

REVERB BLDG - 18th & Walnut

BASE CASE -2022 Budget with No Additional Leasing

REVERB BLDG - 18th & Walnut - SUMMARY -

Revision: 12/7/2021

Retail	3,123 RSF
Residential	119,784 RSF
132 Units	109 Pkg. Spaces

Investment

Apartment Building	\$36,773,329
Tenant Improvements	121,440
Site	62,055
Incentives	242,689
Architecture/ Engineering/Inspections	265,775
Legal	341,644
Development Fee	1,267,000
Other Soft Costs	2,283,747
Construction Interest	264,306
Subtotal	\$41,621,985
Land & Improvements Acquisition	2,042,386
TOTAL INVESTMENT	\$43,664,371
Current Debt	(\$30,000,000)
EQUITY INVESTMENT	\$13,664,371

Cash Flow Projections

Period Ending	12/31/22	12/31/23	12/31/24
INCOME			
Retail	\$44,874	\$115,410	\$117,158
Residential	\$2,686,972	\$2,784,000	\$2,826,586
Residential Recoveries	\$324,358	\$325,026	\$331,482
Residential Other	\$31,270	\$31,895	\$32,533
Total Revenue	\$3,087,474	\$3,256,330	\$3,307,759
Building Expenses	\$456,184	\$465,308	\$474,614
Utilities	\$314,760	\$321,055	\$327,476
Insurance	\$72,519	\$73,969	\$75,449
R E Taxes	\$88,279	\$90,045	\$91,845
Unit Turnover	\$17,230	\$17,575	\$17,926
Administration Expense	\$68,732	\$70,107	\$71,509
Advertising / Marketing	\$99,220	\$101,204	\$103,228
Management Fees	\$72,835	\$76,335	\$77,519
Total Operating Expenses	\$1,189,759	\$1,215,597	\$1,239,566
Net Operating Income	\$1,897,715	\$2,040,733	\$2,068,193
Capital/ Leasing Costs	\$17,968	\$148,656	\$18,693
Cash Flow Before Debt Service	\$1,879,748	\$1,892,078	\$2,049,499
Debt Service	\$1,245,438	\$1,517,774	\$1,517,775
Cash Flow After Debt Service	\$634,310	\$374,304	\$531,724
<i>Occupied Units</i>	<i>121 Units</i>	<i>116 Units</i>	<i>114 Units</i>
<i>Rent PSF</i>	<i>\$2.02 PSF</i>	<i>\$2.26 PSF</i>	<i>\$2.30 PSF</i>
<i>Occupancy Unit %</i>	<i>87.68%</i>	<i>86.23%</i>	<i>85.45%</i>
<i>DCR</i>	<i>1.524</i>	<i>1.345</i>	<i>1.363</i>

REVERB BLDG - 18th & Walnut

BASE CASE -2022 Budget with No Additional Leasing

REVERB BLDG - 18th & Walnut Assumptions			Revision: 12/7/2021	
Shell Building		122,907 RSF	197,780 GSF	
Retail Space - 1st		1,904 RSF	2,116 GSF	
Retail Space - Roof (Bar only)		1,219 RSF	1,219 GSF	
Roof Amenity - Common			3,736 GSF	
Residential Common Area/ Lobby			16,646 GSF	
Residential -		119,784 RSF	133,068 GSF	
Average Unit	132 Units	907 RSF / Unit		
Affordable Units	12 Units	571 RSF / Unit		
Market Units	120 Units	941 RSF / Unit		
Garage-Lower Level/ Surface			40,995 GSF	
Parking			Spaces	
Residential Parking Ratio	0.8 /Unit		109 Spaces	
Retail - Parking Ratio of	0.00 /1,000 RSF		0 Spaces	
Diversity From Corrigan			0 Spaces	
Total Sell		1.00	109 Spaces	
Permanent Loan - MAX	\$30,000,000			
Interest - Floating 30 day Libor + 2.25%		10/29/21	2.335880%	
Effective	5/15/21		3.000000%	
Amortization	5/15/21	360 Mos.		
Loan Term	48 Mos.			
Income	Current In Place Leases (No speculative leasing)			
Operating Expenses	Current 2022 Budget			
Market Rent Growth	2%			
Operating Expenses Growth	2%		Net Tax	
Real Estate Tax/ Port Authority- Annual Fee		\$15,594	Annually	
Real Estate Tax/ Port Authority- Street Car		Special Assessment determined annually- no abatement		
Real Estate Tax/ Port Authority- Compliance Payment		2021	71,816	
		2022	71,816	
		2023	73,253	
		2024	73,253	
		2025	74,718	
		2026	74,718	
		2027	76,213	
		2028	76,213	
		2029	77,737	
		2030	77,737	
		2031	162,893	
		2032	162,893	
		2033	166,151	
		2034	166,151	
		2035	169,474	
		2036	169,474	
		2037	172,864	
		2038	172,864	
		2039	176,321	
		2040	470,424	
Capital Reserve	\$0.15 PSF			

