

AHFC PROPOSAL ADJUSTED TO MATCH SIZE - 64,048 SF Gross solution¹

July 26, 2013

Lease Cost Calculation

All in Cost	\$36.7m (AHFC 2012 cost estimate ADJUSTED TO COMPARABLE SIZE) ²
Published AIDEA Terms	\$36.7m @ 5.68% interest rate, 25 year amortization =
Monthly PMT (NNN Rent)	\$229,500/mo. (ROUNDED) ³

Parking⁴ **Dedicated Structured Parking**

Spaces	103
Cost per permit per Mo.	\$43,000 construction cost per space
Cost per Month	\$27,700 ⁵

Tenant Improvements Cost

\$120 ⁶ per GSF	\$5,000,000
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Total Costs

Lease cost per Month	\$257,000 ⁷
Annual Payment	\$3,084,400

Proposed Rate

Monthly NNN	\$230,500
Annual	\$2,766,000
% of new construction	89.7%

¹ Amount of Gross area of proposed space after renovation of 716 and 712 west 4th avenue

² AHFC proposal 3/22/2012 –50,000 Gross SF = \$25m = \$500/GSF Thus 64,048 x \$530.45 (\$500 x 3%/yr. x 2yr) = \$33,974,261, **PLUS** a TI allowance of \$2.7m = \$36.7, NNN, No Parking

³ \$36.7m amortized at published AIDEA rates

⁴ Parking calculated by as “dedicated structured parking facility” to match 716 west 4th

⁵ 103 x \$43,000 = \$4,429,000 amortized 25 years @ 5.68% = \$27,700/Mo.

⁶ Costs similar to 909 west 9th TI’s \$120 x 64048 = \$7.7m - \$2.7m (included in landlord budget) = \$5.0m

⁷ \$229,500 + 27,700 = \$257,200