# Tarzana Crossing

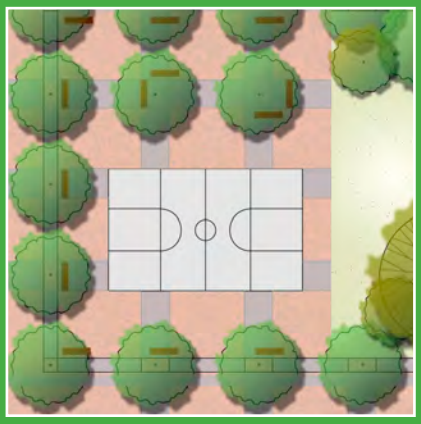
SOUTHERN CALIFORNIA ASSOCIATION of GOVERNMENTS

COMPASS BLUEPRINT

City of Los Angeles Department of City Planning

urban design studio

June 10, 2010



IBI GROUP

MELÉNDREZ

## Transit Oriented Development Study Final Report

Funded by Compass Blueprint Contract No. 10-004-B2, Southern California Association of Governments

# Table of Contents


| | |
|---|---|
| Project Summary | 1-3 |
| Summary of Observations | 4-14 |
| Infill Analysis and Strategies | 15-31 |
| Development Protoypes | 32-53 |
| Connectivity and Open Space Planning | 54-96 |
| Visual Preference Study | 97-100 |
| Parking Strategies and Studies | 101-107 |
| Market Analysis | 108-123 |
| Return on Investment | 124-129 |
| Appendix – Supporting ROI Tables | |



This is a project of the City of Los Angeles with funding provided by the Southern California Association of Governments' (SCAG) Compass Blueprint Demonstration Project Program. Compass Blueprint assists Southern California cities and other organizations in evaluating planning options and stimulating development consistent with the region's goals.

The preparation of this report was funded in part through grants from the United States Department of Transportation (USDOT)—Federal Highway Administration and Federal Transit Administration, in accordance with the Metropolitan Planning Program, Section 104(f) of Title 23 of the U.S. Code.



The contents of this report reflect the views of the author who is responsible for the facts and accuracy of the data presented herein. The contents do not necessarily reflect the official views or policies of SCAG, USDOT or the State of California. This report does not constitute a standard, specification or regulation. SCAG shall not be responsible for the City's future use or adaptation of the report.

# Project Summary

The Tarzana Crossing Transit Oriented Development (TOD) study commenced in the fall of 2009, and concluded in the spring of 2010. The project was funded through a Southern California Association of Governments (SCAG) Compass Blueprint Grant. Compass Blueprint is actively fostering a growth vision that is driven by four key principles:

- Mobility – Getting where we want to go.
- Livability – Creating positive communities
- Prosperity – Long-term health for the region
- Sustainability – Promoting efficient use of natural resources

The Tarzana Crossing study area is focused around the existing Orange Line Bus Rapid Transit (BRT) station located at the corner of Oxnard Street and Reseda Boulevard. The boundaries of a TOD area are typically defined by the distance someone will comfortably walk to the related transit station. In the case of BRT that is usually defined by the distance someone can walk in 5 minutes which is ¼ mile, we used this as a guide, but also took into account regional geographic boundaries and local land uses relative to current use and likelihood of change.

This report summarizes our site analysis, proposed open space and connectivity design opportunities, development prototype opportunities, parking and market analysis. At the conclusion of the project a Preference Survey was conducted at a final public presentation, the results of which are tabulated in this report. As the work efforts were not specifically related to a specific planned development or policy change, it was more general and captured many different improvement strategies that may be implemented individually or together.

## Shaping the Future of Tarzana Crossing

At the final presentation given on May 25 2010, the public was supportive of proposals and eager to investigate implementation strategies. The challenge to any improvements at this point in time is the general lack of funding support as a result of current economic conditions, combined with the fact that the station area is not in a defined redevelopment area. With this is mind IBI Group recommends the following strategies:

1. Seek public funds to implement capital improvements, and seek local funds to augment maintenance of any completed projects through formation of a neighborhood BID. This report outlines many different area improvements that may individually or in combination improve the district. Individual proposals in the public realm can be submitted as part of public call for proposals or grant applications for infrastructure improvements. A neighborhood BID will provide a forum for collective strategy implementation and on-going maintenance and improvement of the public and shared spaces within the district, which is ultimately good for business.

2. Review the feasibility of re-zoning Industrial zoned areas noted below within the study area to allow for a mixture of some industrial uses with retail, restaurant and housing in order to form a unique incubator mixed use destination district. The City is currently looking at mechanisms for this, and the uses proposed in the Development Prototype section of this report would fit within the prototype zoning designation for mixed industrial/residential uses the City is considering.

Proposed mixed industrial/residential use areas

3. Lobby City departments to implement street/sidewalk/open space improvements using a phased approach as outlined in this report. Given the current City budget situation look to implement the "temporary" strategies first. Temporary improvements will positively affect use patterns in the area, and if successful become the impetus for more significant long term improvements.

4. Use this report as a reference tool for developers looking at lots in the area, and as the seed of a Tarzana Crossing TOD District Design Guidelines document. Achieving Neighborhood Council backing to private projects in the area will greatly improve the ability for private developers to gain public approvals; this report helps communicate the desires of the community and should be consulted in local area design efforts.

# Summary of Observations

# Summary of Observations

# Field Evaluations

On November 5, 2009, the Tarzana Crossing team met at Reseda and Oxnard and walked the area to gain a better understanding of the day-to-day existing functions and uses. The walk focused on the south side of the project area along Oxnard Street - characterized by small industrial uses, complete with small strip mall, gas station, small industry-related uses, two larger institutional uses and a local landmark all within 1/4 mile of the Orange Line Stop. The lots on the south side are very deep and bisected by service alleys. Some sites were actively used, others vacant.

It was noted that there was steady pedestrian traffic to and from the Orange Line Station mostly North - South along Reseda, and use of the Bicycle Path East -West running parallel with the Orange Line Guideway.

The Orange Line stop itself is serviced by large surface parking lots directly to the east and west of the Oxnard/Reseda intersection. The lots would be capable of hosting temporary events such as a regularly scheduled Farmers Market.

# Oxnard and Reseda SE Corner 1

Looking East Along Oxnard Street

Looking South into Alley

Existing strip mall with “mom and pop” shops fronting Oxnard Street. The development is zoned Commercial (C2-1VL). The General Plan Land Use designation is General Commercial.

Southeast corner lot is a potential candidate development site.

## Drawbacks/Constraints

- Entertainment/bar created friction in the neighborhood
- On-street parking prohibited on Oxnard
- Oxnard is very wide for the amount of traffic observed (WB right turn lane seems unnecessary)
- Lack of visual interest, non-transparency, minimal entries
- Existing uses internal-facing, minimal street presence adjacent to Oxnard Street

## Opportunities

- Presence of delivery trucks to sites, indicating economic activity
- Mobile food trucks, indicating demand for food
- Potential direct connections through deep lots to inner block alley network - possible shared access between pedestrians, bicycles and vehicles
- Lots are approximately 100 x 250 (some deeper) and served by public alley system

# Former UNILAB Site 2

Old UNILAB Building Facing Oxnard Street

Unused Parking at UNILAB site

Former site of a medical lab and previously proposed for development of 300 unit apartments with retail. The property is zoned Limited Industrial (M1-1). The General Plan Land Use designation is Limited Manufacturing.

The UNILAB property is a potential candidate development site.

## Drawbacks/Constraints

- Low potential as adaptive reuse
- Very large expanse of surface parking (heat, lack of shade)
- Development of property could “destabilize” light industry adjacent and in immediate area
- Vacant buildings do not add value to life of street

## Opportunities

- Good site for pro forma study
- Range of use considerations possible
- Easy walking distance to Orange Line
- Generous size, catalytic site for area
- Consider sustainable site practices, storm water infiltration/open space etc.
- Consider strong pedestrian/bike link to neighborhood to south

# Tarzana Industrial Development 3

Regina Heller Plaza Entrance Along Oxnard Street

Regina Heller Plaza Courtyard

This development is typical of the San Fernando Valley with industrial units facing a central courtyard. The development is zoned Limited Industrial (M1-1). The General Plan Land Use designation is Limited Manufacturing.

## Drawbacks/Constraints

- No street presence
- Building has a highly specific internal activity
- Relatively heavy auto/truck traffic

## Opportunities

- Connection through site to inner-block alley network
- Potential for developing upgraded standards for new small industrial sites (entrance activity at the sidewalk/street even though bulk of business takes place in the court)
- “Business incubator” site

# Oxnard and Etiwanda 4

Etiwanda Avenue Looking North

Looking Across Oxnard Street to Orange Line Bikeway and Pedestrian Path Street

The last site at the east end of the project area is characterized by small business/industrial offices and provides a threshold between industrial uses and adjacent residential development. The site is zoned Limited Industrial (M1-1). The General Plan Land Use designation is Limited Manufacturing.

## Drawbacks/Constraints

- Nondescript building façade, entrances along Etiwanda
- Faces well maintained generously setback condominium development, 48 townhomes in the RD2 zone
- Direct pedestrian access to bike path located along north side of Oxnard missing

## Opportunities

- Direct bicycle access along Etiwanda to Burbank Boulevard and under the 101 freeway. Provides neighborhood-like bike ride to Orange Line
- Can strengthen pedestrian/bicycle connection to Orange Line bikeway/pedestrian path by providing accessible crossing across Oxnard
- Pacific Resistor Building at SW corner: business owner has expressed interest in project
- Potential transition site at edge of project area

# Alley Network Adjacent to Industrial Uses 5

Looking West Down Inter-Block Alley

Looking North Through UNILAB Parking from Alley

There is a clear public alley network that serves industrial uses fronting Oxnard Street, affording ways to access these sites. Driveways, although not public, connect with the alleys. In addition, several large surface parking lots to the south of the industrial uses (and south of the alley) are apparently used for vehicle storage, employee parking or are currently not used. The Parking to the South of the Alley is zoned Parking (P-1). The General Plan Land Use designation is Limited Manufacturing.

## Drawbacks/Constraints

- Underutilized parking behind existing businesses
- Excessive surface parking available
- Unclear what uses the parking is intended to serve
- Very hot in Valley summer

## Opportunities

- Improved to 30-foot width, these public alleys are 30% wider than the City 20-foot standard
- Pedestrian/vehicle connections through alley to Oxnard Street, Etiwanda Avenue and multiple sites
- Inter-block alleys frame an existing pedestrian/ vehicle network

# Columbia College and Red Barn Feed 6

Columbia College Site Alley

Red Barn Feed & Saddlery

Columbia College-Hollywood offers a rigorous film and television based curriculum and provides its students day and evening classes. The Columbia College Hollywood property is zoned Limited Industrial (M1-1). The General Plan Land Use designation is Limited Manufacturing. The Red Barn Feed and Saddlery is an animal and pet retail store. The store has an existing month to month lease with MTA. The Red Feed Barn property is zoned Public Facilities (PF-1XL). The General Plan Land Use designation is Public Facilities.

