



Atlantic Yards Financial Projections

General Project Plan - Project Phasing

	Rental Units	Condo Units	Total Units	ZSF	Start Construction	End Construction
PHASE I - ARENA BLOCK						
Tower 1 - Office	-	-	-	308,801	Jul-07	Jul-09
Tower 1 - Hotel	-	-	-	164,652	Jul-07	Jul-09
Tower 1 - Condo	-	336	336	434,691	Jul-07	Jul-09
Subtotal - Tower 1	-	336	336	908,144		
Tower 2	366	-	366	307,211	Oct-08	Apr-10
Tower 3	-	215	215	276,277	Feb-08	Aug-09
Tower 4	351	312	663	677,807	Aug-08	Feb-10
Retail	-	-	-	44,085		
TOTAL ARENA BLOCK	717	863	1,580	2,213,524		
PHASE II						
Block 1120						
Tower 5	616	-	616	517,437	Mar-09	Sep-10
Tower 6	422	-	422	354,169	Oct-09	Apr-11
Tower 7	422	202	624	599,553	May-10	Nov-11
Retail	-	-	-	54,249		
Block 1128						
Tower 15	325	-	325	272,734	Mar-09	Sep-10
Retail	-	-	-	13,215		
Block 1121						
Tower 8	506	-	506	424,729	Feb-11	Aug-12
Tower 9	423	162	585	550,618	Aug-11	Feb-13
Tower 10	458	-	458	384,880	Jun-12	Dec-13
Block 1129						
Tower 11	-	206	206	263,985	Jun-12	Dec-13
Tower 12	301	-	301	252,637	Apr-10	Oct-11
Tower 13	310	-	310	261,011	Apr-10	Oct-11
Tower 14	-	175	175	224,910	Oct-13	Apr-15
Retail	-	-	-	88,541		
TOTAL PHASE II	3,783	745	4,528	4,262,668		
TOTAL GPP	4,500	1,608	6,108	6,476,192		
Rental				3,766,686		
Condo				2,035,963		
Office				308,801		
Hotel				164,652		
Retail				200,090		

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Site Preparation Costs Summary - Atlantic Yards

\$ in millions

Infrastructure & LIRR Track Re-location	554.4
Land & MTA Air Rights	374.1
Masterplanning	19.5
Total Site Preparation Costs	948.0
Less: Arena Allocation	(42.0)
Less: Public Party Contribution	(200.0)
Net Site Preparation Costs	706.0
 Total ZSF - Atlantic Yards	 6,476,191
Net Costs / ZSF	\$ 109
<i>Rental</i>	<i>\$ 68</i>
<i>Condo</i>	<i>\$ 190</i>
<i>Condo - Block 1129</i>	<i>\$ 235</i>
<i>Office & Hotel</i>	<i>\$ 35</i>

Note: Masterplanning costs include costs related to public approvals, marketing, community benefits, and litigation (if any) required for the project.

