



Sand Dollar Development

Condos Sale

Barranca - Sale of 136 Condo Units

Orange County California

Total Revenue: \$96,163,951
Total Costs: \$84,331,594
Total Profit: \$11,832,357

	IRR	Multiple <> ROE
Equity: \$20,413,522	18.30%	1.6 <> 58.0%
Debt: \$60,980,128		

prepared by: Hanover Development, Joe Richter

Hanover Development Inc.

prepared by: Joe Richter

Condos Sale

Orange County California ~ Barranca - Sale of 136 Condo Units

Barranca First 3-25-16.wcfx



Duration		FAR		Acreage & Density		
Project Start:	Jun-16	FAR		Gross Ac. / Sq Ft:	6.09 / 265,716	
Project Sale:	Aug-23	0.8		Net Ac. / Sq. Ft:	5.89 / 257,004	
Project Length:	87 months			Density Gross & Net:	22.3 / 23.1	
Unit Sales Revenue						
Product Information	No. Of Units	SQ FT	Rate Psf	Unit Price	Total Sq. Ft.	Total Revenue
	136			Gross:	224,026	
				Net:	224,026	
UNIT SALES REVENUE						
Lvl-1&2 A-TH.....	1403	17	1,403	475	\$666,425	23,851 \$11,329,225
Lvl-2 B.....	1386	17	1,386	470	\$651,420	23,562 \$11,074,140
Lvl-2 C.....	1859	17	1,859	410	\$762,190	31,603 \$12,957,230
Lvl-3 D.....	1056	17	1,056	525	\$554,400	17,952 \$9,424,800
Lvl-3 E.....	1194	17	1,194	525	\$626,850	20,298 \$10,656,450
Lvl-3 F.....	1865	17	1,865	410	\$764,650	31,705 \$12,999,050
Lvl-4 & 5 G-PH.....	2466	17	2,466	342	\$843,372	41,922 \$14,337,324
Lvl-4 & 5 H-PH.....	1949	17	1,949	404	\$787,396	33,133 \$13,385,732
Total or Average	136	1,647	445	\$707,088	224,026	\$96,163,951

SALES REVENUE & DEVELOPMENT AND DISPOSAL EXPENSES					
REVENUE		Per Net SF	Per Unit	Per Gross SF	
Number of Units:	136	224,026		224,026	
Unit Sales Deposits & Closings	96,163,951	429.25	707,088	429.25	100.0%
Net Operating Income	0	-	-	-	0.0%
Capitalized Rent	0	-	-	-	0.0%
Revenue From Existing Leasing Operations	0	-	-	-	0.0%
Total Project Revenue	96,163,951	429.25	707,088	429.25	100.0%
COSTS					
Land					
Land Price	30,000,000	133.91	220,588	133.91	31.2%
Acquition Closing and Other	931,000	4.16	6,846	4.16	1.0%
Subtotal	30,931,000	138.07	227,434	138.07	32.2%
Hard Cost					
Demo & Temp Fence	382,248	1.71	2,811	1.71	0.4%
Site Improvements	3,441,208	15.36	25,303	15.36	3.6%
	0	-	-	-	0.0%
Building Construction	28,003,250	125.00	205,906	125.00	29.1%
Building & Developer's Contingency	1,836,785	8.20	13,506	8.20	1.9%
GC Fee & General Cond.	0	-	-	-	0.0%
Subtotal	33,663,491	150.27	247,526	150.27	35.0%
Soft Cost					
Fees & Permits	8,078,482	36.06	59,401	36.06	8.4%
Professional Fees	2,425,230	10.83	17,833	10.83	2.5%
Marketing, Leasing & Disposal	1,923,279	8.59	14,142	8.59	2.0%
Management, Insurance & Property Taxes	4,632,603	20.68	34,063	20.68	4.8%
Subtotal	17,059,594	76.15	125,438	76.15	17.7%
Subtotal Project Cost	81,654,085	364.48	600,398	364.48	84.9%
					0.0%
Subtotal Project Cost - Exclusive of Disposal Fees	79,730,806	355.90	586,255.93	355.90	82.9%
Pre-Finance Profit	14,509,866	64.77	106,690	64.77	15.1%
Finance Cost					
Equity Fee	0	-	-	-	0.0%
Co-Investment Fee	0	-	-	-	0.0%
Construction Loan Fee	630,274	2.81	4,634	2.81	0.7%
Const. Loan Interest	2,047,235	9.14	15,053	9.14	2.1%
Mortgage Fee	0	-	-	-	0.0%
Mortgage Interest	0	-	-	-	0.0%
Subtotal	2,677,509	11.95	19,688	11.95	2.8%
Total Project Cost	84,331,594	376.44	620,085	376.44	87.7%
Profit	11,832,357	52.82	87,003	52.82	12.3%