## Drawbacks/Constraints

- Columbia College-Hollywood is a fixed use
- Lack of street presence and closed off campus
- Limited pedestrian interaction due to setback of Red Barn Feed building and location on North Side of Oxnard

## Opportunities

- Columbia College-Hollywood has an engaged user group with a daytime and nighttime presence
- College has expressed interest in the project
- The Red Feed Barn is a visual landmark and an icon

# Tarzana Treatment Center 7

Tarzana Treatment Center

Oxnard Street looking West

Tarzana Treatment Center is a non-profit organization that provides services for medical detoxification treatment and residential rehabilitation. The site is zoned Restricted Industrial (MR1-1). The General Plan Land Use designation is Limited Manufacturing.

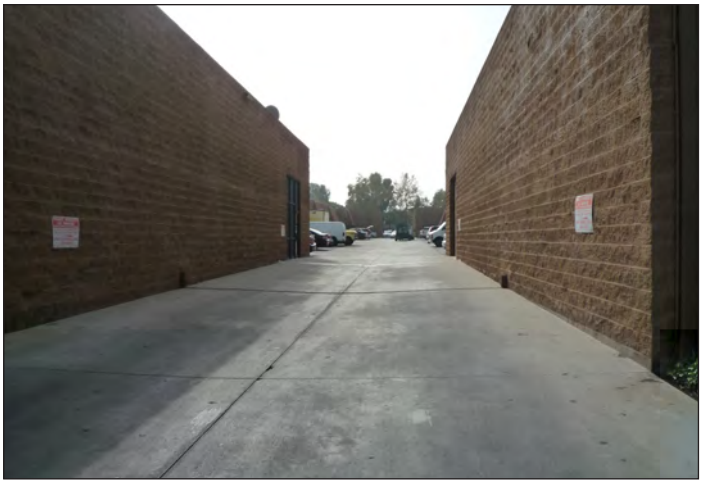
## Drawbacks/Constraints

- Tarzana Treatment Center is a fixed long term regional use
- Large building footprint divides potential activity to the east and west of site

## Opportunities

- Significant regional employer

# West of Oxnard and Yolanda 8



Looking South from Oxnard Street into Industrial Development

Looking East along Orange Line Bikeway and Pedestrian Path

This development is typical of the San Fernando Valley with industrial units facing a central courtyard. The development is zoned Restricted Industrial (MR1-1). The General Plan Land Use designation is Limited Manufacturing.

## Drawbacks/Constraints

- Building has a highly specific internal activity
- Relatively heavy auto/truck traffic
- No street presence
- Very deep lot (500'+)

## Opportunities

- Potential for developing upgraded standards for new small industrial sites (entrance activity at the sidewalk/street even though bulk of business takes place in the court)
- "Business incubator" site
- Potential for pedestrian linkages across Oxnard Street to Orange Line bikeway and pedestrian path

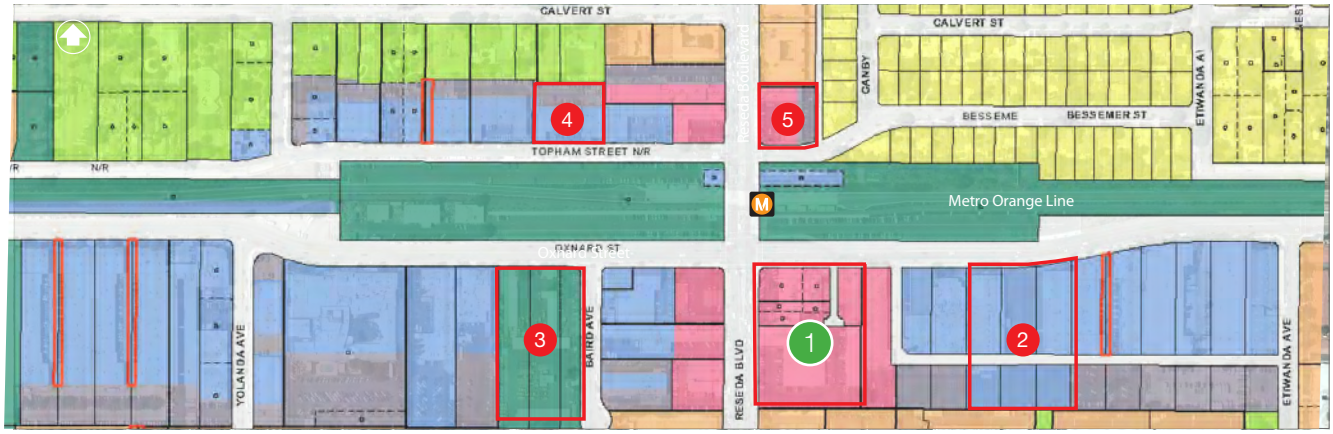
# Participants

## Participants

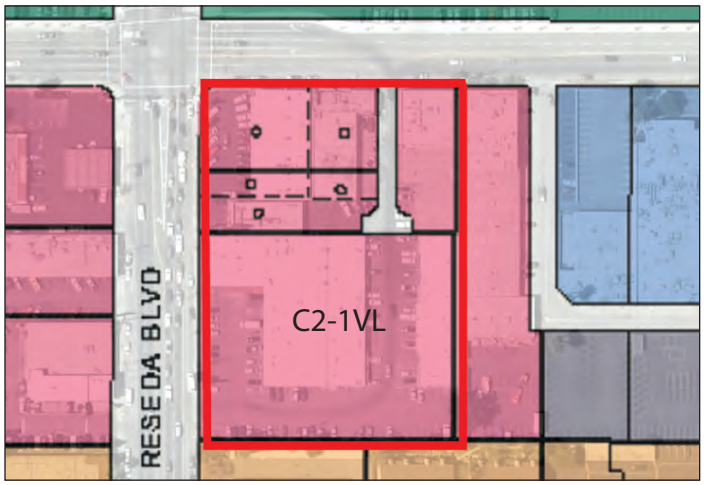
- Joe Bernstein — Tarzana Neighborhood Council
- Kathy Delle Donne — Tarzana Neighborhood Council
- Emily Gabel — City of Los Angeles- Urban Design Studio
- Simon Pastucha — City of Los Angeles-Urban Design Studio
- Jonathan Brand — City of Los Angeles- Council District 3
- Lingquian Hu — SCAG
- Bill Delo — IBI Group
- Dylan Jones — IBI Group
- Shannon Heffernan — IBI Group
- Melani Smith — Meléndrez
- Valerie Watson — Meléndrez
- Scott Baker — Meléndrez

# Infill Analysis and Strategies

# Oxnard and Reseda SE Corner 1



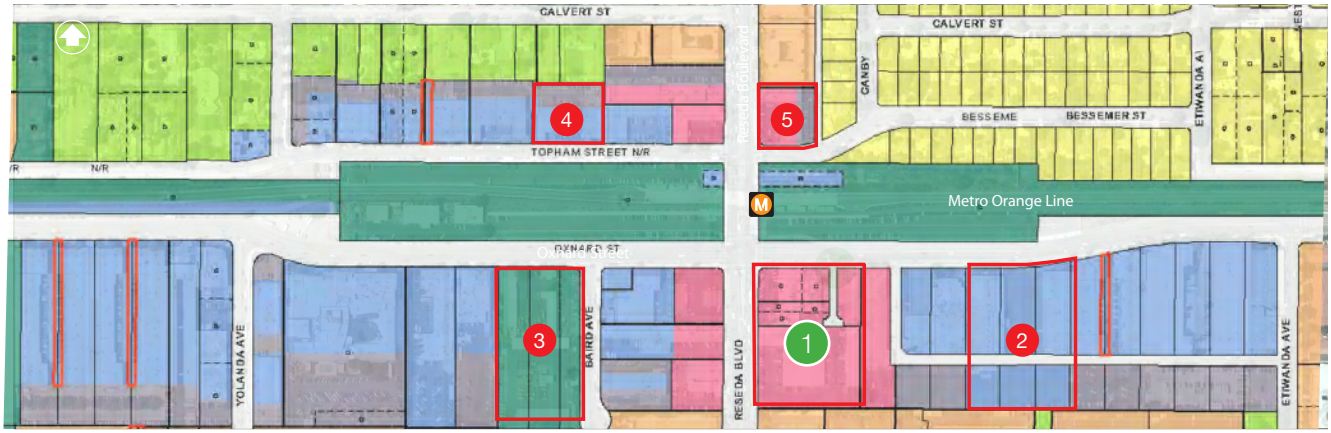
The Oxnard and Reseda SE Corner property

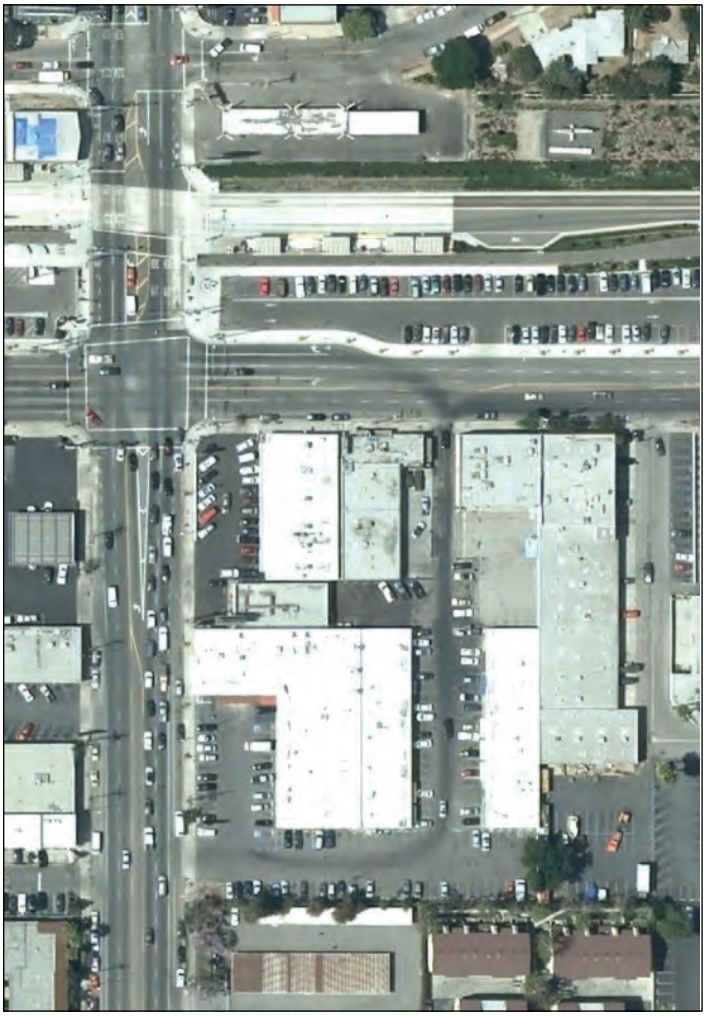



Zoning Map for Oxnard and Reseda SE Corner property

| | |
|---|---|
| Zoning | C2-IVL |
| Description | Commercial |
| Allowable Uses | C1.5 Uses, Retail w/Limited Mfg., Service Stations and Garages, Retail Contract Business, Churches, Schools, Auto Sales, R4 Uses (Multiple dwelling: 29-55DU/AC) |
| Height Limit | Not to exceed 3 stories or 45 ft |
| FAR | 1:1 (noted in Encino Footnote) |
| Minimum Lot Area | Same as R4 for residential uses: 400 sq. ft.; 200 sq. ft. per guest room; 5,000 sq.ft per lot. No minimum lot area for C2 |
| Parking equirements | 1 space per 100 sq ft of gross floor area of an establishment that provides food or refreshments or dancing or live entertainment. Requirement applies to an establishment with a gross floor area greater than 1,000 sq ft. Retail establishments shall provide at least 4 spaces for each 1,000 sq ft of gross floor area |
| Additional Information | n/a |
| Site Area | 120,000sq. ft. + |