**Nets Sports and Entertainment
Returns Analysis
October 10, 2006**

	Projected									
	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13
\$ in thousands										
Equity Investment	(\$212,900)	(\$382)	(\$8,050)	(\$74,700)	(\$36,350)	(12,000)	(1,000)	(6,000)	(14,000)	-
Arena Revenue										
Suite & Loge Box Revenue			38,024				39,165		40,340	41,550
Non-Basketball Events (Ticket Revenue)			9,447				9,731		10,023	10,323
Non-Basketball Events (Concession & Novelty Revenue)			7,001				7,212		7,428	7,652
Sponsorship			31,205				32,141		33,106	34,089
Ticket Surcharge			4,488				4,488		4,488	4,488
Other Revenue			634				627		620	613
Total Arena Revenue			90,800				93,365		96,005	98,726
Operating Expenses			(32,041)				(32,995)		(33,977)	(34,989)
Arena Net Operating Income			58,759				60,370		62,028	63,737
Arena Debt Service			(43,769)				(43,769)		(43,769)	(43,769)
Advance from Arena to cover Nets losses			(6,885)				(4,961)		(4,850)	-
Arena Cash Flow			8,105				11,640		13,410	19,968
Urban Room Cash Flow			700				805		913	1,025
Parking Cash Flow			-				-		-	238
Nets Franchise Cash Flow			(37,547)	(38,345)	(35,544)	(11,705)	(7,176)	(4,961)	(4,850)	4,923
Draw on Cash and Additional Equity		148	5,776	22,000	35,544	11,705	6,885	4,961	4,850	-
Draw on Debt		37,399	40,312	16,345	-	-	291	-	-	-
Cash Remaining		-	-	-	-	-	-	-	-	1,000
Distribution of Preferred Dividends		4,788	6,392	6,572	6,572	6,572	-	-	-	-
Total Cash Flow to Team and Arena Investors		4,406	(1,658)	(68,128)	(29,778)	(5,428)	7,805	6,445	323	27,154
Terminal Equity Value of Nets ¹										277,731
Terminal Equity Value of Arena, Urban Room & Parking ²										242,530
Total Investment Cash Flow		4,406	(1,658)	(68,128)	(29,778)	(5,428)	7,805	6,445	323	547,415
Total Investment IRR										7.7%

Notes:

1. Exit multiple of 3x revenue. Terminal value is net of debt repayment. Gross value = \$482mm.
2. Terminal value assumes 12% discount rate and 3% growth rate on cash flows.

Arena Budget
October 11, 2006
Confidential

Square Footage	866,700	850,000	16,700	
	Total	Arena	Urban Room	Parking
1 Site Acquisition:				
2 Allocation of Land	40,212,261	40,212,261	--	--
3 Allocation of Master Planning	1,787,739	1,787,739	--	--
4 Total Site Acquisition	42,000,000	42,000,000	--	--
5				
6 Hard Costs	537,437,005	460,580,531	43,856,474	33,000,000
7				
8 Soft Costs:				
9 Architecture & Engineering	49,000,000	49,000,000	--	--
10				
11 Legal	3,350,000	3,350,000	--	--
12				
13 Bond Financing				
14 Debt Service Reserve Fund Deposit	17,354,251	17,354,251	--	--
15 Capitalized Interest Deposit	31,952,017	31,952,017	--	--
16 Cap. Bond Insurance & Remarketing Fees	2,648,671	2,648,671	--	--
17 Underwriters Disc. and Cost of Issuance	3,624,498	3,624,498	--	--
18 First Years Insurance	3,624,498	3,624,498	--	--
19 Debt Service Reserve Surety Bond	782,615	782,615	--	--
20 Surety Bond (In lieu of add. 6 mos. debt ser. reserve)	347,085	347,085	--	--
21 Subtotal	60,333,633	60,333,633	--	--
22				
23 Other Financing				
24 Commitment Fee (1%)	1,350,955	1,020,000	200,955	130,000
25 Third Party Fees (1.25%)	1,688,694	1,275,000	251,194	162,500
26 Capitalized Interest (95% outstanding for 24 months)	18,999,872	15,504,000	2,813,372	682,500
27 Subtotal	22,039,521	17,799,000	3,265,521	975,000
28				
29 Financing	82,373,154	78,132,633	3,265,521	975,000
30				
31 Overhead	34,451,398	32,158,313	2,293,085	--
32 Pre-Opening	1,000,000	1,000,000	--	--
33 Commissioning Expenses	500,000	500,000	--	--
34 Marketing and Project Expenses	8,783,788	6,150,000	2,633,788	--
35 Insurance	6,697,981	6,697,981	--	--
36 Title Insurance	2,216,087	2,216,087	--	--
37 Other Costs	53,649,254	48,722,381	4,926,873	--
38				
39 Total Soft Costs	188,372,408	179,205,014	8,192,393	975,000
40				
41 Sub-Total Project Costs	767,809,412	681,785,545	52,048,867	33,975,000
42				
43 Development Contingency	9,418,602	8,960,232	409,620	48,750
44 Total Project Costs	777,228,014	690,745,777	52,458,487	34,023,750
45				
46 Other Funding				
47 Sales Tax Savings	(8,500,625)	(7,746,875)	(753,750)	--
48 Construction Partner Revenue	(3,000,000)	(3,000,000)	--	--
49 Net Project Costs	765,727,389	679,998,902	51,704,737	34,023,750
50				
51 Funding:				
52 Tax Exempt Financing	(557,615,000)	(557,615,000)	--	--
53 Other Financing	(135,095,513)	(102,000,000)	(20,095,513)	(13,000,000)
54 Total Bonds Issued	(692,710,513)	(659,615,000)	(20,095,513)	(13,000,000)
55				
56 Equity	73,016,876	20,383,902	31,609,225	21,023,750