Condos Sale

Orange County California ~ Barranca - Sale of 136 Condo Units

PERFORMANCE MEASURES	
Exit CAP	4.00%
Sales Price	\$ -
Disposal Fees	1,923,279
Net Sales	-\$ 1,923,279
Returns	
Sale Profit	\$ 11,832,355
Build-To-CAP	0.00% ROC
Yield to CAP Spread	0.00%
Development Margin	0.00%
Profit on Cost%	14.03%
Profit on GDV%	12.30%
Profit on NDV%	12.30%
Jan-00	
Pre-Finance IRR%	12.88%
Geared IRR% (with Interest)	10.29%
Equity IRR% (with Interest)	18.27%
Return on Equity%	57.96%
Capitalized Rent per Net ft ²	0.00 pf ²
Cost per Gross ft ²	376.00 pf ²
Cost per Net ft ²	376.00 pf ²
Floor Area Ratio	0.84%
Land Cost pAcre	\$ 4,918,033

Construction Loan & Equity	
Contributions: Equity & Debt	\$ 81,393,650
Const. Loan / Equity Ratio	74.92% / 25.08%
Constructicon Loan	
Constructicon Loan	60,980,128
Construction Loan Rate	4.25%
C-Loan Fee	1.00% 630,274
Interest	2,047,235
Interest and Fees	2,677,509
Equity Contributions	
TOTAL Equitiy	\$20,413,522
Sand Dollar Partners	20,413,522 100.0%
Co-Investment Capit	0 0.0%
Developer	0 0.0%

Mortgage	
Mortgage	
Mortgage (Rate and Fi	
Mortgage Fees & Interest	0
Mortgage Fees	0
Mortgage Interest	
Mortgage Information	
Mortgage as a % of Value	
Mortgage CAP Rate	
Amorization (months)	
Add Fees to Mortgage Amount:	
Total Fees	
Fundaed Amount	
Mortgage Interest	
Monthly P & I Payment	
Total Repayment	
Total Project Revenue	96,163,951
Total Costs	84,331,594
Pretax Profit	11,832,357

Investment & Financing Summary								
EQUITY								
	Contribution Amount	IRR	% Of Total Contributions	% of Total Equity	Prefered Return	Profit	Total Preferred Return & Profit	Multiple <> ROE
TOTAL Equity Contributions	-20,413,522	18.30%	25.1%	100.0%	\$4,805,720	\$7,026,635	11,832,355	1.6 <> 58.0%
Sand Dollar Partners	-20,413,522	18.30%	25.1%	100.0%	4,805,720	7,026,635	11,832,355	1.6 <> 58.0%
Co-Investment Capital	0	0.00%	0.0%	0.0%		0	0	0.00
Developer	0	0.00%		0.0%		0	0	0.0
-	-	-				-	0	-
CONSTRUCTION LOAN								
	Contribution Amount		% Of Total Contributions	% of Total Debt	Repayment	Fees	Interest	Total Returned
Total Debt Contributions	60,980,128			100.0%				
Construction Loan	60,980,128		74.9%	100.0%		630,274	2,047,235	63,657,637
-	-		74.9%					