# Oxnard and Reseda SE Corner 1



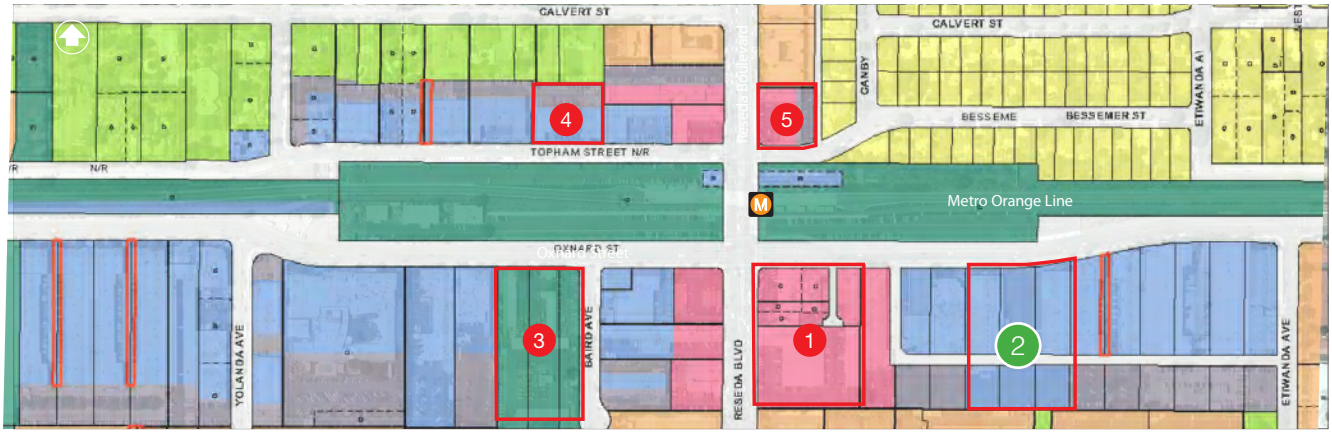



Oxnard & Reseda (SE) Context

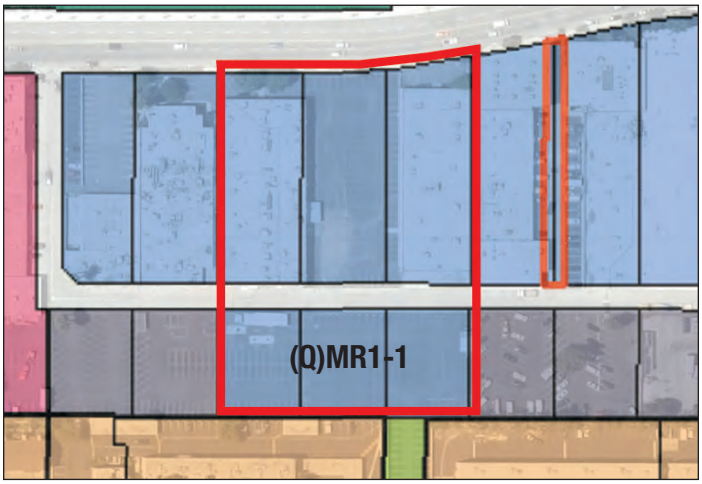
## Site Considerations

- Large corner site adjacent to transit station.
- Current development is introverted and does not exhibit pedestrian friendly attributes.
- Current C2 zoning allows for mixed-uses.
- Current height limitation (3 stories or 45') may limit densities. Possible height restriction relaxation?
- Currently relatively heavy pedestrian traffic to and from transit station past site.
- Good site to test densities, uses, and pedestrian/ street enhancements.
- Site may include lot directly to the east so as to also study alley connections and enhancements.

# Former UNILAB Site 2



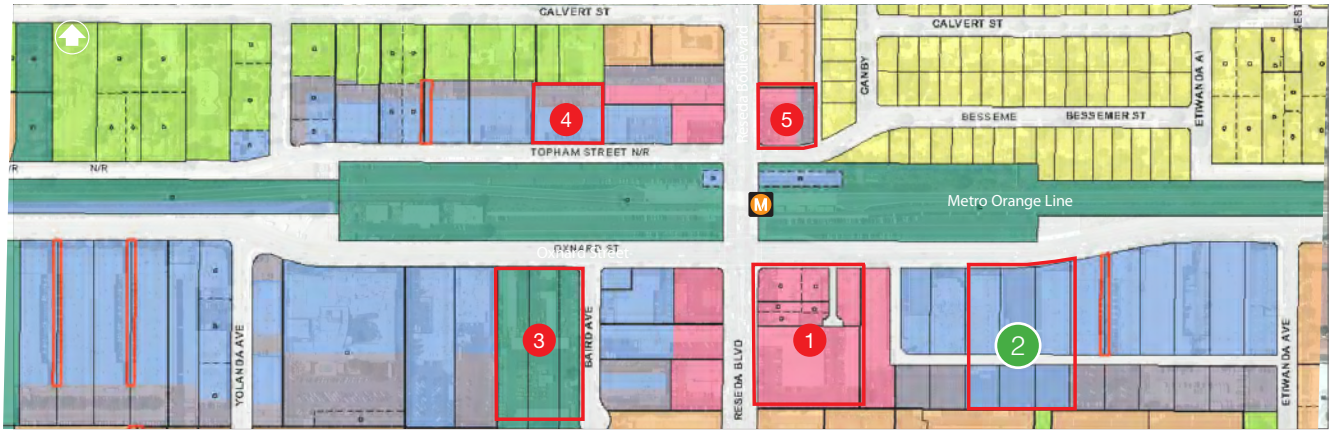
The UNILAB property

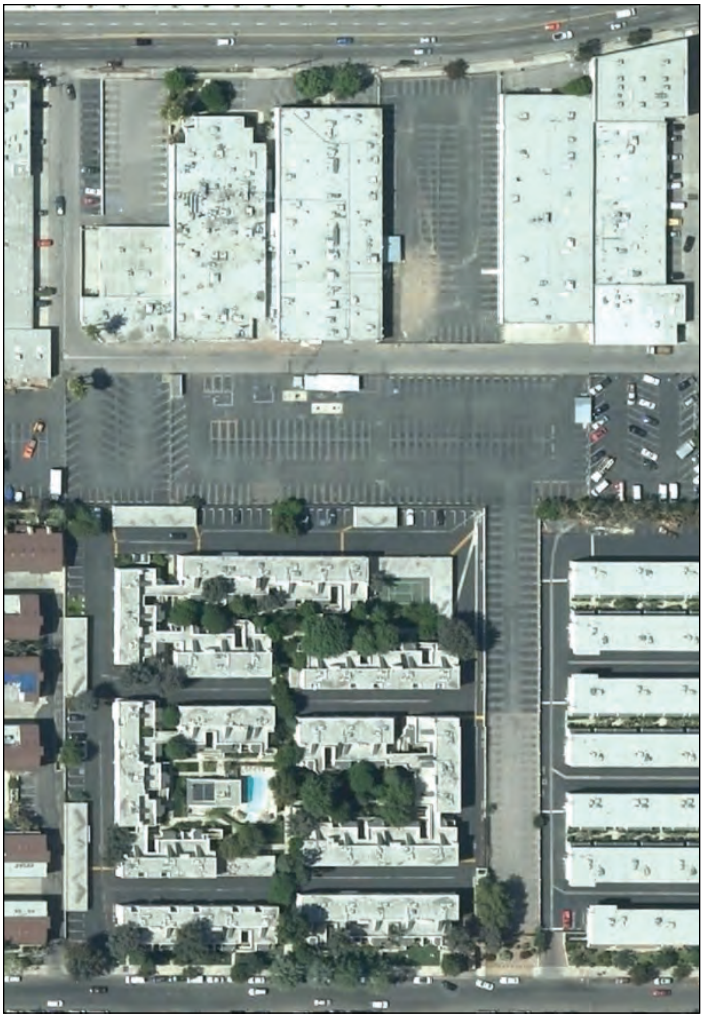



Zoning Map for UNILAB property

| Zoning | M1-1 / (Q) MR1-1 |
|---|---|
| Description | Limited Industrial / Restricted Industrial |
| Allowable Uses | MR1 Uses, Limited Industrial and Mfg. Uses, No R Zone Uses, No Hospitals, Schools, Churches, Any Enclosed C2 Use, Wireless Telecommunication, Household Storage / CM Uses, Limited Commercial and Manufacturing Uses, Clinics, Media Products, Limited Machine Shops, Animal Hospitals and Kennels. Protects industrial land for industrial use. |
| Height Limit | none |
| FAR | 1.5:1 |
| Minimum Lot Area | none for industrial or commercial uses; same as R4 zone for residential uses, Dwelling considered as accessory to industrial use only (watchman or caretaker including family). |
| Parking equirements | For buildings with a gross floor area in excess of 10,000 sq ft, 1 space for each 500 sq ft for the first 10,000 sq ft.Only one parking space need be provided for each 5,000 square feet of floor area in excess of the first 10,000 sq ft contained in such warehouse. |
| Additional Information | For M1-1 n/a / For (Q) MR1-1 (Q) is used in conjunction with a zone change and indicates that site development must be completed within 6 years or the development is not continuously carried out to its completion, the zone change and the property could revert back to the previous zone. |
| Site Area | 165,000 sq. ft. |