Atlantic Yards Mixed Use Development
Total Project Cash Flow
October 11, 2006

	1	2	3	4	5	6	7	8	9	10	11	12
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
SF of Office Developed						308,801						
SF of Hotel Developed						164,552						
SF of Residential Rental Developed						14,895						
SF of Residential Condo Developed						710,968						
Total						1,199,116						
Cumulative						1,199,116	3,034,993	4,551,810	4,997,196	6,244,640	6,244,640	6,476,191
(/M \$'000's)												
Land, Masterplanning & LIRR / Infrastructure	(33,866,180)	(59,624,023)	(137,864,076)	325,752,763	70,318,250	(154,400,208)	(77,055,863)	12,075,243	19,024,040	35,728,156	-	-
Total AY Office Equity	-	-	-	(27,171,965)	-	-	2,241,902	2,241,902	2,241,902	2,241,902	3,637,037	-
Total AY Office Cash Flow	-	-	-	-	-	-	-	-	-	-	-	-
Total AY Office Net Proceeds from Sale	-	-	-	(27,171,965)	-	-	2,241,902	2,241,902	2,241,902	2,241,902	3,637,937	72,597,141
Total Net Cash Flow	-	-	-	(27,171,965)	-	-	2,241,902	2,241,902	2,241,902	2,241,902	3,637,937	72,597,141
Total AY Hotel Equity	-	-	-	-	-	-	-	-	-	-	-	-
Total AY Hotel Sales Proceeds	-	-	-	-	-	-	-	-	-	-	-	-
Total Net Cash Flow	-	-	-	-	-	-	-	-	-	-	-	-
Total AY Residential Rental Equip.	-	-	-	(37,211,310)	(74,819,587)	(139,546,597)	(98,418,833)	(41,809,766)	(10,913,176)	6,434,848	6,867,282	-
Total AY Residential Rental Cash Flow	-	-	-	-	-	-	(90,010,141)	7,308,819	16,098,661	21,376,735	28,844,070	-
Total AY Residential Rental Net Proceeds from Sale	-	-	-	(37,211,310)	(74,819,587)	(139,546,597)	(98,418,833)	7,308,819	16,098,661	21,376,735	28,844,070	-
Total Net Cash Flow	-	-	-	(37,211,310)	(74,819,587)	(139,546,597)	(98,418,833)	7,308,819	16,098,661	21,376,735	28,844,070	-
Total AY Residential Condo Equity	-	-	-	(137,862,815)	(89,285,791)	(4,208,427)	(50,705,480)	(51,912,447)	(56,032,775)	(46,383,519)	-	-
Total AY Residential Condo Cash Flow	-	-	-	-	-	158,023,344	117,295,411	80,620,724	16,176,678	88,031,435	48,732,541	76,668,738
Total Net Cash Flow	-	-	-	(137,862,815)	(89,285,791)	153,724,918	66,555,931	8,708,277	(38,853,097)	51,647,916	48,732,541	76,668,738
Total AY Project Equity	(33,866,180)	(69,624,023)	(137,864,076)	123,585,674	(103,887,128)	(299,335,832)	(226,175,276)	(81,646,870)	(47,921,911)	(4,220,517)	6,867,282	-
Total AY Project Cash Flow	-	-	-	-	-	158,023,344	119,214,289	70,171,445	35,120,241	121,652,072	81,213,549	76,668,738
Total AY Project Net Sales Proceeds	(33,866,180)	(69,624,023)	(137,864,076)	123,585,674	(103,887,128)	(299,335,832)	(226,175,276)	(81,646,870)	(47,921,911)	(4,220,517)	6,867,282	-
TOTAL AY PROJECT NET CASH FLOW	(33,866,180)	(69,624,023)	(137,864,076)	123,585,674	(103,887,128)	(299,335,832)	(226,175,276)	(81,646,870)	(47,921,911)	(4,220,517)	6,867,282	-