Period Ending		11/30/21	12/31/21	1/31/22	2/28/22	3/31/22	4/30/22	5/31/22	6/30/22	7/31/22	8/31/22	9/30/22	10/31/22	11/30/22	12/31/22
Year				YEAR 1	YEAR 1	YEAR 1	YEAR 1	YEAR 1	YEAR 1	YEAR 1	YEAR 1	YEAR 1	YEAR 1	YEAR 1	YEAR 1
INCOME				Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Commercial	Rents- Retail -1st Flr	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	'Recoveries-1st Floor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Rents- Retail- BAR	\$3,048	\$3,139	\$3,139	\$3,139	\$3,139	\$3,139	\$3,139	\$3,139	\$3,139	\$3,139	\$3,139	\$3,139	\$3,139	\$3,233
Residential	Recoveries-BAR	\$574	\$591	\$591	\$591	\$591	\$591	\$591	\$591	\$591	\$591	\$591	\$591	\$591	\$609
	Residential	\$169,882	\$182,237	\$204,223	\$216,792	\$227,160	\$226,583	\$226,880	\$224,124	\$224,294	\$222,709	\$222,992	\$223,788	\$234,331	\$233,096
	Residential Recoveries	\$19,730	\$20,227	\$27,246	\$27,326	\$27,174	\$27,282	\$27,194	\$26,943	\$26,920	\$26,904	\$26,629	\$26,794	\$26,715	\$27,231
	Residential Other Income	\$2,606	\$2,606	\$2,606	\$2,606	\$2,606	\$2,606	\$2,606	\$2,606	\$2,606	\$2,606	\$2,606	\$2,606	\$2,606	\$2,606
	Occupied Units	120 Units	122 Units	120 Units	121 Units	121 Units	121 Units	120 Units	121 Units	120 Units	120 Units	117 Units	116 Units	119 Units	118 Units
	Rent PSF	\$1.65 PSF	\$1.72 PSF	\$1.93 PSF	\$2.04 PSF	\$2.13 PSF	\$2.14 PSF	\$2.13 PSF	\$2.15 PSF	\$2.17 PSF	\$2.18 PSF	\$2.22 PSF	\$2.25 PSF	\$2.26 PSF	\$2.25 PSF
	Occupancy Unit %	85.91%	88.65%	88.31%	88.80%	89.14%	88.58%	88.78%	87.13%	86.27%	85.27%	83.91%	83.21%	86.39%	86.43%
	Subtotal	\$195,840	\$208,800	\$237,805	\$250,455	\$260,670	\$260,201	\$260,410	\$257,403	\$257,550	\$255,949	\$255,957	\$256,918	\$267,382	\$266,774
	Credit Loss	- 0 -	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	TOTAL NET INCOME	\$195,840	\$208,800	\$237,805	\$250,455	\$260,670	\$260,201	\$260,410	\$257,403	\$257,550	\$255,949	\$255,957	\$256,918	\$267,382	\$266,774
EXPENSES															
	Payroll Expenses	\$21,029	\$21,029	\$24,697	\$24,697	\$24,697	\$24,697	\$24,697	\$24,697	\$24,697	\$24,697	\$24,697	\$24,697	\$24,697	\$24,697
	Repairs/ Maintenance	\$14,449	\$14,449	\$13,318	\$13,318	\$13,318	\$13,318	\$13,318	\$13,318	\$13,318	\$13,318	\$13,318	\$13,318	\$13,318	\$13,318
	Utilities	\$20,918	\$20,918	\$26,230	\$26,230	\$26,230	\$26,230	\$26,230	\$26,230	\$26,230	\$26,230	\$26,230	\$26,230	\$26,230	\$26,230