# Former UNILAB Site 2



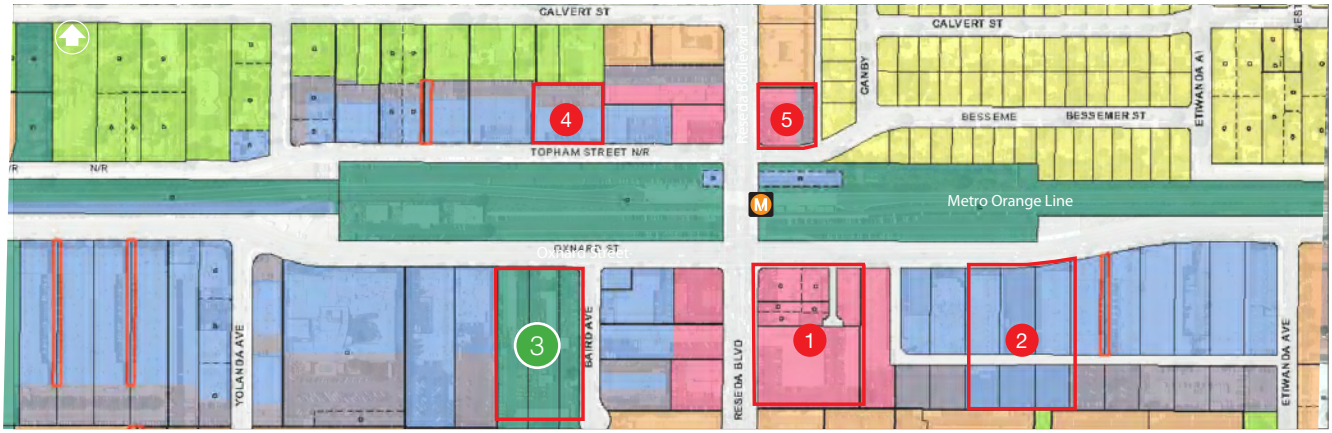



UNILAB Site Context

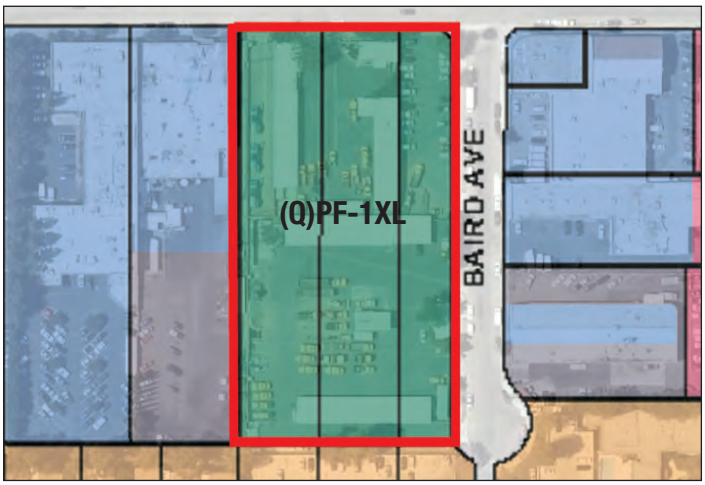
## Site Considerations

- Large site bisected by east-west alley.
- Currently not in use, open for redevelopment.
- Vacant parking to the south could provide connection and enhanced access to the transit station for the surrounding neighborhood.
- Re-zoning would be required for any mixed use including residential uses.
- Large site would be ideal for investigating open space and pedestrian/vehicular mixed access through alleys and possible provision of “pocket park”.

# Reseda Sewer Maintenance 3



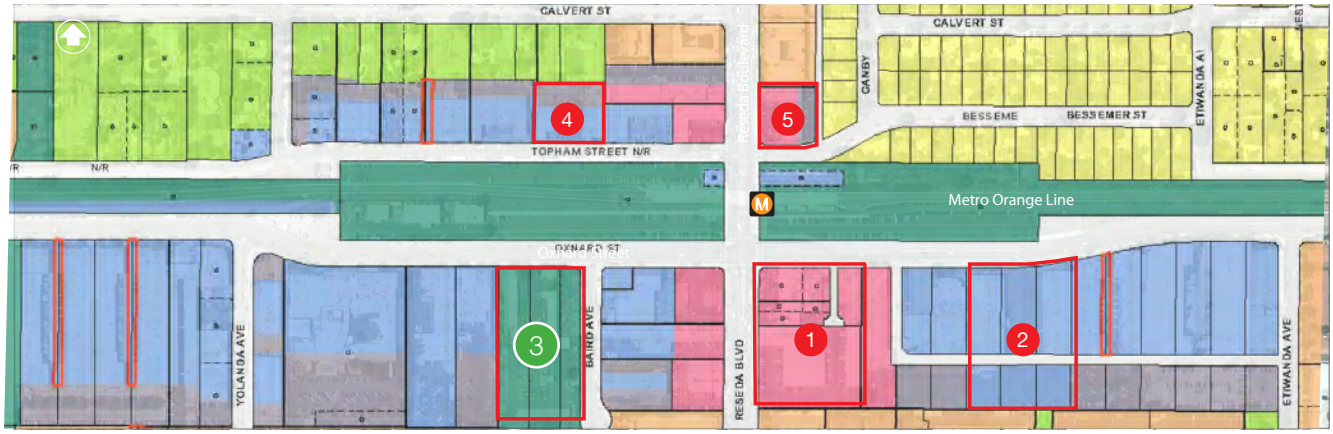
The Reseda Sewer Maintenance property




Zoning Map for Reseda Sewer Maintenance property

| Zoning | (Q) PF-1XL |
|---|---|
| Description | Public Facilities |
| Allowable Uses | Agricultural Uses, Parking Under Freeways, Fire and Police Stations, Government Buildings, Public Libraries, Post Offices, Public Health Facilities, Public Elementary and Secondary Schools |
| Height Limit | n/a |
| FAR | n/a |
| Minimum Lot Area | n/a |
| Parking equirements | n/a |
| Additional Information | (Q) is used in conjunction with a zone change and indicates that site development must be completed within 6 years or the development is not continuously carried out to its completion, the zone change and the property could revert back to the previous zone. |
| Site Area | 105,000 sq. ft. |

# Reseda Sewer Maintenance 3

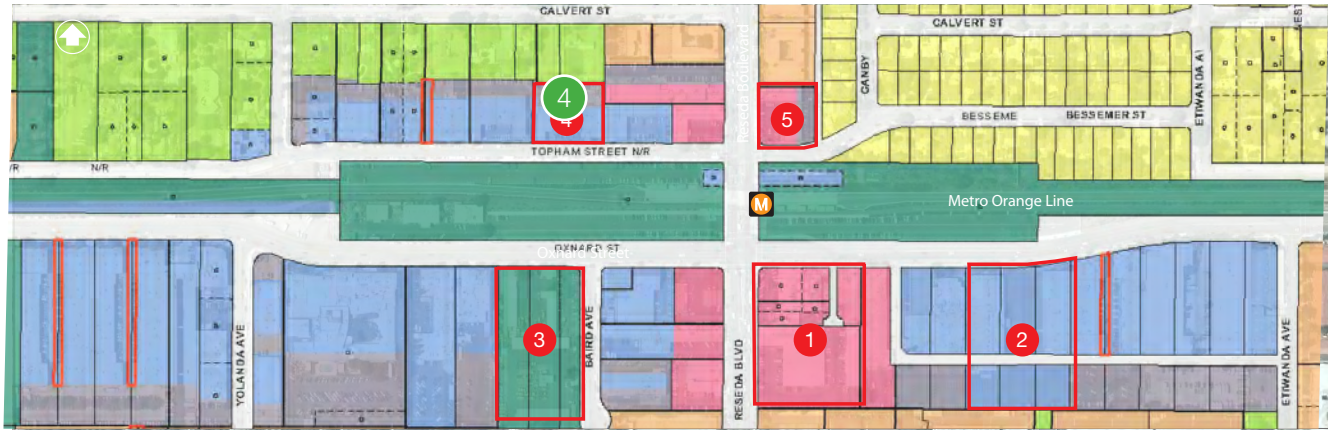


Reseda Sewer Site Context

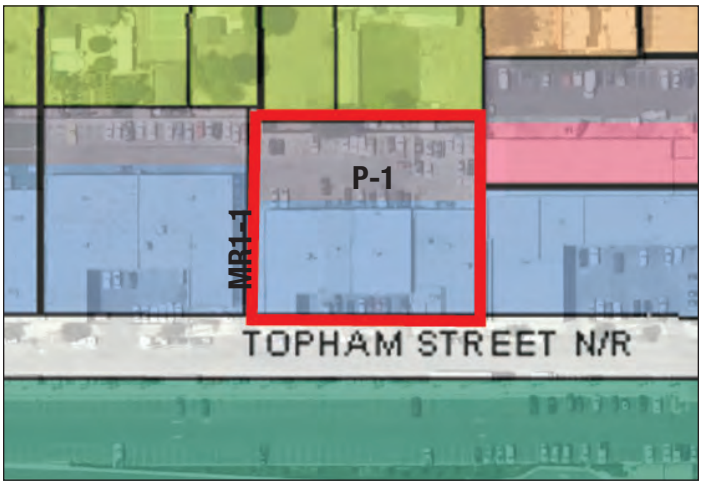
## Site Considerations

- Currently owned and operated by City of Los Angeles Public Works.
- Use does not enhance pedestrian experience in TOD zone.
- Serviced by Reseda and existing Alley to the east of site.
- Possible alternative civic uses such as library or school allowed by current zoning could act as pedestrian anchor amenity in TOD area.

