

Development Pro Forma

**Property: The RealData Building
612 Old Post Road
Southport, CT 06824**

**Prepared For: Second Bank of Connecticut
555 River Road
Bridgeport, CT 06490**

**Prepared By: Northwood Development, LLC
16554 Maple Street
Southport, CT 06890**

Date: September 8, 2014

Project Summary

Project Location: The RealData Building
612 Old Post Road
Southport, CT 06824

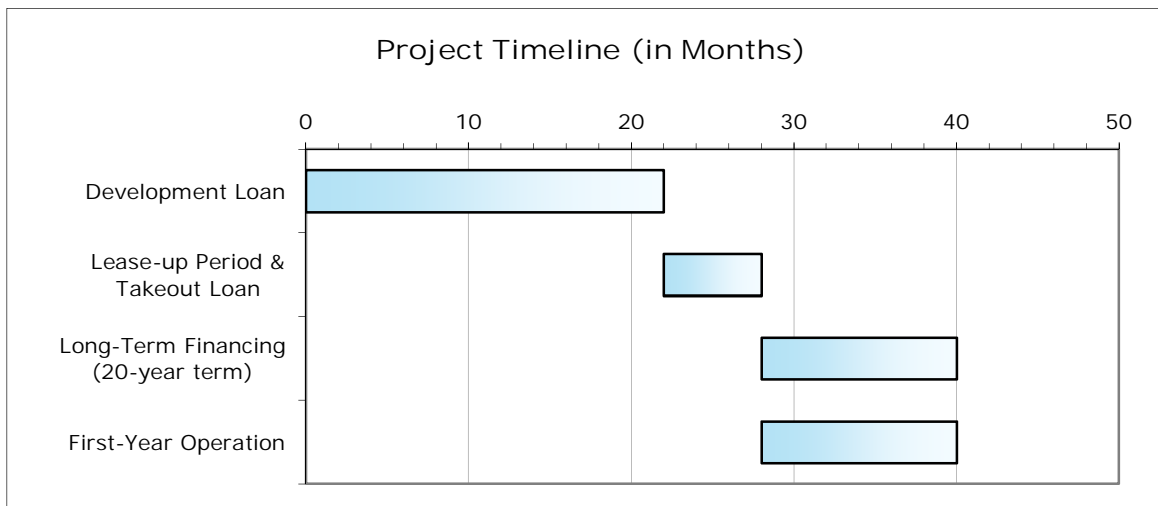
Type of Property: Office Park
35,000 SF, Gross Building Area
30,000 SF, Rentable Area

Date of this Report: September 8, 2014

Purpose: The following pro forma summarizes the various hard and soft development costs, and the proposed financing for this project.

For the sake of the analysis, certain assumptions have been made concerning development costs, financing terms, revenue rates and operating expenses.

Those assumptions and the potential economic benefits of this project are presented in the following pages.



Project Overview

**Project: The RealData Building
612 Old Post Road
Southport, CT 06824**

Property type: Office Park
Architect: P.I. West
Lender: Second Bank of Connecticut
Contractor: Frank & Associates
Construction manager: Walter Fielding
Leasing agent: Maggie McHugh
Attorney(s): C. Darrow
Buyer: TBD

Developer: Northwood Development, LLC
16554 Maple Street
Southport, CT 06890

Zoning: Commercial
Construction type: Steel Framing
Gross Building Area: 35,000 SF
Usable Area: 25,000 SF
Loss Ratio: 28.57%
Footprint: 2,900 SF

Number of floors: 12
Number of suites or units: 23
Number of parking spaces: 77

Total rentable square feet: 30,000 SF

Floor Area Ratio (FAR): 0.38

Lot Size: 2.10 acres
Frontage: 412 f
Lot Coverage: 3.17%

Map or block number: 17
Lot or building number: 66

Funding**TOTAL EQUITY, INCLUDING LAND**

Developer's cash equity, including	
net lease-up cost or income:	\$ 2,176,207
Land value as equity:	980,000
Total Amount:	\$ 3,156,207

DEVELOPMENT LOAN

Amount:	\$ 5,078,000
Interest rate:	8.000%
Term:	22 months
Points:	0.000
Average balance outstanding:	50.000%

TAKEOUT FINANCING

Amount:	\$ 5,078,000
Interest rate:	7.250%
Term:	20
Points:	0.000
Debt Coverage Ratio (actual):	1.70
Mortgage Constant:	9.485%
Loan amount per square foot:	\$ 145.09
Loan to total project cost:	71.17%
Loan to final resale value:	55.95%