	Property Insurance	\$6,068	\$6,068	\$6,043	\$6,043	\$6,043	\$6,043	\$6,043	\$6,043	\$6,043	\$6,043	\$6,043	\$6,043	\$6,043	\$6,043
	Real Estate Taxes	\$21,316	\$21,316	\$7,357	\$7,357	\$7,357	\$7,357	\$7,357	\$7,357	\$7,357	\$7,357	\$7,357	\$7,357	\$7,357	\$7,357
	Administration Expense	\$10,674	\$10,674	\$5,728	\$5,728	\$5,728	\$5,728	\$5,728	\$5,728	\$5,728	\$5,728	\$5,728	\$5,728	\$5,728	\$5,728
	Management Fees	\$6,000	\$6,000	\$6,000	\$6,000	\$6,102	\$6,091	\$6,096	\$6,021	\$6,024	\$5,984	\$5,984	\$6,008	\$6,270	\$6,255
	Advertising / Marketing	\$22,221	\$22,221	\$8,268	\$8,268	\$8,268	\$8,268	\$8,268	\$8,268	\$8,268	\$8,268	\$8,268	\$8,268	\$8,268	\$8,268
	Unit Turnover	\$914	\$914	\$1,436	\$1,436	\$1,436	\$1,436	\$1,436	\$1,436	\$1,436	\$1,436	\$1,436	\$1,436	\$1,436	\$1,436
	Total Operating Expenses	\$123,589	\$123,589	\$99,077	\$99,077	\$99,179	\$99,168	\$99,173	\$99,098	\$99,101	\$99,061	\$99,061	\$99,085	\$99,347	\$99,332
	Net Operating Income	\$72,251	\$85,211	\$138,729	\$151,378	\$161,491	\$161,033	\$161,238	\$158,306	\$158,448	\$156,887	\$156,896	\$157,833	\$168,035	\$167,442
	Leasing Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Capital Expenditures	1,497	1,497	1,497	1,497	1,497	1,497	1,497	1,497	1,497	1,497	1,497	1,497	1,497	1,497
	Total Leasing /Capital Costs	1,497	1,497	1,497	1,497	1,497	1,497	1,497	1,497	1,497	1,497	1,497	1,497	1,497	1,497
	Cash Flow Before Debt Service	\$70,753	\$83,714	\$137,231	\$149,881	\$159,993	\$159,536	\$159,740	\$156,808	\$156,951	\$155,390	\$155,398	\$156,335	\$166,538	\$165,945
	Cross First Debt														
	Interest	58,397	58,397	58,397	58,397	58,397	58,397	75,000	74,871	74,742	74,613	74,483	74,354	74,223	74,092
	Principal	0	0	0	0	0	0	51,481	51,610	51,740	51,868	51,998	52,127	52,258	52,390
	Total Debt Service	58,397	58,397	58,397	58,397	58,397	58,397	126,481	126,481	126,482	126,481	126,481	126,481	126,481	126,482
	Cash Flow After Debt Service	\$12,356	\$25,317	\$78,834	\$91,484	\$101,596	\$101,139	\$33,259	\$30,327	\$30,469	\$28,909	\$28,917	\$29,854	\$40,057	\$39,463
	DCR	1.237	1.459	2.376	2.592	2.765	2.758	1.275	1.252	1.253	1.240	1.240	1.248	1.329	1.324
	Occupied SF	102,904	106,187	105,784	106,372	106,771	106,101	106,344	104,373	103,342	102,145	100,509	99,674	103,484	103,532
	Residential Total SF	119,784	119,784	119,784	119,784	119,784	119,784	119,784	119,784	119,784	119,784	119,784	119,784	119,784	119,784