# Auto Repair Shop 4



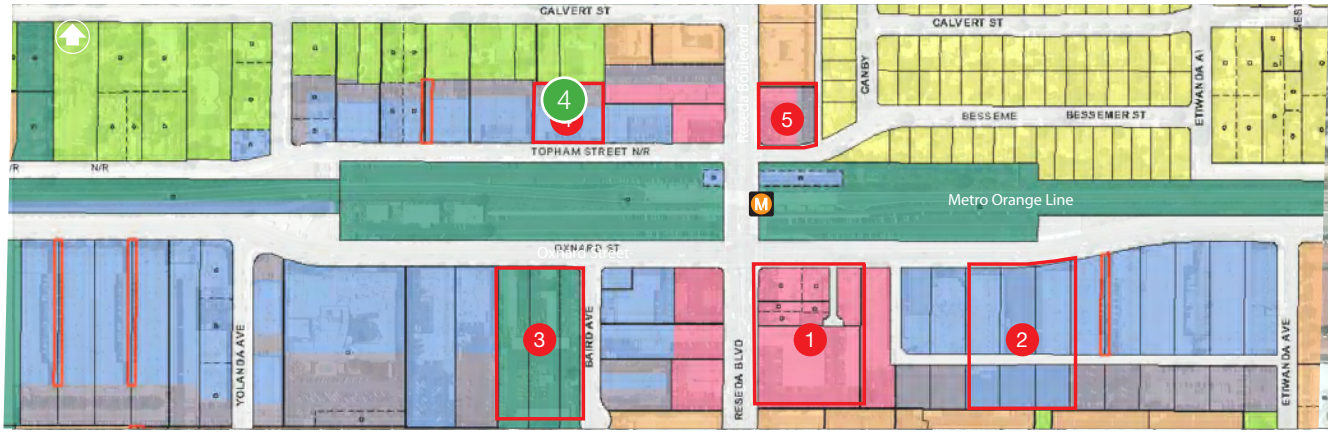
The Auto Repair property

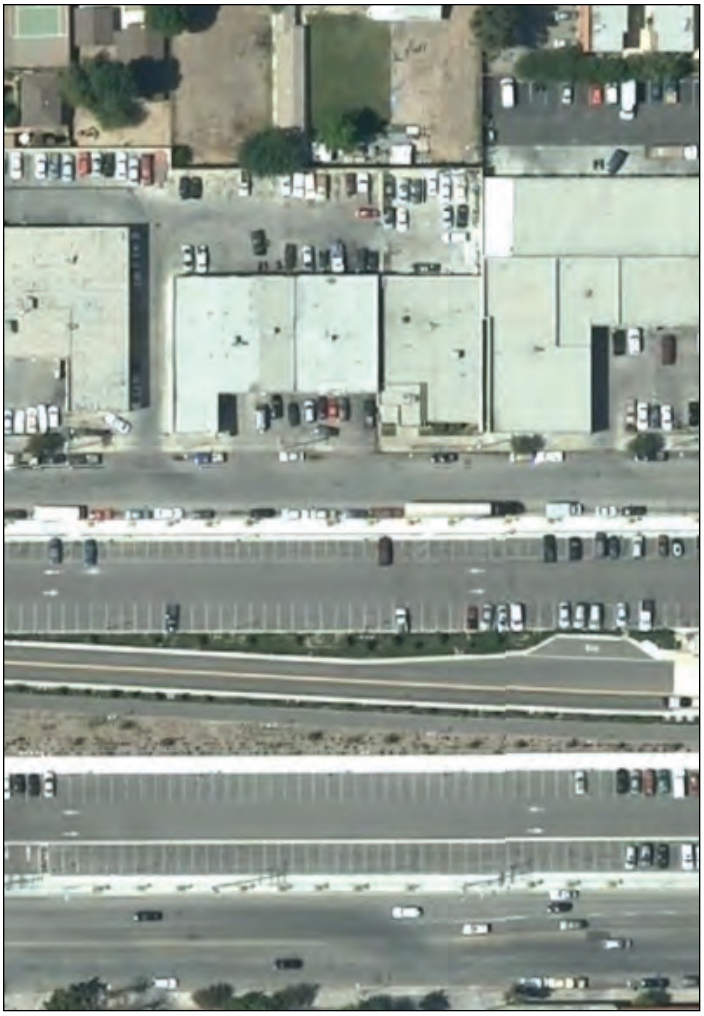



Zoning Map for Auto Repair property

| Zoning | M1-1 / MR1-1 | P-1 |
|---|---|---|
| Zoning Description | Limited Industrial / Restricted Industrial / Automobile Parking Surface and Underground | |
| Allowable Uses | MR1 Uses, Limited Industrial and Mfg. Uses, No R Zone Uses, No Hospitals, Schools, Churches, Any Enclosed C2 Use, Wireless Telecommunication, Household Storage / MR1-1 CM Uses, Limited Commercial and Manufacturing Uses, Clinics, Media Products, Limited Machine Shops, Animal Hospitals and Kennels. Protects industrial land for industrial use / P-1 Surface Parking, Land in a P Zone may also be Classified in A or R Zone | |
| Height Limit | none | |
| FAR | M1-1 1.5:1 / MR1-1 1.5:1 / P-1 3:1 | |
| Minimum Lot Area | For M1-1 and MR1-1 none for industrial or commercial uses; same as R4 zone for residential uses, Dwelling considered as accessory to industrial use only (watchman or caretaker including family). For P-1 none, unless also in an A or R Zone | |
| Parking equirements | For buildings with a gross floor area in excess of 10,000 sq ft, 1 space for each 500 sq ft for the first 10,000 sq ft.Only one parking space need be provided for each 5,000 square feet of floor area in excess of the first 10,000 sq ft contained in such warehouse. | |
| Additional Information | n/a | |
| Site Area | 37,000 sq. ft. | |

# Auto Repair Shop 4



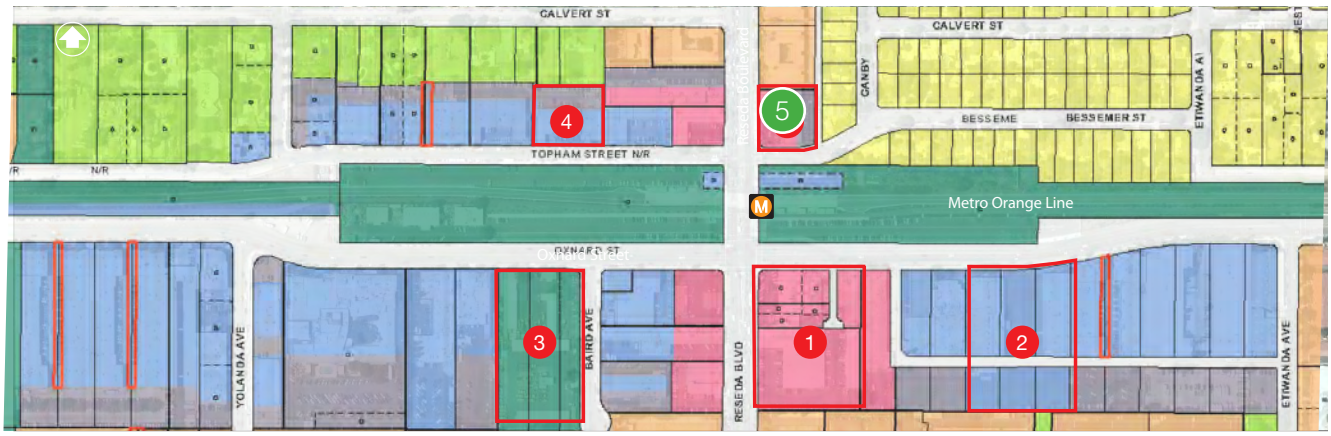



Auto Repair Site Context

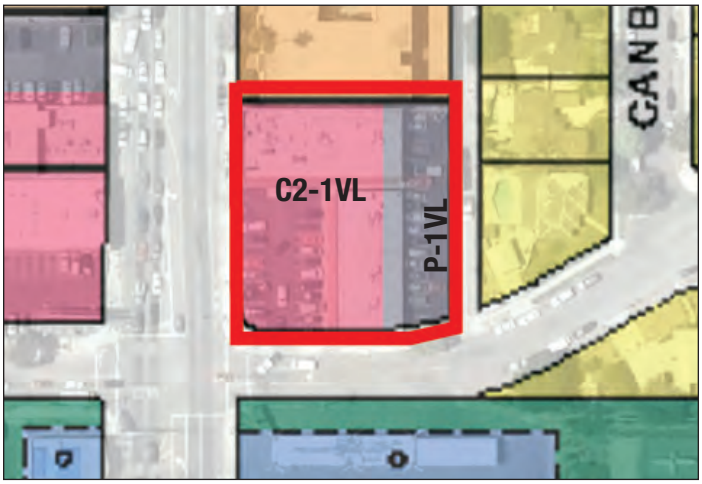
## Site Considerations

- Small sites to the northwest of transit station could be well suited for live/work development.
- Strip of properties on the north side of Topham forms a threshold between lower density Agricultural (a RA Zone) area to the northwest of study area.
- Relatively low existing traffic along Topham.

# Oxnard and Reseda NE Corner 5



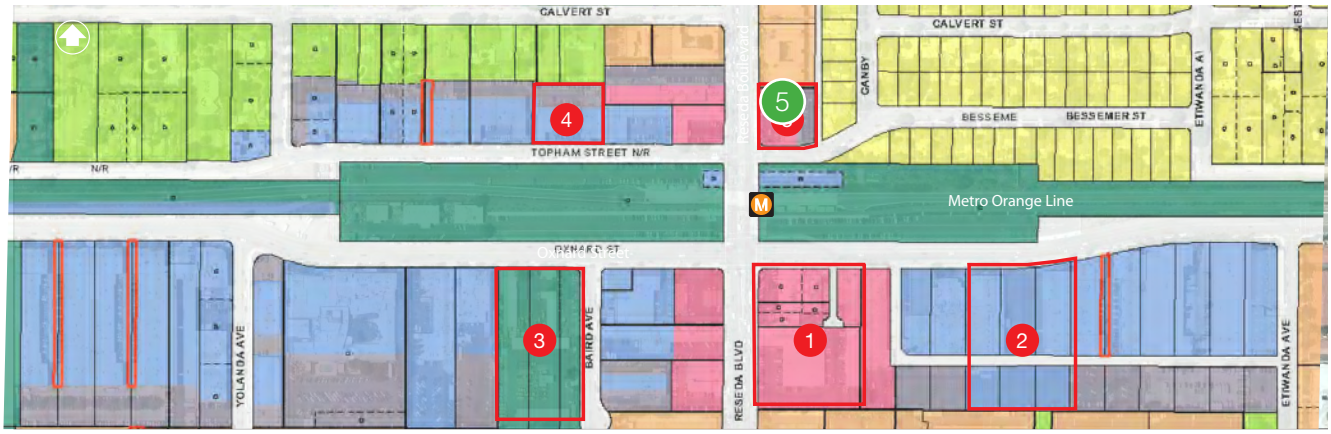
Oxnard and Reseda NE Corner property




Zoning Map for Oxnard and Reseda NE Corner

| Zoning | C2-IVL | P-1VL |
|---|---|---|
| Description | For C2-IVL Commercial / For P-1VL Automobile Parking Surface and Underground | |
| Allowable Uses | C1.5 Uses, Retail w/Limited Mfg., Service Stations and Garages, Retail Contract Business, Churches, Schools, Auto Sales, R4 Uses (Multiple dwelling: 29-55DU/AC) / For P-1VL Surface Parking, Land in a P Zone may also be Classified in A or R Zone | |
| Height Limit | For C2-IVL Site has height limit of 3 stories (noted in Encino Footnote) / For P-1VL not to exceed 3 stories or 45 ft | |
| FAR | For C2-IVL 1.5:1 / For P-1VL no limit | |
| Minimum Lot Area | For C2-IVL Same as R4 for residential uses: 400 sq. ft.; 200 sq. ft. per guest room; 5,000 sq.ft per lot. No minimum lot area for C2 / For P-1VL none, unless also in an A or R Zone | |
| Parking equirements | For C2-IVL 1 space per 100 sq ft of gross floor area of an establishment that provides food or refreshments or dancing or live entertainment. Requirement applies to an establishment with a gross floor area greater than 1,000 sq ft. Retail establishments shall provide at least 4 spaces for each 1,000 sq ft of gross floor area / For P-1VL n/a | |
| Additional Information | n/a | |
| Site Area | 25,000 sq. ft. | |