0.3%

ATLANTIC YARDS ANNUAL IRR

Forest City Ratner Companies
Office Development

Office

EXECUTIVE SUMMARY

Project Description

Description:	Class A Office Building		
Location:	Atlantic Yards		
Square Footage:	Gross Square Feet	335,653	
	Useable Above Grade SF	292,018	
	Rentable Square Feet	376,798	
	Zoning Square Feet	308,801	
	Loss Factor	22.5%	
	Add-On	1.29	
	Land Square Footage	35,000	
Tenant Mix:	<u>Tenant</u>	<u>RSF</u>	
	Office - A	301,438	
	Office - B	75,360	
Land Acquisition:	Fee		
Target Dates:	Construction Loan Closing	1-Jul-07	
	Office Opening	1-Jul-09	
	Office Construction Period	24 months	
	Office A Free-Rent	0 months	(Captured in build out)
	Office B Free-Rent	0 months	(Captured in build out)

Total Project Costs

Project Costs	Total	Per GSF
Net Project Costs	136,422,005	406.44
Mortgage	(109,137,604)	(325.15)
Second Mortgage	-	-
Total Partnership Equity	27,284,401	81.29

Refinancing

Year of Refinancing	2010
Net Operating Income	11,511,599
Cap Rate	7.50%
Value	153,487,981
New Debt at 1.20 DSC (8.5%, 30 yrs)	114,330,661
New Debt at 80% of Value	122,790,385
New Debt	114,330,661
Less: 2% Transaction Fee	(2,286,613)
Debt Less Refinancing Fees	112,044,048
NOI @ 1.2	9,592,999
Debt at Refinancing Date	108,448,095
Original Equity	<u>27,284,401</u>
New Equity	<u>23,688,449</u>
Proceeds	3,595,952
Stabilized Cash Flow w/ Refinancing	
NOI	11,511,599
Refinanced Debt Service	9,592,999
Cash Flow	1,918,600

Income - First Stabilized Year

	2010	
	Total	Per RSF
Total Rental Income	14,695,105	39.00
Total Recoveries	-	-
Vacancy (5%)	(734,755)	(1.85)
Total Building Income	13,960,350	37.05
Total Expenses	<u>2,448,751</u>	6.50
NOI	<u>11,511,599</u>	30.55
1st Mort. Debt Service	9,256,343	24.57
Cash Flow	2,255,256	5.99

Returns

Cash on Cost	8.44%
Cash on Cash	8.27%
Internal Rate of Return	17.01%
NPV at 12% discount and 7.25 % cap	10,825,092

Refinanced Returns

Cash on Cost	8.30%
Cash on Cash	8.10%
Internal Rate of Return	15.86%
NPV at 12% discount and 7.25% cap	7,380,184

Office

Project Budget

Gross Square Feet	335,653
REBNY Useable Square Feet	292,018
Rentable Square Feet	376,798
ZONING Floor Area:	308,801

