	2.41x	2.33x	2.29x	2.26x	2.22x

\*\*Assumes 94% occupancy and 5.15% exit cap rate

Exit Cap Rate***	4.40%	4.65%	4.90%	5.15%	5.40%
Net Investor IRR	33.5%	30.4%	27.3%	24.3%	21.4%
Cash Yield	6.80%	6.80%	6.80%	6.80%	6.80%
Multiple	2.98x	2.71x	2.47x	2.26x	2.06x

\*\*\*Assumes 3.0% rent growth and 94% occupancy



# RETURN SENSITIVITY

## 15 - Year Hold

Occupancy*	97%	96%	95%	94%	93%
Net Investor IRR	17.6%	17.0%	16.5%	15.9%	15.4%
Cash Yield	12.5%	12.0%	11.6%	11.1%	10.7%
Multiple	4.38x	4.27x	4.17x	4.07x	3.98x

\*Assumes 3.0% rent growth and 5% refinance interest rate

Rent Growth**	4.00%	3.50%	3.25%	3.00%	2.75%
Net Investor IRR	18.8%	17.4%	16.7%	15.9%	15.1%
Cash Yield	13.5%	12.3%	11.7%	11.1%	10.5%
Multiple	5.25x	4.64x	4.35x	4.07x	3.79x

\*\*Assumes 94% occupancy and 5% refinance interest rate

Refinance Interest Rate***	4.25%	4.50%	4.75%	5.00%	5.25%
Net Investor IRR	17.9%	17.2%	16.5%	15.9%	15.3%
Cash Yield	13.0%	12.4%	11.7%	11.1%	10.5%
Multiple	4.16x	4.13x	4.09x	4.07x	4.04x

\*\*\*Assumes 94% occupancy and 3.0% rent growth