# Oxnard and Reseda NE Corner 5

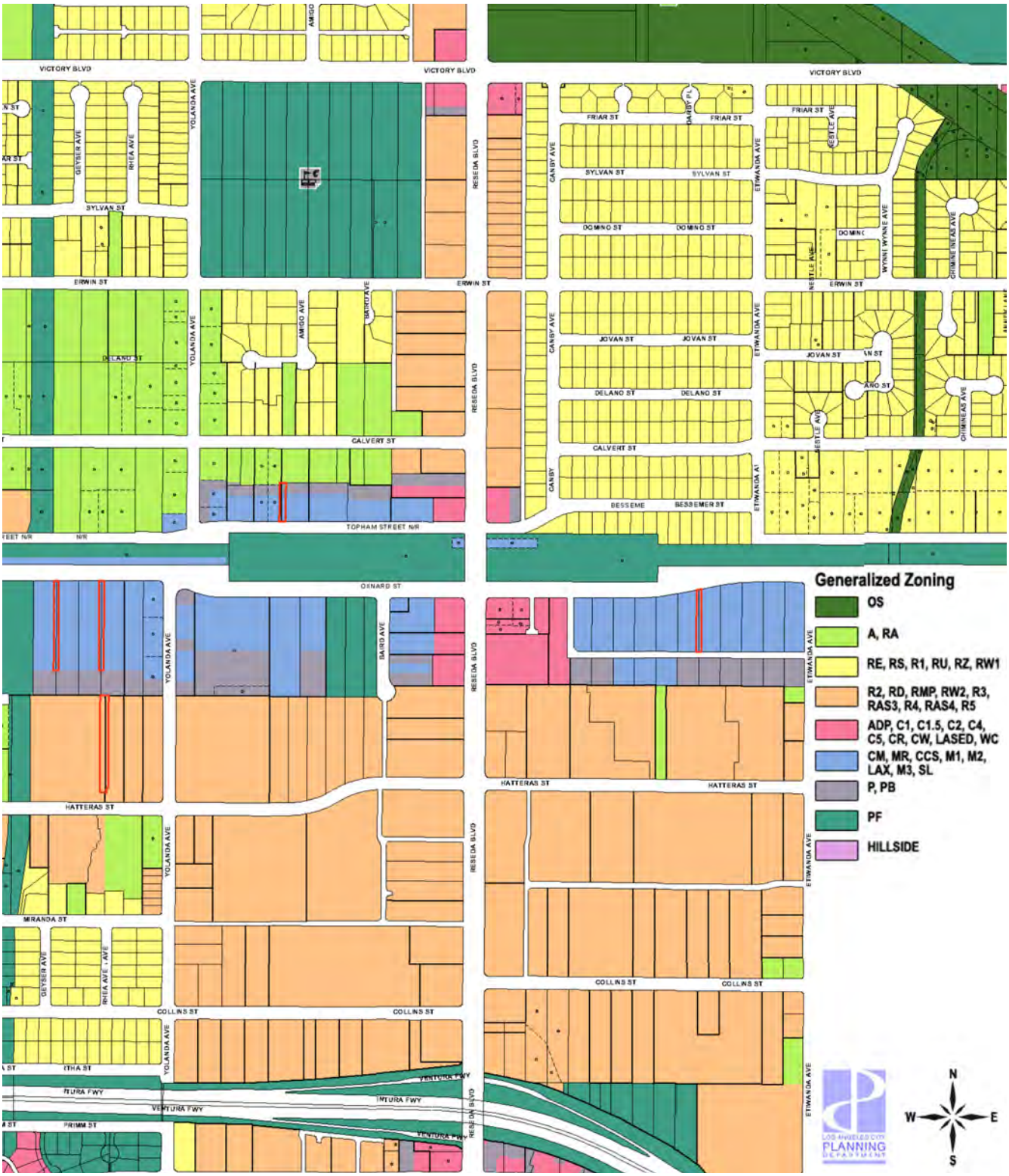


Oxnard & Reseda (NE) Site Context

## Site Considerations

- Corner site adjacent to transit station.
- High visibility.
- Relatively heavy traffic along Reseda due to station proximity.
- Corner site marks entrance point to single family residential neighborhood to the northeast, and multi-family development to north along Reseda.
- Current zoning would allow for residential uses in a mixed use development.
- Compact site would be ideal to test densities and height limitations in a mixed use development.

# Tarzana Study Area Zoning Map



# Possible Development Types

*Zoning type(s) Application*

| Development Type | Number of Stories | Dwelling Units/Acre | Employment/ Acre | Description |
|---|---|---|---|---|
| **Office** | **3 - 8** | **--** | **54 - 154** | • 5% Retail<br>• 95% Office<br>• May require structured parking |

*Irvine, CA*

*Zoning type(s) Application*

| Development Type | Number of Stories | Dwelling Units/Acre | Employment/ Acre | Description |
|---|---|---|---|---|
| **Retail** | **1** | **--** | **48** | • 100% Retail |

*The LAB - Costa Mesa, CA*

*Towne Center- Long Beach, CA*

*Santana Row- San Jose, CA*

# Possible Development Types

*Zoning type(s) Application*

| Development Type | Number of Stories | Dwelling Units/Acre | Employment/ Acre | Description |
|---|---|---|---|---|
| **Multiple Dwelling Residential** | **2 - 6** | **15 - 66** | **--** | • 100% Residential<br>• May require structured parking |

*San Jose, CA*

*Irvine, CA*

*Downtown Portland, OR*

*Zoning type(s) Application*

| Development Type | Number of Stories | Dwelling Units/Acre | Employment/ Acre | Description |
|---|---|---|---|---|
| **Industrial** | **1** | **--** | **11 - 25** | • 25% Office/75% Industrial - 100% Industrial |

# Possible Development Types

*Zoning type(s) Application*

| Development Type | Number of Stories | Dwelling Units/Acre | Employment/ Acre | Description |
|---|---|---|---|---|
| **Hotel** | **3+** | **--** | **78** | • May require structured parking |

*Zoning type(s) Application*

| Development Type | Number of Stories | Dwelling Units/Acre | Employment/ Acre | Description |
|---|---|---|---|---|
| **Public/Civic/ Education** | **2** | **--** | **20** | • 100% Public |

*Santa Monica, CA*

*Ganesha Ed Village- Pomona, CA*

*Byrd Middle School-Los Angeles, CA*

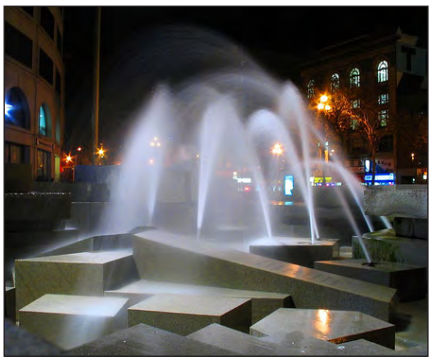
# Possible Development Types

*Zoning type(s) Application*

| Development Type | Number of Stories | Dwelling Units/Acre | Employment/ Acre | Description |
|---|---|---|---|---|
| **Open Space/ Parks** | **n/a** | **n/a** | **n/a** | -- |

*The Grove - Los Angeles, CA*

*Simcoe Park - San Diego, CA*



*U.N. Plaza - San Francisco, CA*

*Zoning type(s) Application*

| Development Type | Number of Stories | Dwelling Units/Acre | Employment/ Acre | Description |
|---|---|---|---|---|
| **(Mixed Use) Residential/ Retail** | **3 - 6** | **25 - 72** | **38 - 108** | • 75% Residential<br>• 25% Retail<br>• 5% Office |

*Vancouver, BC*

*San Diego, CA*

*Newport Village - Vancouver, BC*

# Possible Development Types

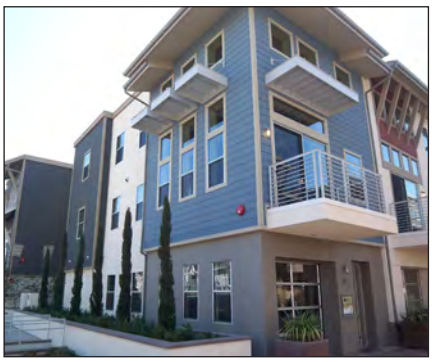
*Zoning type(s) Application*

| Development Type | Number of Stories | Dwelling Units/Acre | Employment/ Acre | Description |
|---|---|---|---|---|
| **(Mixed Use) Office/Retail** | **3 - 6** | **--** | **76 - 194** | • 25% Retail<br>• 75% Office |

*Downtown Seattle, WA*

*Zoning type(s) Application*

| Development Type | Number of Stories | Dwelling Units/Acre | Employment/ Acre | Description |
|---|---|---|---|---|
| **(Mixed Use) Live/Work** | **3** | **26** | **10** | • 90% Residential<br>• 10% Retail |



*Santa Ana, CA*

# Development Protoypes

# Development Prototype Summary

Site 1: SE corner of Oxnard Street and Reseda Blvd.

Site 2: Former Uni-Lab site

The development prototypes serve two important functions in this study effort. First, they serve to capture a preferred approach to implementing Transit-Oriented Development (TOD) principles within the outlined study area. Secondly, they assist the City in visualizing potential projects that test collective ideas and strategies outlined in project discussions held during the Infill Analysis and Strategy phase of work. The Tarzana Crossing project team selected two sites within the study area to advance development prototypes and test ideas on how TOD principles might inform realistic developments. These prototypes also form the context for Economic Analysis, Open Space Planning, Bicycle and Pedestrian Planning and Parking Studies and Strategies. The SE corner of Oxnard and Reseda was chosen as one site, and the former site of Uni-Lab was chosen as a second development site.

It was concluded at the Infill Analysis and Strategies meeting that Tarzana Crossing requires special attention with regards to TOD given the following noted factors:

1. The Study Area is located around the Orange Line, a successful Bus Rapid Transit (BRT) service, not a light rail line. Ridership levels and infrastructure permanence suggest a more restrained direct impact from the transit system itself on the immediate surrounding area. It was noted however, that the BRT station is generating notable levels of pedestrian traffic, including a significant number of students accessing local schools.

2. Tarzana is a district of Los Angeles located in the San Fernando Valley, and is not a densely developed urban center. The notion of using intense densification as a tool to generate street level activity may not be an economically feasible, or community desirable option, as would typically be an approach within an urban center. Instead, it is more desirable to look for practical design solutions that are appropriate to the existing context, sensitive to local employment opportunities, and cognizant of existing character.

3. Traditionally, TOD developments focus on a mixture of retail and/or office uses augmented by residential units. In the study area there exists active light industrial uses currently zoned manufacturing, and it has been noted that the local Tarzana community appreciates the convenience of existing uses such as auto-repair shops. Furthermore, local light industrial uses provide important local jobs and critical small business incubator space. In this study it will be important to consider these uses in addition to the more traditional TOD types.

4. In order for Tarzana Crossing to be a successful TOD district, it was noted that we need to find ways to understand and enhance the existing character. The intent is not to directly compete with other stops along the Orange Line, such as Warner Center, but to find what aspects are unique to Tarzana Crossing and allow those elements to help define the area, and create a unique sense of place.

# Development Prototype Summary

Site 1: SE corner of Oxnard Street and Reseda Blvd.

Site 2: Former Uni-Lab site

The Development Prototype phase of this project represents the key task that forms the backbone of all other efforts. Design proposals are intended to make the bridge between overall project goals, and a visual and quantifiable course of action. Open Space, Bicycle and Pedestrian planning efforts both draw from and enhance development proposals. Parking studies and strategies use the development prototypes to test and inform assumptions against an intended proposal. Economic Development strategies further test feasibility of proposals from a fiscal perspective, and give an idea of value relative to alternate approaches.

The synthesis of these project tasks will form the final visualization of the project and will offer the community a vision for a sustainable TOD district with a unique Tarzana character around the Oxnard/Reseda Orange Line station. This project aims to set the context for the production of a Tarzana Crossing TOD District Specific Plan by providing a clear strategy, broad support, economic and parking rationale, and full outline of design improvements.