Description	Input	Total Budget Current
1 Site Acquisition	\$ 35.00	10,808,027
2		
3 Hard Costs:		
4 Total Hard Costs	\$ 295.50	99,183,838
5		
6 Soft Costs:		
7 A & E Base	\$ 8.00	2,685,224
8 A & E - Consultants	\$ 3.00	1,006,959
9 A & E Reimbursables	10.00%	369,218
10 Architecture & Engineering		4,061,401
11		
12 Leasing Commissions		10,194,453
13		
14 Legal - General		10,000
15 Legal - Leasing		500,000
16 Legal - Financing		500,000
17 Legal - Acquisition		250,000
18 Legal - Underwriters Counsel		100,000
19 Legal		1,360,000
20		
21 Construction Interest (50% outstanding)	7.00%	7,639,632
22 Financing Fees & Out-of-Pocket	1.50%	1,637,064
23 FCE Finance Fee	0.25%	272,844
24 Mortgage Recording Tax/IDA Fees/Transfer Tax		250,000
25 Title Insurance Fee		479,387
26 Bank Inspection		100,000
27 Land Loan Interest		1,514,900
28 Financing		11,893,827
29		
30 Overhead	5.00%	6,480,045
31 Pre Opening Expenses		200,000
32 Marketing and Project Expenses	\$ 1.50	565,196
33 Insurance		800,000
34 Other Costs		8,045,242
35		
36 Total Soft Costs	\$ 105.93	35,554,923
37		
38 Sub-Total Project Costs	\$ 433.62	145,546,788
39		
40 Development Contingency	5.00%	1,777,746
41 Total Project Costs	\$ 438.92 0	147,324,534
42		
43 Other Costs/(Funding):		
44 Development Deficit		545,814
45 Sales Tax Savings		(1,448,343)
46 Other Funding		(10,000,000)
47 Net Project Costs	\$ 406.44 0	136,422,005
48		
49 Funding:		
50 Mortgage	80.00%	(109,137,604)
51 2nd Mortgage		0
52		
53 Partnership Equity		27,284,401

PRO FORMA ASSUMPTIONS/SUMMARY

Project Description		Office	
Project Name=>		35,000	0.80 acres
Parcel Size=>		-	/1000 gsf
Parking Spaces=>		22,50%	1,29
Loss Factor		335,653	100.00% of GSF
GROSS Square Feet:		292,018	87.00% of GSF
USEABLE Square Feet:		376,798	112.26% of GSF
RENTABLE Square Feet:		308,801	92.00% of GSF
ZONING Square Feet			
Total Project Gross Area		335,653 GSF	

Expenses	\$/SF or %	Total	Growth
Operating Expenses Estimate (on RSF)=>	5.50	2,072,387	3.00%
RE Taxes=>	0.50	154,400	3.00%
Management Fee (on RSF)=>	0.50	188,399	3.00%
Ground Rent (on ZSF)=>	-	\$	-
Vacancy Rate (Office B)=>	5.00%	146,951	-
Other Expenses			
Retail Rent (Yrs 1-5) =>		\$	0.00%
Retail Rent (Yrs 6-20) =>		\$	0.00%

Timetable	
Phase II - Office Space	
Construction Start =>	1-Jul-07
Construction Months=>	24
Opening Date	1-Jul-09
Fiscal Year of Opening	2009

Returns	Cash/Cost	Cash/Cash	Refinanced	Cash/Cost	Cash/Cash
Year 3	8.44%	8.27%	8.30%	8.10%	
Year 7	9.46%	13.38%	9.31%	13.99%	
Year 11	10.59%	19.01%	10.41%	20.48%	

Financing			
Interest Rate=>	7.00%	7.50%	9.00%
Amortization Term=>	25	30	20
Constant:	8.48%	8.39%	10.80%
Mortgage:	109,137,604	114,330,651	
Debt Service \$	9,256,343	\$ 9,592,999	
Total Project Cost:	136,422,005	138,708,618	
Equity:	27,284,401	23,888,449	

Tenant Summaries	
Office - A	
Office - B	

Office - A	Rent	\$/sf
Yrs. 1 - 5	\$	39.00
6 - 10	\$	42.90
11 - 15	\$	47.19
16 - 20	\$	51.91
TOTAL	\$	11,756,084
Base Rent/RSF		12,931,692
Type of Lease		14,224,862
Commence Date		15,647,348
Rent Increase		