REVENUE WITH Escalation

Condos Sale

Sales Area Summary	Unit SF	Units	NET ft ²	Rate ft ²	Unit Amount Annual	
Lvl-1&2 A-TH.....1403	1,403	17	23,851	\$475	\$666,425	\$11,329,225
Lvl-2 B.....1386	1,386	17	23,562	\$470	\$651,420	\$11,074,140
Lvl-2 C.....1859	1,859	17	31,603	\$410	\$762,190	\$12,957,230
Lvl-3 D.....1056	1,056	17	17,952	\$525	\$554,400	\$9,424,800
Lvl-3 E.....1194	1,194	17	20,298	\$525	\$626,850	\$10,656,450
Lvl-3 F.....1865	1,865	17	31,705	\$410	\$764,650	\$12,999,050
Lvl-4 & 5 G-PH.....2466	2,466	17	41,922	\$342	\$843,372	\$14,337,324
Lvl-4 & 5 H-PH.....1949	1,949	17	33,133	\$404	\$787,396	\$13,385,732
Totals - SALES	1,647	136	224,026	\$445	\$707,088	\$96,163,951

TOTAL PROJECT REVENUE	96,163,951	707,087.88 per Unit
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OUTLAY

ACQUISITION COSTS			Per Unit
Land Price (6.10 Acres 4,918,032.79 pAcre)		30,000,000	
		30,000,000	220,588
Supplemental Tax Bill	0.62%	186,000	
Acquisition Fee -sourced	2.00%	600,000	
Acquisition Legal		20,000	
Closing Costs	0.25%	75,000	
Due Diligence		25,000	
		-	
		-	
		-	
		906,000	6,662
Other Acquisition			
Partnership Legal		25,000	
		-	
		-	
		25,000	184
TOTAL ACQUISITION			227,434

HARD COSTS				Parking	Per Unit
Parking	Stalls	\$ per Stall		\$ per Unit	
				Parking Ratio	
				Parking - PNSF	
				Parking -PGSF	
Shell Construction	Gross ft²	Rate ft²	Cost		
Lvl-1&2 A-TH.....1403	23,851	125.00 pf ²	2,981,375		
Lvl-2 B.....1386	23,562	125.00 pf ²	2,945,250		
Lvl-2 C.....1859	31,603	125.00 pf ²	3,950,375		
Lvl-3 D.....1056	17,952	125.00 pf ²	2,244,000		
Lvl-3 E.....1194	20,298	125.00 pf ²	2,537,250		
Lvl-3 F.....1865	31,705	125.00 pf ²	3,963,125		
Lvl-4 & 5 G-PH.....2466	41,922	125.00 pf ²	5,240,250		
Lvl-4 & 5 H-PH.....1949	33,133	125.00 pf ²	4,141,625		
Subtotal Shell Const.	224,026			per Net SF	per Gross SF
			\$ 28,003,250	\$125	125 \$ 205,906
Contingencies					
Building Contingency		5.00%	1,400,162		
Developers Contingency		10.00%	436,623		
Subtotal Contingencies			1,836,785	\$8	8 \$ 13,506

Orange County California
Barranca - Sale of 136 Condo Units



REVENUE WITH Escalation

Condos Sale

Site Improvements

Demo Existing Buildings			375,000			
Temp Const. Fence			7,248			
Rough Grading	136 un	1,305.00 /un	177,480			
Erosion and Dust Control	136 un	1,204.00 /un	163,744			
Storm Drain	136 un	2,806.00 /un	381,616			
Sewer	136 un	1,742.00 /un	236,912			
Water	136 un	2,955.00 /un	401,880			
Curb & Gutter	136 un	2,189.00 /un	297,704			
Paving	136 un	1,745.00 /un	237,320			
Fences and Walls	136 un	1,118.00 /un	152,048			
Landscaping	136 un	1,634.00 /un	222,224			
Common Costs	136 un	5,184.00 /un	705,024			
Bond Lease Repairs	136 un	244.00 /un	33,184			
Dry Utilities - Joint Trench	136 un	1,020.00 /un	138,720			
Dry Utilities - Electric	136 un	1,351.00 /un	183,736			
Dry Utilities - Street Lights	136 un	419.00 /un	56,984			
Dry Utilities - Gas	136 un	265.00 /un	36,040			
Dry Utilities - Misc	136 un	122.00 /un	16,592			
			-			
Subtotal Site Improvements			3,823,456	\$17	17	\$ 28,114
Subtotal Improvements & Contingencies				5,660,241		\$ 41,619