## Tarzana/BRT TOD Principles

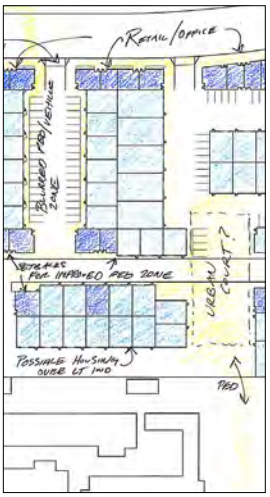
We began our investigations by highlighting some of the more important TOD principles as they apply to our study area. We felt it important to review standard principles and modify them as required to better fit the unique considerations we have towards scale, employment, existing built fabric and transit type. In our case we wanted to be more strategic about the location of density, as opposed to the amount and we wanted to think of the area as an incubator for job growth, not just a place to live and shop.

## Building Blocks

In order to commence with the specific site proposals, it was first important to understand how TOD principles might be overlaid on existing uses within the study area. We broke down the various existing uses into their individual components and noted the existing functional aspects of their form. We then applied TOD design principles that begin to consider the individual unit relationships to the pedestrian realm, and notions of flexible use. The individual building blocks were re-assembled into single use developments that begin to give a broader perspective of edge conditions and begin to form lanes and streets. Our next step was to mix the uses in order to test potential opportunities and constraints that may be inherent in proposed compositions that suggest new forms of mixed-use, most notably by mixing light industrial uses with residential and retail.

## Case Study

Upon considering mixed-use proposals that included a blurred distinction of light industrial and retail uses that use laneway/alley circulation as an opportunity for improved pedestrian activities, we set out to find a precedent that would be applicable to our climate and culture for a review of design strategies. We took a close look at the SOCO District in Fullerton, California. The district is essentially a block, located within ¼ mile of transit, similar in scale and scope to our study area, and uses a shared space strategy to mix commercial and light industrial uses.




## Site Layouts

Using our palette of mixed-use building blocks developed with a sensitivity towards our stated TOD principles we set forth to lay out the two chosen development sites. For the SE Corner of Oxnard and Reseda we linked internal vehicular circulation to the overall alley network of the block, and imagined retail, light industrial, and residential uses. The scheme allows for greatest density in the district as the corner site locates the area relative to the transit station and offers the greatest opportunity for visibility and development. The site may also act as a gateway to the TOD district and work to link the surrounding community and draw people into the enhanced amenities of the block.

The former Uni-Lab site offered a perfect testing ground for overlaying our TOD principles on Light Industrial uses. These uses offer important employment incubators, and the space is imagined as offering a range of uses allowing for flexibility to handle a quickly changing economic climate. The site proposes strong inter-block linkages through the layout of internal organization and the provision of a range of pedestrian enhancements. Though predominantly light industrial/commercial, the option exists for the addition of vertically separated residential uses.

# Tarzana/BRT TOD Principles

Transit-Oriented Developments (TODs) are urban villages where all residents are within a 5–10 minute walk of quick, efficient public transit and can 'live, work, play, shop and learn' in a pedestrian/cycle-friendly environment. IBI Group has identified key principles important to the success of the Tarzana TOD area.

Strategic Allocation of Density: Increased density development arranged in compact patterns is sustainable because less land is used to provide more housing/employment space. A range of housing and other activities can be located within walking distance of transit stations, making it easier to get around without a car. The general built context of the Tarzana Crossing area demands a careful placement of higher densities, and an equally careful review of where proposed density is located.

Neighborhood Identity: TOD design reflects the local conditions and character of the area and promotes a well-defined sense of place through thoughtful design siting of public spaces, public art, architectural details, and streetscape features. Tarzana Crossing has its own unique character, enhancing this not only improves the lives of the local community, but also transforms the neighborhood into a destination.

Market Acceptance: TOD experience shows that buyers and renters will choose smaller housing types in more urban locations over their suburban counterparts, especially when located near community amenities and access to rapid transit. Promoting TOD in the San Fernando Valley requires focused sensitivity towards what uses and densities work in our contemporary market condition.

Mixed-Use Development: The mix of uses that support each other and allow for a variety of housing types, services, and employment opportunities. A mix of complementary land uses in close proximity provides vitality and interest and enables walking and transit as convenient travel modes for living, working and shopping. In Tarzana Crossing, interesting and new forms of urban living present themselves through the opportunity of mixing light industrial uses with retail and even residential.

# Tarzana/BRT TOD Principles

Transit-Oriented Developments (TODs) are urban villages where all residents are within a 5–10 minute walk of quick, efficient public transit and can 'live, work, play, shop and learn' in a pedestrian/cycle-friendly environment. IBI Group has identified key principles important to the success of the Tarzana TOD area.

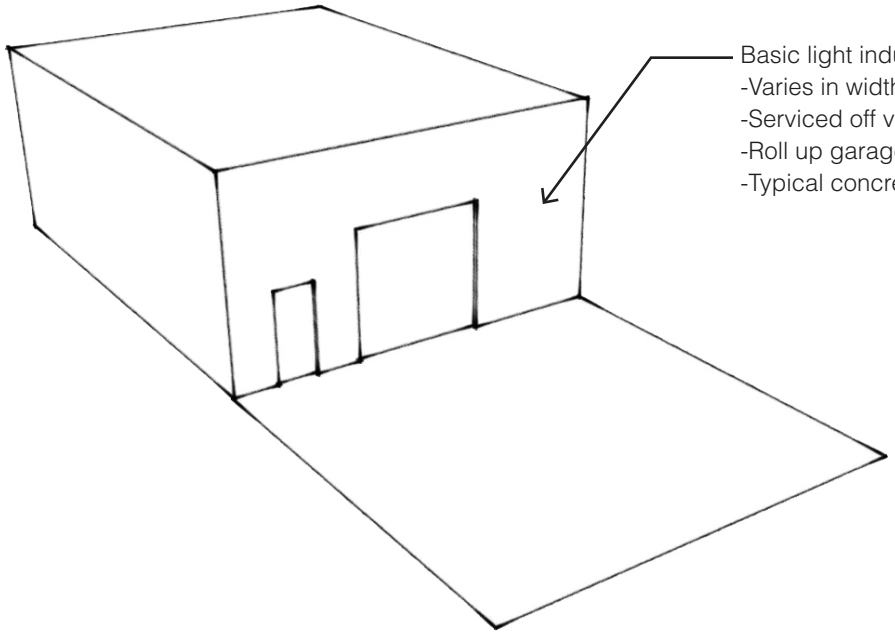
Urban Parks & Plazas: Public space incorporated into site design creates attractive public areas. Well-designed public open space also encourages an active street life as people can gather outdoors to enjoy their neighborhoods. The San Fernando Valley is rich in private landscaped courtyards and the neighborhood will benefit greatly by also providing shared public spaces such as urban courts and pocket parks.

Shared Space: Pedestrians are the focus of TOD and sustainable communities. Streets, side walks, and land uses that support a convenient, interesting and safe pedestrian environment. New street connections and improvements reflect revised street design standards that focus on accommodating automobile traffic safely and efficiently while ensuring the safety and comfort of pedestrians and cyclists. The blurring of boundaries between vehicular and pedestrian uses defines the notion of shared space, and may be used throughout the Tarzana alley network to increase a mix of uses and introduce porosity into the existing large blocks.

Interconnected Streets (The Grid): The street network allows for easy connectivity, navigation and traffic flow. Block sizes are comfortable for walking and support a fine-grained pattern of urban activity, which allows for different types of housing, jobs, shops, restaurants, public parks and plazas and other services. Subtle design changes to the large blocks within the Tarzana Crossing District will reduce the perceived block size and greatly enhance pedestrian linkages.

# Prototype Building Block Study

## EXISTING LIGHT INDUSTRIAL

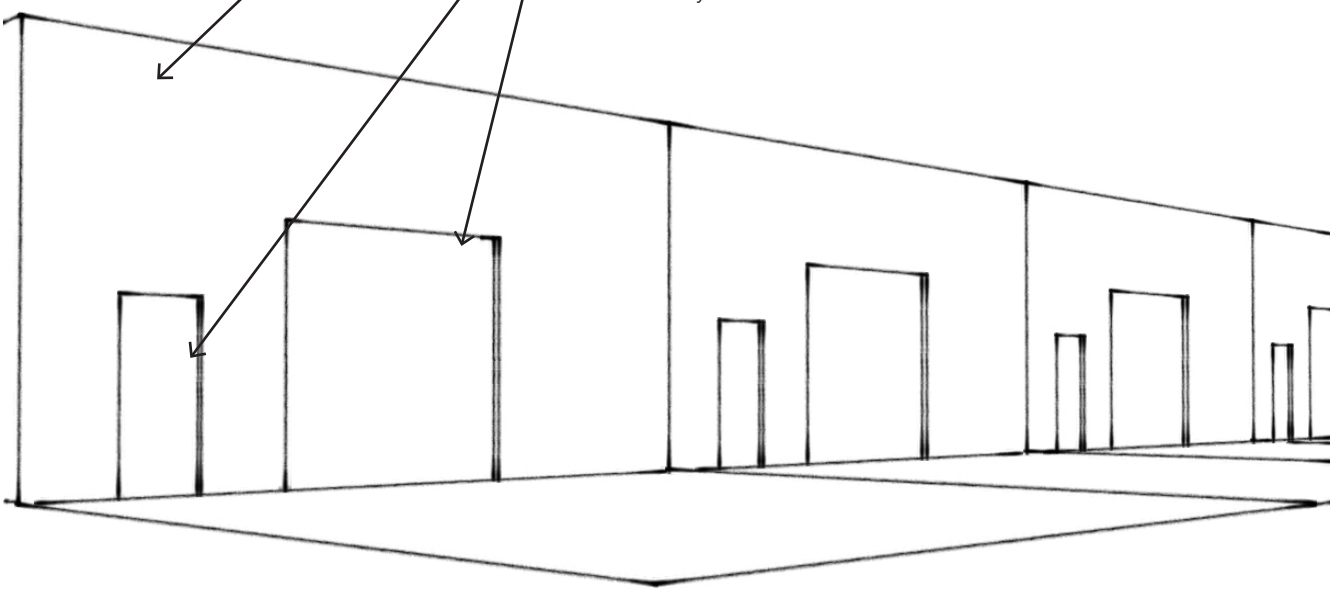


Basic light industrial building block
-Varies in width and depth
-Serviced off vehicular circulation
-Roll up garage door and man-door access
-Typical concrete tilt-up construction