Period Ending		1/31/23	2/28/23	3/31/23	4/30/23	5/31/23	6/30/23	7/31/23	8/31/23	9/30/23	10/31/23	11/30/23	12/31/23
Year		YEAR 2	YEAR 2	YEAR 2	YEAR 2	YEAR 2	YEAR 2	YEAR 2	YEAR 2	YEAR 2	YEAR 2	YEAR 2	YEAR 2
INCOME		Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20	Month 21	Month 22	Month 23	Month 24
Commercial	Rents- Retail -1st Flr	\$4,760	\$4,760	\$4,760	\$4,760	\$4,760	\$4,760	\$4,760	\$4,760	\$4,760	\$4,760	\$4,760	\$4,760
	'Recoveries-1st Floor	\$1,010	\$1,010	\$1,010	\$1,010	\$1,010	\$1,010	\$1,010	\$1,010	\$1,010	\$1,010	\$1,010	\$1,010
	Rents- Retail- BAR	\$3,233	\$3,233	\$3,233	\$3,233	\$3,233	\$3,233	\$3,233	\$3,233	\$3,233	\$3,233	\$3,233	\$3,280
	Recoveries-BAR	\$609	\$609	\$609	\$609	\$609	\$609	\$609	\$609	\$609	\$609	\$609	\$627
Residential	Residential	\$237,092	\$232,660	\$233,205	\$243,073	\$240,232	\$237,599	\$233,598	\$223,712	\$216,249	\$225,093	\$224,025	\$237,462
	Residential Recoveries	\$27,766	\$27,195	\$27,215	\$27,448	\$27,430	\$27,203	\$26,905	\$26,635	\$26,528	\$26,709	\$26,880	\$27,112
	Residential Other Income	\$2,658	\$2,658	\$2,658	\$2,658	\$2,658	\$2,658	\$2,658	\$2,658	\$2,658	\$2,658	\$2,658	\$2,658
	Occupied Units	119 Units	117 Units	117 Units	119 Units	118 Units	115 Units	114 Units	108 Units	106 Units	109 Units	110 Units	115 Units
	Rent PSF	\$2.24 PSF	\$2.25 PSF	\$2.25 PSF	\$2.26 PSF	\$2.26 PSF	\$2.27 PSF	\$2.27 PSF	\$2.28 PSF	\$2.27 PSF	\$2.29 PSF	\$2.29 PSF	\$2.29 PSF
	Occupancy Unit %	88.56%	86.16%	86.38%	89.71%	88.60%	87.57%	85.97%	81.92%	79.48%	82.24%	81.69%	86.50%
	Subtotal	\$277,128	\$272,125	\$272,691	\$282,791	\$279,932	\$277,073	\$272,773	\$262,617	\$255,047	\$264,071	\$263,175	\$276,909
Credit Loss		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL NET INCOME		\$277,128	\$272,125	\$272,691	\$282,791	\$279,932	\$277,073	\$272,773	\$262,617	\$255,047	\$264,071	\$263,175	\$276,909
EXPENSES													
Payroll Expenses		\$25,191	\$25,191	\$25,191	\$25,191	\$25,191	\$25,191	\$25,191	\$25,191	\$25,191	\$25,191	\$25,191	\$25,191
Repairs/ Maintenance		\$13,585	\$13,585	\$13,585	\$13,585	\$13,585	\$13,585	\$13,585	\$13,585	\$13,585	\$13,585	\$13,585	\$13,585
Utilities		\$26,755	\$26,755	\$26,755	\$26,755	\$26,755	\$26,755	\$26,755	\$26,755	\$26,755	\$26,755	\$26,755	\$26,755
Property Insurance		\$6,164	\$6,164	\$6,164	\$6,164	\$6,164	\$6,164	\$6,164	\$6,164	\$6,164	\$6,164	\$6,164	\$6,164
Real Estate Taxes		\$7,504	\$7,504	\$7,504	\$7,504	\$7,504	\$7,504	\$7,504	\$7,504	\$7,504	\$7,504	\$7,504	\$7,504
Administration Expense		\$5,842	\$5,842	\$5,842	\$5,842	\$5,842	\$5,842	\$5,842	\$5,842	\$5,842	\$5,842	\$5,842	\$5,842
Management Fees		\$6,505	\$6,380	\$6,394	\$6,647	\$6,575	\$6,504	\$6,397	\$6,143	\$5,953	\$6,179	\$6,157	\$6,500
Advertising / Marketing		\$8,434	\$8,434	\$8,434	\$8,434	\$8,434	\$8,434	\$8,434	\$8,434	\$8,434	\$8,434	\$8,434	\$8,434
Unit Turnover		\$1,465	\$1,465	\$1,465	\$1,465	\$1,465	\$1,465	\$1,465	\$1,465	\$1,465	\$1,465	\$1,465	\$1,465
Total Operating Expenses		\$101,444	\$101,319	\$101,333	\$101,586	\$101,514	\$101,443	\$101,335	\$101,081	\$100,892	\$101,118	\$101,095	\$101,438
Net Operating Income		\$175,684	\$170,806	\$171,358	\$181,206	\$178,418	\$175,630	\$171,438	\$161,536	\$154,155	\$162,954	\$162,080	\$175,470
Leasing Costs		130,329	0	0	0	0	0	0	0	0	0	0	0
Capital Expenditures		1,527	1,527	1,527	1,527	1,527	1,527	1,527	1,527	1,527	1,527	1,527	1,527
Total Leasing /Capital Costs		131,856	1,527	1,527	1,527	1,527	1,527	1,527	1,527	1,527	1,527	1,527	1,527
Cash Flow Before Debt Service		\$43,828	\$169,279	\$169,830	\$179,679	\$176,891	\$174,103	\$169,911	\$160,009	\$152,627	\$161,426	\$160,553	\$173,943
Cross First Debt													
Interest		73,961	73,830	73,699	73,566	73,434	73,302	73,168	73,036	72,901	72,768	72,634	72,498
Principal		52,520	52,651	52,782	52,916	53,047	53,179	53,313	53,445	53,581	53,713	53,847	53,983
Total Debt Service		126,481	126,481	126,481	126,482	126,481	126,481	126,481	126,481	126,482	126,481	126,481	126,481
Cash Flow After Debt Service		(\$82,653)	\$42,798	\$43,349	\$53,197	\$50,410	\$47,622	\$43,430	\$33,528	\$26,145	\$34,945	\$34,072	\$47,462
DCR		1.389	1.350	1.355	1.433	1.411	1.389	1.355	1.277	1.219	1.288	1.281	1.387
Occupied SF		106,081	103,203	103,464	107,455	106,130	104,899	102,975	98,124	95,208	98,506	97,847	103,610
Residential Total SF		119,784	119,784	119,784	119,784	119,784	119,784	119,784	119,784	119,784	119,784	119,784	119,784