Office - B	Rent	\$/sf
Yrs. 1 - 5	\$	39.00
6 - 10	\$	42.90
11 - 15	\$	47.19
16 - 20	\$	51.91
TOTAL	\$	2,339,021
Base Rent/RSF		3,232,923
Type of Lease		3,556,215
Commence Date		3,911,837
Rent Increase		

Office
Atlantic Yards

1st Disbursed Year

Cash Flow Analysis (000's)

	1	2	3	4	5	6	7	8	9	10	11
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
RENTAL INCOME											
Base Rent	0	14,895	14,895	14,895	14,895	16,165	16,165	16,165	16,165	16,165	17,781
Parking	0	0	0	0	0	0	0	0	0	0	0
Total Rental Income	0	14,895	14,895	14,895	14,895	16,165	16,165	16,165	16,165	16,165	17,781
RECOVERIES											
RE Taxes	0	0	5	0	14	10	35	30	35	41	47
Operating Expenses and Management Fee	0	0	48	131	210	284	340	438	520	603	689
Total Recoveries	0	0	53	141	224	303	385	469	555	644	736
Net Cash Flow											
	0	14,895	14,948	15,036	15,119	16,175	16,165	16,165	16,165	16,165	18,517
EXPENSES											
RE Taxes	0	164	169	164	169	174	179	184	190	190	201
Operating Expenses	1,209	2,072	2,135	2,169	2,265	2,332	2,402	2,475	2,549	2,625	2,704
Retl Rent	0	0	0	0	0	0	0	0	0	0	0
Management Fee	110	188	184	260	298	212	218	225	232	239	246
Ground Rent	0	0	0	0	0	0	0	0	0	0	0
Shoofah Reserves (\$10 psf)	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	1,319	2,439	2,383	2,594	2,873	2,586	2,607	2,709	2,801	2,894	3,151
NET OPERATING INCOME											
	0	14,895	15,331	15,442	15,512	16,175	16,165	16,165	16,165	16,165	18,517
NET OPERATING INCOME											
Interest Payment	4,440	7,517	7,952	7,257	7,112	6,957	6,811	6,613	6,422	6,217	5,997
Cash Flow After Interest	4,440	7,378	7,379	8,185	8,400	9,218	9,354	9,552	9,743	9,948	12,520
AMORTIZATION											
Amortization	860	1,739	1,865	1,699	1,644	1,589	1,534	1,479	1,424	1,369	1,314
Net Cash Flow	(416)	5,639	5,514	6,486	6,756	7,629	7,820	8,073	8,319	8,579	11,206
ENDING EQUITY											
	27,284,401	25,029,145	22,773,989	20,518,633	18,263,377	14,612,086	10,960,766	7,309,504	3,656,213	6,522	(5,190,007)
Refinanced Pro Forma											
NET OPERATING INCOME											
Interest Payment - New Mortgage	0	11,512	11,512	11,512	11,512	12,908	12,908	12,908	12,908	12,908	14,443
Cash Flow After Interest	0	3,383	3,383	3,383	3,383	3,257	3,257	3,257	3,257	3,257	3,738
AMORTIZATION - NEW MORTGAGE											
Amortization - New Mortgage	0	6,272	6,272	6,272	6,272	6,272	6,272	6,272	6,272	6,272	6,272
Net Cash Flow	0	1,911	1,911	1,911	1,911	1,911	1,911	1,911	1,911	1,911	2,466
Net Refinancing Proceeds											
Cash Flow After Ref. Proceeds	0	3,506	3,506	3,506	3,506	3,506	3,506	3,506	3,506	3,506	4,899
ENDING EQUITY											
	27,284,401	25,029,145	23,110,545	21,191,845	19,273,346	15,859,711	12,544,076	9,328,442	6,014,807	2,700,172	(3,150,101)
IRR Calculations											
Original Debt	(27,284)	0	2,265	2,255	2,255	2,255	3,051	3,051	3,051	3,051	80,656
IRR	17.01%										
NPV @ 12%	10,825										
Refinanced Debt	(27,284)	0	5,515	1,919	1,919	1,919	3,315	3,315	3,315	3,315	87,607
IRR	15.66%										
NPV @ 12%	7,380										

