

Project Development

Soft Costs

Architectural & Engineering

General architectural & engineering costs	127,500
Blueprints	8,000
Other architectural & engineering costs	0

Financing

Title recording & insurance	10,500
Legal fees, loans	5,000
Loan processing fee	0
Prepayment penalty	0
Appraisal fee	3,500
Course-of-construction insurance	10,000
Imputed interest	0
Other financing costs	0

Land

Land title work	3,000
Engineering offsite costs	60,000
Zoning costs	7,000
Legal/consulting costs, land	10,000
Land taxes	0
Soil tests	2,000
Land survey	0
Environmental survey, Phase 1	2,300
Environmental survey, Phase 2	0
Other land costs	0

Development

Accounting	3,350
Legal	5,000
Feasibility	12,000
Permits	16,500
Marketing	6,000
Signage	3,500
Travel	0
Development fee	110,000
Project management	60,000
Soft cost contingency	25,000
Other development soft costs	0
Other development soft costs	0
Other development soft costs	0
Other development soft costs	0

Construction Overhead and Profit

Construction overhead and profit % 10.00%
 Display Profit on Pro Forma Report?

- Show overhead and profit as a separate line item
 No line item; increase each hard cost by profit %

Site

Express lot size in... _____

Acres
 Hectares
 SF

Lot size
 Lot frontage (Feet)
 Land cost or value
 Treat land cost as

Project equity (not part of development cost)
 Development cost

Hard Costs

Construction

Gross Building Area (Shell)
 Usable Area
 Construction contingency

Make entries here regardless of which Construction Cost form you use.

Use Short Form for Construction Costs:

Structure Costs

Short Form:	Square Feet		Cost, \$/SF	Total cost
Gross Bldg Area (Shell)	<input type="text" value="35,000"/>	SF @	<input type="text" value="30.00"/>	1,050,000
Interior finish	<input type="text" value="10,000"/>	SF @	<input type="text" value="96.00"/>	960,000
	<input type="text" value="10,000"/>	SF @	<input type="text" value="114.00"/>	1,140,000
	<input type="text" value="10,000"/>	SF @	<input type="text" value="124.00"/>	1,240,000
	<input type="text" value="5,000"/>	SF @	<input type="text" value="158.00"/>	790,000
	<input type="text" value="0"/>	SF @	<input type="text" value="0.00"/>	0
	<input type="text" value="0"/>	SF @	<input type="text" value="0.00"/>	0
	<input type="text" value="0"/>	SF @	<input type="text" value="0.00"/>	0
	<input type="text" value="0"/>	SF @	<input type="text" value="0.00"/>	0
	<input type="text" value="0"/>	SF @	<input type="text" value="0.00"/>	0
	<input type="text" value="0"/>	SF @	<input type="text" value="0.00"/>	0
	<input type="text" value="35,000"/>	total SF		4,130,000

Miscellaneous construction costs

Total structure cost 5,265,000

Site Costs

Site preparation	<input type="text" value="129,000"/>
Site improvements	<input type="text" value="22,000"/>
Site utilities	<input type="text" value="14,000"/>
Environmental remediation	<input type="text" value="0"/>
Other site construction	<input type="text" value="0"/>

Total site costs 165,000

Total structure & site cost 5,430,000

● Use Detailed Form for Construction Costs:

Detailed Form:

General Project Costs

Dumpsters	5,000
Portable toilets	3,000
Equipment rental	0
Security	8,000
Temporary facilities	0

Site Work

Demolition, removal & recycling	0
Site preparation, excavation, fill	129,000
Site improvements	22,000
Site civil / mechanical utilities	0
Site electrical utilities	14,000
Environmental remediation	0
Other site construction	0

Substructure

Foundations	375,000
Basement/slab construction	0
Other substructure	0

Shell

Shell superstructure	625,000
Exterior walls, windows, doors	334,000
Roofing	100,000
Other shell costs	0

Interior

Partitions & doors	700,000
Staircases	150,000
Interior finishes	388,000
Other interior costs	0

Conveying Systems

Elevators, escalators	400,000
Materials handling	0
Other conveying costs	0

Plumbing

Plumbing fixtures	84,000
Domestic water	56,000
Waste	35,000
Rain water drainage	18,000
Other plumbing costs	5,500

HVAC

Heating	657,000
Air conditioning	510,000
Other ventilation	0
Other HVAC costs	0

Fire Protection

Sprinkler systems	400,000
Other fire protection	0

Electrical

Electric service	45,000
Branch wiring	325,000
Telecom and security	11,800
Other electrical	0

Furnishings

General furnishings	0
Window treatments	0
Other furnishings	0

Special Construction

General special construction	0
Swimming pools	0
Alarm systems (smoke, fire, intrusion)	30,000
Other special construction costs	0

Total structure & site cost 5,430,300

Development Financing

Development Loan

Development Loan Amount

<input checked="" type="radio"/> Loan = % of total project cost + net lease-up	<input type="text" value="70.00%"/>	5,078,000
<input type="radio"/> Loan based on required capitalization rate & loan-to-value ratio		
Cap Rate :	<input type="text" value="9.00%"/>	LTV : <input type="text" value="80.00%"/>
		n/a
<input type="radio"/> Based on maximum takeout loan supported by Net Operating Income		n/a
<input type="radio"/> User-specified loan amount	<input type="text" value="0"/>	
	Loan amount selected	5,078,000

Development financing, term in months (excl. lease-up period)	<input type="text" value="22"/>	months
Development financing, interest rate	<input type="text" value="8.000%"/>	
Development financing, number of points	<input type="text" value="0.000"/>	
Dev. financing, average % outstanding during development	<input type="text" value="50%"/>	

Land Loan

Land loan amount, if separate from development loan	<input type="text" value="0"/>
Land financing, interest rate	<input type="text" value="0.000%"/>
Land financing, number of points	<input type="text" value="0.000"/>

Lease-Up

Number of months (after development) to lease up	<input type="text" value="6"/>
Average % occupancy during lease-up	<input type="text" value="75%"/>
Taxes for lease-up period	<input type="text" value="36,000"/>
Insurance for lease-up period	<input type="text" value="18,000"/>
Maintenance for lease-up period	<input type="text" value="5,000"/>

Leasing Commissions and Other Costs

% Lease commission	<input type="text" value="7.00%"/>
Length of lease period (years)	<input type="text" value="3.00"/>
...or enter the total commission as a dollar amount	<input type="text" value="0.00"/>
Miscellaneous leasing costs	<input type="text" value="0"/>

Lease-up Period Financing

Continue the Development / Land Loans through the lease-up period

Refinance with an amortized Takeout Loan:

Takeout loan, term in years	<input type="text" value="20"/>	years
Takeout loan, interest rate	<input type="text" value="7.250%"/>	
Takeout loan, number of points	<input type="text" value="0.000"/>	
Takeout loan amount (equals development loan plus land loan, if any)	<input type="text" value="5,078,000"/>	
Lender's minimum debt coverage requirement	<input type="text" value="1.20"/>	

After Lease-Up: Replace the Takeout Loan with new permanent financing?

- Yes, Developer or Buyer will secure new permanent financing after lease-up (see Resale & Op.)
- No, Developer will keep (or Buyer will assume) the takeout loan after lease-up