Other Construction

			-			
			-			
			-			
			-			
GC Fee & General Cond.			-			<u>Per Unit</u>
						247,525.67
						<u>Per Net SF</u>
						<u>Per Gross SF</u>
TOTAL HARD COST			-	33,663,491	150.27	150.27

SOFT COSTS

Fees & Permits

Site Improvement Fees, Permits	136 un	1,391.00 /un	189,176			
Impact Fees paid @ Building Perm	136 un	54,893.00 /un	7,465,448			
Bonds	136 un	288.00 /un	39,168			
Contingency Fees & Permits		5.00%	384,690			
			-			
			-			
			8,078,482			59,401



REVENUE WITH Escalation

Condos Sale

PROFESSIONAL FEES

Civil Engineer - Office	542,777	204,816
Civil Engineer - Field		146,744
Soils		104,176
Environmental Processing		87,040
Dry Utility		1
Entitlement Processing		1
Traffic		1

Architect	707,000	475,000
Structural Engineer		150,000
Title 24 Consultant		20,000
HVAC		20,000
Plumbing		2,000
Electrical		20,000
Testing/Inspections		20,000

Landscape Architect		200,000
		-
		-

HOA, DRE & Legal		50,000
Indirects - Site Management		625,000
SWPPP's Consultant		1
Testing & Inspections		1
Entitlement / Processing		1
Printing and Copy Services		1
Other Development Consulting	136 un	1,428.00 /un
Professionals Contingency	5.0%	106,239

2,425,230 17,833

MARKETING & LEASING

-
-
-
-

DISPOSAL FEES

Selling Agent Fees	2.00%	1,923,279
		-
		-
		-
		1,923,279

Management

Dev. Management Fee		1,950,000
		-
		1,950,000

MISCELLANEOUS FEES

Buildng Insurance	1.25%	370,103
Property Tax (semi annual)	1.25%	2,312,500
		-
		-
		2,682,603

TOTAL SOFT COST - 17,059,594 \$ 125,438



REVENUE WITH Escalation

Condos Sale

FINANCE COSTS		Per Unit
Interest and Fees		
Interest paid to Debt Sources:	-	
Construction Loan (4.25%)	2,047,235	
	2,047,235	
		2,047,235
Debt & Equity Financing Fees		
	-	
	-	
Construction Loan - Fee (1.00%) (Single)	630,274	
	630,274	
		2,677,509
COSTS EXCLUSIVE OF FINANCE AND DISPOSAL FEES		79,730,806
TOTAL COSTS		84,331,594
		586,256
		620,085

PROFIT		Contribution	IRR	Multiple
Sand Dollar Partners		20,413,522	18.30%	1.60
Preferred Return (8.00%)	4,805,720			
IRR Lookback (12.00%)	2,397,518			
IRR Lookback (15.00%)	2,093,439			
Residual Percentage (100.00%)	2,535,678			
	11,832,355			
Co-Investment	-			
	-			
	-			
	-			
	-			
Developer	-			
	-			
	-			
	-			
	-			
Other	-			
	-			
	-			
		11,832,355		

Performance Measures	
Profit on Cost%	14.03%
Profit on GDV%	12.30%
Profit on NDV%	12.30%
Pre-Finance IRR%	12.88%
Geared IRR% (with Interest)	10.29%
Equity IRR% (with Interest)	18.27%
Return on Equity%	57.96%
Capitalized Rent per Net ft ²	0.00 pf ²
Cost per Gross ft ²	376.00 pf ²
Cost per Net ft ²	376.00 pf ²
Floor Area Ratio	0.84%
Land Cost pAcre	4,918,033
Cost per Net ft ²	376.00 pf ²
Floor Area Ratio	0.01
Land Cost pAcre	4918033.00

