

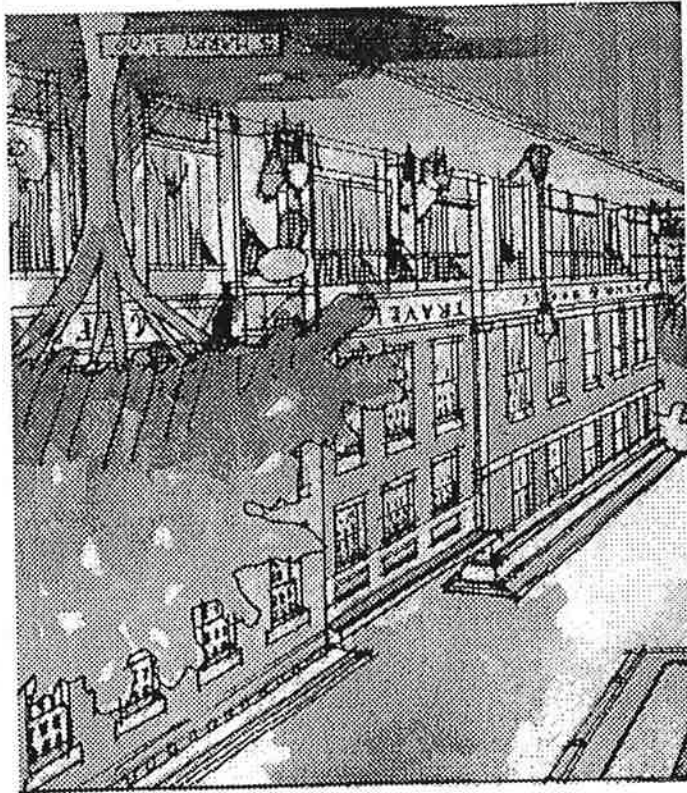
PC 002608

West University Lofts at College Park

605-613 West University Avenue

Gainesville, Florida

Presentation to the City of Gainesville  
Community Redevelopment Agency



A Proposed Development Project of LB Jax Development, L.L.C.

*Financial Projections*

25-Jan-02

002500

TABLE ONE-PROJECT PROGRAM

Land Use	Size (sq)	Remarks
<b>A. West University Avenue Building</b>		
1 First Floor Retail	754	corner store
a. Store 1	754	arcade store
b. Store 2	754	arcade store
c. Store 3	754	arcade store
d. Store 4	754	end store
e. Arcade	502	
Subtotal	3,518	
<b>2 Second Floor Residential/Office</b>		
a. Loft 1	772	corner
b. Loft 2	772	middle
c. Loft 3	772	middle
d. Loft 4	772	end
e. Outside Staircase	800	
Subtotal	3,888	
<b>3 Third Floor Residential/Office</b>		
a. Loft 1	772	corner
b. Loft 2	772	middle
c. Loft 3	772	middle
d. Loft 4	772	end
e. Outside Staircase	800	
Subtotal	3,888	
<b>Total for W. Univ. Dr. Building</b>		
Subtotal	11,294	
<b>B. 6th Street Buildings</b>		
<b>1 Bldg. 1</b>		
a. Commercial	636	ground
b. Second Floor Residential	912	2nd floor
c. Third Floor Residential	912	3rd floor
Subtotal	2,460	
<b>2 Bldg. 2</b>		
a. Commercial	636	ground
b. Second Floor Residential	912	2nd floor
c. Third Floor Residential	912	3rd floor
Subtotal	2,460	
<b>3 Bldg. 3</b>		
a. Commercial	636	ground
b. Second Floor Residential	912	2nd floor
c. Third Floor Residential	912	3rd floor
Subtotal	2,460	
<b>4 Bldg. 4</b>		
a. Commercial	636	ground
b. Second Floor Residential	912	2nd floor
c. Third Floor Residential	912	3rd floor
Subtotal	2,460	
<b>5 Bldg. 5</b>		
a. Commercial	636	ground
b. Second Floor Residential	912	2nd floor
c. Third Floor Residential	912	3rd floor
Subtotal	2,460	

TABLE ONE-PROJECT PROGRAM (cont'd)

Land Use	Size (sq)	Remarks
6 Bldg. 6 a. Commercial b. Second Floor Residential c. Third Floor Residential Subtotal	636 912 912 <u>2,460</u>	ground 2nd floor 3rd floor
7 Bldg. 7 a. Commercial b. Second/Third Floor Residential Subtotal	636 1,548 <u>2,184</u>	ground 2nd & 3rd floor
8 Bldg. 8 a. Commercial b. Second/Third Floor Residential Subtotal	636 1,548 <u>2,184</u>	ground 2nd & 3rd floor
9 Second/Third Floor Exterior Staircase Total for 6th Street Buildings	3,200 <u>22,328</u>	
Total for All Buildings	33,622	
Commercial Residential Common Area	8,606 19,714 5,302	12 Units 22 Units