Forest City Ratner Companies
Residential Development

T2 - Rental (Arena Block)

EXECUTIVE SUMMARY

Project Description				
Description:	Tower 2			
Location:	Atlantic Yards			
Block, Lot	Arena Block			
Square Footage:		GSF		
	ZONING Square Feet=>	307,211		
	GROSS Square Feet=>	334,706		
	RESIDENTIAL Square Feet=>	257,223		
	RETAIL GLA=>	14,695		
	LAND Square Feet=>	40,256		
Residential Unit Mix:		# of Units	Average Unit Size	Average Monthly Rent
	Market Rate	163	738	\$3,175
	Median Income Band 1	37	664	\$1,184
	Median Income Band 2	37	664	\$1,775
	Median Income Band 3	37	664	\$2,219
	Low Income	73	665	\$537
	Total	368	701	\$2,226
Land Acquisition:	\$68 per ZSF			
Target Dates:	Construction Loan Closing	1-Oct-08		
	Building Opening	1-Apr-10		
	Construction Period	18 months		
	Retail Lease-up	3 months		
	Market Rate Residential Lease-up	4 months		
	Middle Income Residential Lease-up	6 months		
	Low - Income Lease-up	8 months		
	Parking Lease-up	4 months		

Total Project Costs			
Project Costs	Total	Per Unit	Per GSF
Net Project Cost	127,052,542	347,138	379.59
Tax Exempt Bond Amount	(95,270,060)	(260,301)	(284.64)
Taxable Bond Amount	0	0	0.00
Bank Exposure	85,270,060	260,301	284.64
FCR Equity LC	0	0	0.00
FCR Cash	31,782,482	86,837	94.96
Lease up LC	3,938,308	10,760	11.77
Total Partnership Equity + LC	35,720,790	97,598	106.72
Return of Lease-up LC	3,938,308	10,760	11.77
Ending Equity	31,782,482	86,837	94.96

Refinancing	
Year of Refinancing	2011
NOI	8,351,912
Debt Coverage	1.20
Underwriting Constant	7.31%
New Ref. Debt	95,270,060
Less 1.25% Closing Costs	(1,190,876)
Debt Less Refinancing Fees	94,079,184
Original Bank RE Exposure	95,270,060
Original Equity LC	0
Cash Equity	31,782,482
Ref. Proceeds	(94,079,184)
Equity After Refi.	32,873,358
Net Equity Proceeds	(1,190,876)

Stabilized Cash Flow w/ Refinancing	
NOI	8,351,912
Refinanced Debt Service	5,464,920
Cash Flow	2,886,992

Returns	
Cash on Cost	6.57%
Cash on Cash	10.16%

Refinanced Returns	
Cash on Cost	6.51%
Cash on Cash	8.76%
Internal Rate of Return Including LC	14.04%

HDC Operating Subsidy Loan	
HDC Operating Subsidy Loan - Nominal Amount	11,900,000
Per Unit Amount	65,000

Income - First Stabilized Year			
2011			
	Total	Per Unit	Per GSF
Total Rental Income (Incl. Retail)	10,279,727	28,687	30.71
Total Parking Income	474,504	1,287	1.42
Total Recoveries/Other Income	140,391	384	0.42
Total Vacancy	(203,492)	(629)	(0.61)
Total Building Income	10,591,230	28,538	31.64
Total Expenses	(2,236,318)	(6,118)	(6.69)
NOI	8,351,912	22,819	24.95
1st Mortgage / tax exempt bonds - Debt Service	5,001,678	13,666	14.94
1st Mortgage / taxable bonds - Debt Service	0	0	0.00
HDC 2nd Mortgage - Debt Service	119,600	327	0.36
Cash Flow	3,230,634	8,827	9.65