Lease-Up

LEASE-UP TIME AFTER DEVELOPMENT **6 months**

LEASE-UP INCOME AND COSTS

LEASE-UP PERIOD INCOME **\$ 392,625**

LEASE COMMISSION
7.00% commission for 3 years **\$ 212,520**

MISCELLANEOUS LEASING COSTS **\$ 0**

OTHER LEASE-UP-PERIOD COSTS

Taxes for lease-up period 36,000

Insurance for lease-up period 18,000

Maintenance for lease-up period 5,000

Loan payments for lease-up period 240,812

TOTAL OTHER COSTS **\$ 299,812**

TOTAL NET LEASE-UP PERIOD COSTS **\$ 119,707**

Project Soft Costs**ARCHITECTURAL AND ENGINEERING**

General architectural & engineering costs	127,500
Blueprints	8,000
TOTAL A & E	\$ 135,500
Development loan interest	372,387
Appraisal fee	3,500
Title recording & insurance	10,500
Legal fees, loans	5,000
Course-of-construction insurance	10,000
TOTAL FINANCING COSTS	\$ 401,387
Environmental survey, Phase 1	2,300
Soil tests	2,000
Engineering offsite costs	60,000
Zoning costs	7,000
Legal/consulting costs, land	10,000
Land title work	3,000
TOTAL LAND SOFT COSTS	\$ 84,300
Accounting	3,350
Legal	5,000
Feasibility	12,000
Permits	16,500
Marketing	6,000
Signage	3,500
Development fee	110,000
Project management	60,000
Soft cost contingency	25,000
TOTAL DEVELOPMENT COSTS	\$ 241,350

Project Hard Costs

CONSTRUCTION COSTS

<i>General Project Costs</i> ...	Dumpsters	5,500
	Portable toilets	3,000
	Security	8,800
<i>Site Work</i>	Site preparation, excavation, fill	141,900
	Site improvements	24,200
	Site electrical utilities	15,400
<i>Substructure</i>	Foundations	412,500
<i>Shell</i>	Shell superstructure	687,500
	Exterior walls, windows, doors	367,400
	Roofing	100,000
<i>Interior</i>	Partitions & doors	770,000
	Staircases	165,000
	Interior finishes	426,800
<i>Conveying Systems</i>	Elevators, escalators	440,000
<i>Plumbing</i>	Plumbing fixtures	92,400
	Domestic water	61,600
	Waste	35,000
	Rain water drainage	19,800
	Other plumbing costs	6,050
<i>HVAC</i>	Heating	722,700
	Air conditioning	561,000
<i>Fire Protection</i>	Sprinkler systems	440,000
<i>Electrical</i>	Electric service	49,500
	Branch wiring	357,500
	Telecom and security	12,980
<i>Special Construction</i>	Alarm systems (smoke, fire, intrusion)	33,000
	TOTAL HARD COSTS	5,973,330
		\$ 170.67 per SF

Total Project Cost

LAND COST	part of developer's equity		
SOFT COSTS		\$ 862,537	24.64 per SF
HARD COSTS		\$ 5,973,330	170.67 per SF
CONSTRUCTION CONTINGENCY		\$ 298,667	8.53 per SF
<hr/>			
TOTAL PROJECT COST			
before lease-up period costs or income		\$ 7,134,533	203.84 per SF
Net Lease-up Period Costs		\$ 119,707	3.42 per SF
Value of Land as Equity		\$ 980,000	466,666.67 per acre
<hr/>			
TOTAL COST OVERALL (rounded, including lease-up period cost and land value)		\$ 8,234,200	235.26 per SF
<hr/>			
LOANS REQUESTED			
Development Loan		\$ 5,078,000	145.09 per SF
Total Loans		\$ 5,078,000	145.09 per SF
<hr/>			
EQUITY			
Developer's cash equity excluding land and net lease-up income or cost		\$ 2,056,500	
Plus net lease-up period costs		\$ 119,707	
Plus value of land as equity		\$ 980,000	
Total development equity (rounded)		\$ 3,156,200	90.18 per SF
% of Total Cost Overall			38.33%
Cap Rate (Expected First Year NOI / Total Cost Overall)			9.92%

THE INFORMATION, PROJECTIONS, AND CALCULATIONS PRESENTED IN THIS DOCUMENT ARE BELIEVED TO BE ACCURATE AND CORRECT BUT ARE NOT GUARANTEED.