TABLE TWO-RENT SCHEDULE

Land Use	No.	Rent/V	Rent/M	Size	Rent PSF/Y
<b>1 Retail University Drive</b>					
a. Store 1	1	\$11,400	\$950	754	\$15.12
b. Store 2	1	10,800	900	754	14.32
c. Store 3	1	10,800	900	754	14.32
d. Store 4	1	10,500	875	754	13.93
Subtotal	4	\$43,500	\$3,625	3,016	14.42
<b>2 Retail 6th Street</b>					
a. Unit 1	1	\$7,800	\$650	636	\$12.26
b. Unit 2	1	7,500	625	636	11.79
c. Unit 3	1	7,200	600	636	11.32
d. Unit 4	1	7,200	600	636	11.32
e. Unit 5	1	7,200	600	636	11.32
f. Unit 6	1	6,900	575	636	10.85
g. Unit 7	1	6,900	575	636	10.85
h. Unit 8	1	6,900	575	636	10.85
Subtotal	8	\$57,600	\$4,800	5,088	\$11.32
<b>3 Second Floor Apartments University Drive</b>					
a. Loft 1	1	\$10,200	\$850	772	\$13.21
b. Loft 2	1	9,600	800	772	12.44
c. Loft 3	1	9,600	800	772	12.44
d. Loft 4	1	9,900	825	772	12.82
Subtotal	4	\$39,300	\$3,275	3,088	\$12.73
<b>3 Third Floor Apartments University Drive</b>					
a. Loft 1	1	\$10,500	\$875	772	\$13.60
b. Loft 2	1	9,900	825	772	12.82
c. Loft 3	1	9,900	825	772	12.82
d. Loft 4	1	10,200	850	772	13.21
Subtotal	4	\$40,500	\$3,375	3,088	\$13.12
<b>4 Second Floor Apartments 6th Street</b>					
a. Unit 1	1	\$10,800	\$900	912	\$11.84
b. Unit 2	1	10,800	900	912	11.84
c. Unit 3	1	10,800	900	912	11.84
d. Unit 4	1	10,800	900	912	11.84
e. Unit 5	1	10,800	900	912	11.84
f. Unit 6	1	10,800	900	912	11.84
g. Unit 7	1	18,600	1,550	1,548	12.02
h. Unit 8	1	18,900	1,575	1,548	12.21
Subtotal	8	\$102,300	\$8,525	8,568	\$11.94
<b>4 Third Floor Apartments 6th Street</b>					
a. Unit 1	1	\$11,400	\$950	912	\$12.50
b. Unit 2	1	11,400	950	912	12.50
c. Unit 3	1	11,400	950	912	12.50
d. Unit 4	1	11,400	950	912	12.50
e. Unit 5	1	11,400	950	912	12.50
f. Unit 6	1	11,400	950	912	12.50
Subtotal	6	\$68,400	\$5,700	5,472	\$12.50
Grand Total	34	\$351,600	\$29,300	28,320	\$12.42

STABILIZED CASH FLOW OPERATING STATEMENT-UNIVERSITY DRIVE & SW 6TH STREET

2003

TABLE FIVE

No.      Descript.      Amount      Per SF      % of PRI      Per Unit

1	Potential Rental Income ("PRI")	\$43,500	\$14.42	12.37%	
	a. Retail Univ. Drive (4)	57,600	11.32	16.38%	
	b. Retail 6th Street (8)	39,300	12.73	11.18%	
	c. 2nd Floor Lofts Univ. (4)	40,500	13.12	11.52%	
	d. 3rd Floor Lofts Univ. (4)	102,300	11.94	29.10%	
	e. 2nd Floor Lofts 6th St. (8)	68,400	12.50	19.45%	
	f. 3rd Floor Lofts 6th St. (6)	\$351,600	\$12.42	100.00%	
	Subtotal				

2	Other Income	\$1,100	\$0.04	0.31%	
	a. Application Fees	1,375	0.05	0.39%	
	b. Security Deposits	2,110	0.07	0.60%	
	c. Tenant Charges	0	0.00	0.00%	
	d. Vending Comm.	\$4,585	\$0.16		
	Subtotal	\$356,185	\$12.58	101.30%	
3	Potential Gross Income ("PGI")	17,809	\$0.63	5.07%	
4	Vacancy (5.0 % of PGI)				
5	Effect. Gross Income ("EGI")	\$333,791	\$18.51	94.93%	

