

Development Analysis

Project Overview

Property: Colonial Estates
Route 99
South Haven, CT

Project Type: Special Purpose

Developer: Felix Domus Development Co.

Prepared For: Earnest Investment Associates
111 Felix St.
Saltbox, ME 01111

Prepared By: RealData
P. O. Box 691
Southport, CT 06890

Date: July 14, 2008

Project Overview

Initial Investment

Developer's and Partners' Working Capital	500,000
Value of Land (if owned and treated as project equity)	3,800,000

Development Loan - Last Federal Bank and Trust

Working Capital Held in Reserve	300,000
Maximum Loan Commitment	9,500,000
<i>This is a revolving loan.</i>	
Loan Fee	95,000
Development Loan Closing Costs	5,000
85% of unit sale proceeds are applied to loan repayment.	

Revenue

Sales of Units	17,280,000
Total	\$17,280,000

Costs

Land & Improvements, Purchase Cost	280,000
Financing Costs	438,820
Unit Sales Costs	1,123,200
Other Soft Costs	846,500
Unit Construction Costs	8,379,200
Site Hard Costs	598,000
Total	\$11,665,720

Total Project Profit (Revenue less costs & land equity)	1,814,280
Breakeven Month	04-2010
Project Return on Equity	42.19%
Developer's IRR	29.58%
Developer's NPV @ 10.00%	949,266

Unit Summary

Unit Types

Name	Square Feet	Months to Complete	Number of Units
Single Family Capes	2,300	5	30
Single Family Ranches	2,100	5	4

Unit Construction

Name	Avg Cost per Square Foot	Avg Cost per Unit	Total Cost
Single Family Capes	107.74	247,800	7,434,000
Single Family Ranches	112.52	236,300	945,200

Unit Sales

Name	Avg Price per Square Foot	Avg Price per Unit	Total Sales
Single Family Capes	221.74	510,000	15,300,000
Single Family Ranches	235.71	495,000	1,980,000

Soft Costs

Financing Costs

Development Loan Fee	95,000
Development Loan Closing Costs	5,000
Loan Interest	338,820
Total	\$438,820

Unit Sales Costs

Real Estate Agents' Commissions	864,000
Transfer Tax	86,400
Closing Costs/Legal Expense	172,800
Total	\$1,123,200

Other Soft Costs

Survey & Appraisal Fees	57,000
Feasibility Analysis	20,000
Environmental Survey, Remediation	24,500
Architectural & Engineering, Blueprints	105,000
Bonds	30,000
Legal, Title Work, Zoning	51,000
Permits	15,000
Land Taxes	120,000
Accounting & Auditing	13,000
Course-of-Construction Insurance	32,000
Advertising, Promotion & Signage	34,000
Consulting Fees	10,000
Development Fees	95,000
Project Management	240,000
Total	\$846,500

Hard Costs

Unit Construction Costs \$8,379,200

Site Hard Costs

Road Construction	300,000
Storm and Sanitary Sewers	115,000
Landscaping	56,000
Utilities (Water, Electric, Gas)	50,000
Model Unit Decorating	7,000
Miscellaneous and Contingency	70,000
Total	\$598,000

Disclaimers

The information and calculations presented in this analysis are believed to be accurate, but are not guaranteed. They are intended for the purposes of pro-forma projection and analysis and should not be used for the preparation of income tax returns.

The user of this program and information should consult a tax specialist or financial advisor concerning his/her particular circumstances before making any investment decision.

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