Condos Sale

Cash Flow from Jun-16

Project Length: 87 Months

Now viewing: 12 months then Annual

	# of Months	1	1	1	1	1	1	1	1	1	1	1	1	1
Professional Fees	2,425,232	25,450	60,270	87,548	107,282	125,703	138,940	142,646	136,819	123,017	100,273	94,321	99,996	
Civil Engineer	542,781	3,863	8,930	13,323	17,040	20,082	22,449	24,141	25,158	25,500	25,167	27,480	30,153	
Architect	707,000	20,375	48,470	70,056	85,134	93,703	95,764	91,317	80,361	62,897	38,924	875	925	
Landscape Architect	200,000	0	0	0	0	5,932	14,111	20,395	24,784	27,279	27,879	26,584	23,395	
HOE, DRE, Legal	50,000	0	0	0	0	0	0	0	0	1,483	3,528	5,099	6,196	
Indirects - Site Management	625,000	0	0	0	0	0	0	0	0	0	0	27,344	28,906	
Other Professionals & Continger	300,451	1,212	2,870	4,169	5,109	5,986	6,616	6,793	6,515	5,858	4,775	6,940	10,421	
Marketing & Sales	1,923,279	0	0	0	0	0	0	0	0	0	0	0	0	
Sales Agent Fee	1,923,279	0	0	0	0	0	0	0	0	0	0	0	0	
Additional Data	4,632,603	1,950,000	0	0	375,000	0	0	0	0	0	375,000	0	0	
Development Management Fee	1,950,000	1,950,000	0	0	0	0	0	0	0	0	0	0	0	
Insurance & Property Tax	2,682,603	0	0	0	375,000	0	0	0	0	0	375,000	0	0	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		\$ 98,720,508	\$ 183,489	\$ 266,639	\$ 1,451,959	\$ 383,133	\$ 423,555	\$ 435,179	\$ 418,004	\$ 376,700	\$ 1,433,368	\$ 2,013,969	\$ 1,310,841	

Equity Sources	# of Months	1	1	1	1	1	1	1	1	1	1	1	1
Condos Sale	Period Ending	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
Equity Contributions	20,413,522	20,413,522	0	0	0	0	0	0	0	0	0	0	0
Sand Dollar Partners	20,413,522	20,413,522	0	0	0	0	0	0	0	0	0	0	0
Equity Repayments	20,413,522	0	0	0	0	0	0	0	0	0	0	0	0
Sand Dollar Partners	20,413,522	0	0	0	0	0	0	0	0	0	0	0	0
Equity Profits	11,832,355	0	0	0	0	0	0	0	0	0	0	0	0
Sand Dollar Partners	11,832,355	0	0	0	0	0	0	0	0	0	0	0	0
-	-	-	-	-	-	-	-	-	-	-	-	-	-
		\$ 40,827,044	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Debt Sources	# of Months	1	1	1	1	1	1	1	1	1	1	1	1
Condos Sale	Period Ending	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
Debt Contributions	60,980,128	12,493,314	61,163	88,880	483,986	127,711	141,185	145,060	139,335	125,567	477,789	671,323	436,947
Construction Loan	60,980,128	12,493,314	61,163	88,880	483,986	127,711	141,185	145,060	139,335	125,567	477,789	671,323	436,947
Source Funded Interest	2,047,235	0	44,247	44,620	45,093	46,967	47,586	48,254	48,939	49,606	50,226	52,096	54,658
Construction Loan	2,047,235	0	44,247	44,620	45,093	46,967	47,586	48,254	48,939	49,606	50,226	52,096	54,658
Source Funded Fees	630,274	630,274	0	0	0	0	0	0	0	0	0	0	0
Construction Loan	630,274	630,274	0	0	0	0	0	0	0	0	0	0	0
Debt Repayments	63,657,637	0	0	0	0	0	0	0	0	0	0	0	0
		#####	\$ 210,820.22	\$ 267,000.48	\$ 1,058,159.36	\$ 349,356.22	\$ 377,541.84	\$ 386,628.00	\$ 376,547.04	\$ 350,345.14	\$ 1,056,031.02	\$ 1,446,838.36	\$ 983,210.98