6	Operating Expenses	\$51,201	\$1.81	14.56%	
	a. Property Tax	12,800	0.45	3.64%	
	b. Insurance	5,280	0.19	1.50%	
	c. Water and Sewer	2,652	0.09	0.75%	
	d. Storm Water Fee	2,400	0.08	0.68%	
	e. Common Electric	7,954	0.28	2.26%	
	f. Contract Services	3,182	0.11	0.90%	
	g. R & M-Interior	4,773	0.17	1.36%	
	h. R & M-Exterior	6,629	0.23	1.89%	
	i. Advertising/Mktg.	2,651	0.09	0.75%	
	j. G & A	10,548	0.37	3.00%	
	k. Replacement Res.	8,790	0.31	2.50%	
	l. Management Fee	\$118,860	\$4.20	33.81%	
	Subtotal Operating	\$12,025	\$0.42	3.42%	
	a. Retail Univ. Drive	0.00	0.00%		
	b. Retail 6th Street	\$12,025	\$0.42	3.42%	
7	Contribution to Operating Expenses by Tenants	\$0			
8	Contribution to Cash Flow by CRA	\$0			
9	Net Operating Income ("NOI")	\$226,956	12.59	64.55%	
10	Debt Service	\$214,526			\$2,500,000, 7.00 % Int., 25 yr.
11	Net Cash Flow	\$12,430			

STABILIZED CASH FLOW OPERATING STATEMENT-UNIVERSITY DRIVE & SW 6TH STREET

2003

TABLE FIVE

No.	Descript.	Amount	Per SF	% of PRI	Per Unit
12	Equity	\$332,772			
13	Return on Equity	3.7%			
14	Debt Service Coverage	1.06			
15	Ratio of NOI over Cost	6.65%			

SOURCES AND USES OF FUNDS-UNIVERSITY DRIVE AND SW 6TH STREET

TABLE FOUR

Sources	Amount	Uses	Ref. No.
1	\$2,088,540	Construction Costs	2c
	75,000	Construction Interest	3b
	75,000	Loan Fees	3a
	75,000	Marketing	3c
	46,460	Operating During Constructi	3d
Subtotal	\$2,360,000		
2	\$121,000	Land Acquisition	1a, 1b
	15,000	Demolition	1e
	93,000	Streetscaping	2b
	64,639	Fee Waivers	2d
	265,000	Univ. Ave. Façade Enhance.	2c
Subtotal	\$558,639		
3	\$10,000	Land Acquisition	1a, 1b
	25,000	Investigation Fees	1c
	10,000	Legal Fees	1d
	100,025	Soft Costs	2a
	3,540	Operating During Const.	3d
	105,480	Stabilization	3e
	117,677	Developer's Fee	4
Subtotal	\$371,722		
Total	\$3,290,361		

FIVE YEAR CASH FLOW OPERATING STATEMENT-UNIVERSITY DRIVE

TABLE SIX

Description	2003	2004	2005	2006	2007	2008
1. Potential Rental Income						
a. Retail Univ. Drive	\$43,500	\$44,805	\$46,149	\$47,534	\$48,960	\$50,428
b. Retail 6th Street	57,600	59,328	61,108	62,941	64,829	66,774
c. Apartments Univ. Drive	79,800	82,194	84,660	87,200	89,816	92,510
d. Apartments 6th Street	170,700	175,821	181,096	186,528	192,124	197,888
Subtotal	\$351,600	\$362,148	\$373,012	\$384,203	\$395,729	\$407,601
2. Other Income	4,585	4,722	4,864	5,010	5,160	5,315
3. Potential Gross Income	\$356,185	\$366,870	\$377,876	\$389,213	\$400,889	\$412,916
4. Vacancy	17,809	18,344	18,894	19,461	20,044	20,646
5. Effective Gross Income	\$333,791	\$343,804	\$354,119	\$364,742	\$375,884	\$386,955
6. Operating Expenses	118,860	121,831	124,877	127,999	131,199	134,479
7. Contribution to Expenses	12,025	12,386	12,758	13,140	13,535	13,941
8. CRA CF Contribution	0	0	0	0	0	0
9. Net Operating Income	\$226,956	\$234,359	\$241,999	\$249,884	\$258,020	\$266,417
10. Debt Service-1st Mortgage	214,526	214,526	214,526	214,526	214,526	214,526
11. Net Cash Flow	\$12,430	\$19,833	\$27,473	\$35,357	\$43,494	\$51,890
12. Equity	\$332,772	\$332,772	\$332,772	\$332,772	\$332,772	\$332,772
13. Return on Equity	3.74%	5.96%	8.26%	10.63%	13.07%	15.59%
14. Debt Service Coverage	1.06	1.09	1.13	1.16	1.20	1.24
15. Capitalization of Value						
Cap Rate	9.00%	\$2,521,737	\$2,603,992	\$2,688,881	\$2,776,485	\$2,866,890
	8.50%	\$2,670,074	\$2,757,168	\$2,847,050	\$2,939,807	\$3,035,531
	8.00%	\$2,836,954	\$2,929,491	\$3,024,991	\$3,123,545	\$3,225,251
	7.50%	\$3,026,084	\$3,124,791	\$3,226,657	\$3,331,782	\$3,440,268
16. CRA Increment	\$0	\$33,879	\$34,726	\$35,594	\$36,484	\$37,396
17. CRA Net Increment after Contribution		\$33,879	\$34,726	\$35,594	\$36,484	\$37,396

Note: The annual CRA Cash Flow Contribution will never exceed the amount of annual CRA tax increment generated by the development.