Existing Tarzana Light Industrial Alley

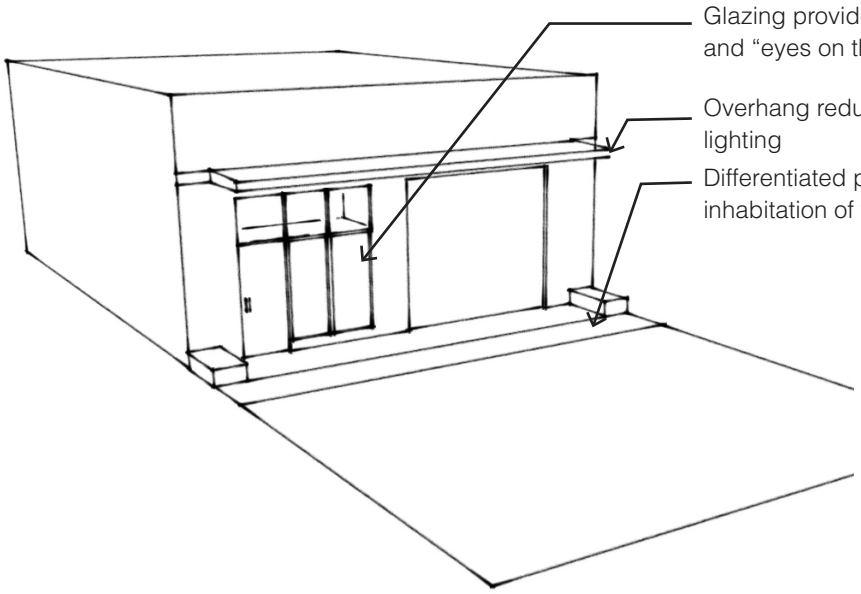
Blank undifferentiated facade with no setback

Opaque man door and garage door load directly onto alley

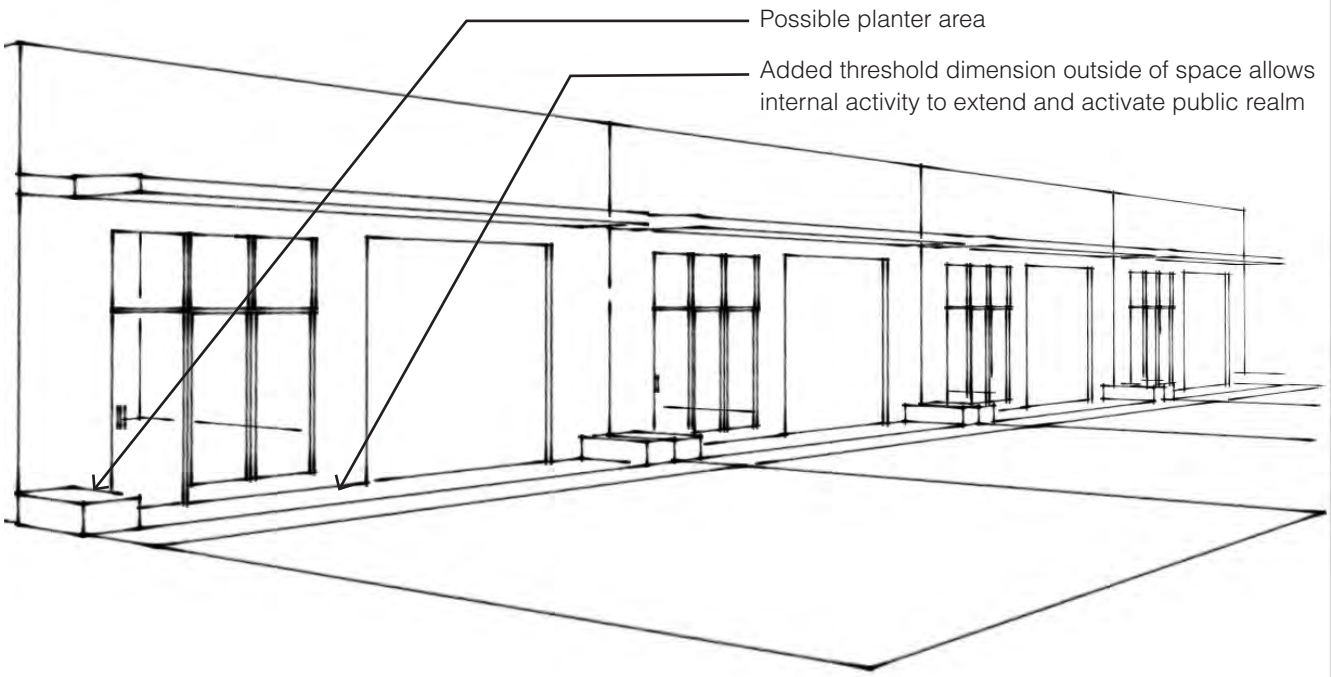


# Prototype Building Block Study

## PEDESTRIAN ENHANCED LIGHT INDUSTRIAL

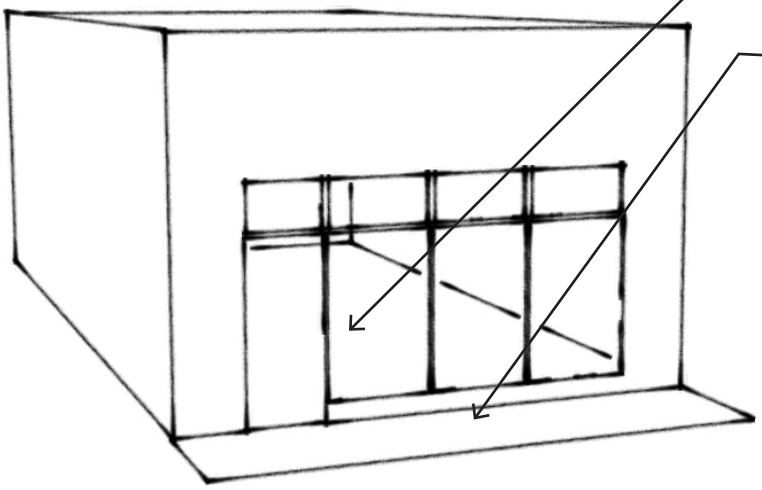


Existing Lt Industrial Unit Engaging Public Alley

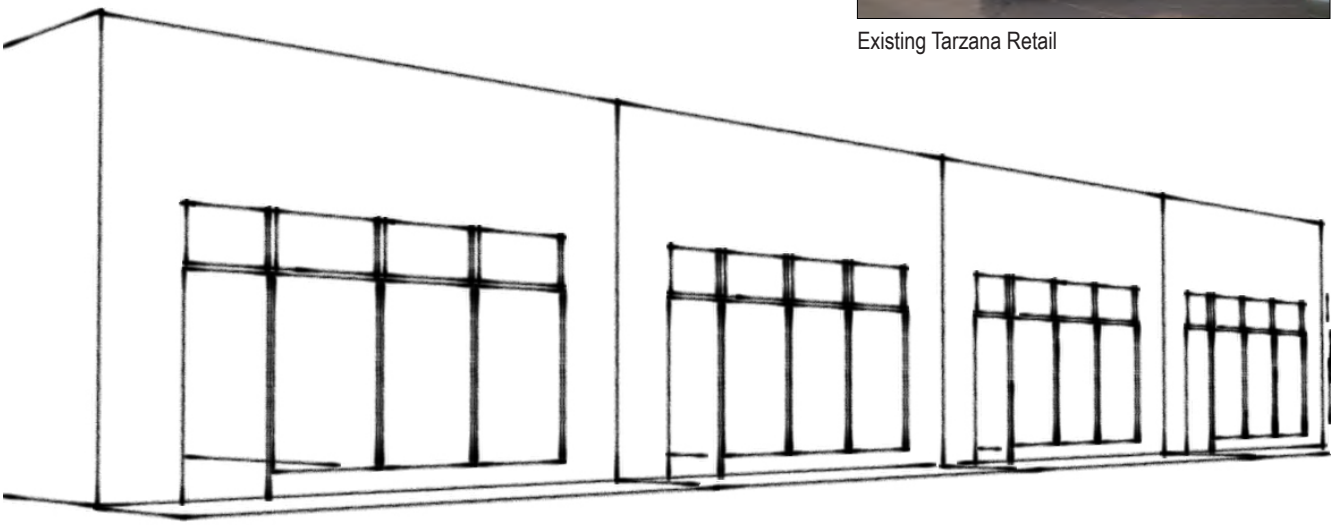


# Prototype Building Block Study

## TYPICAL LOCAL RETAIL

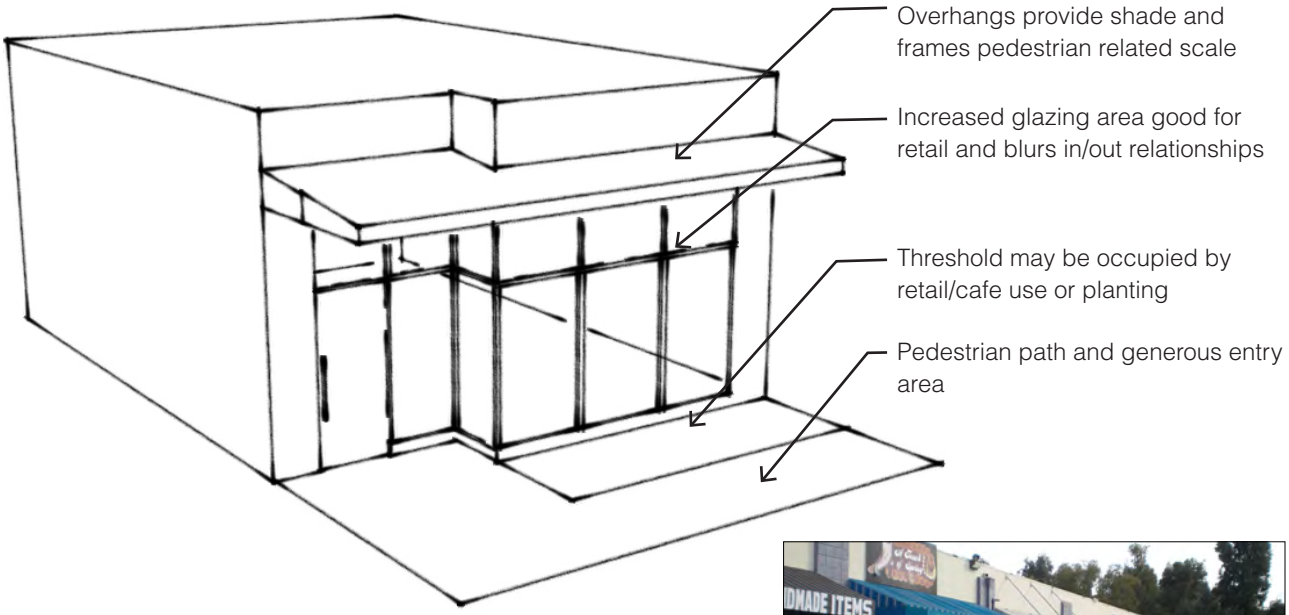


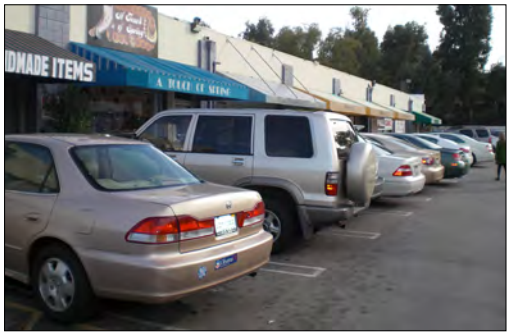
Existing Tarzana Retail



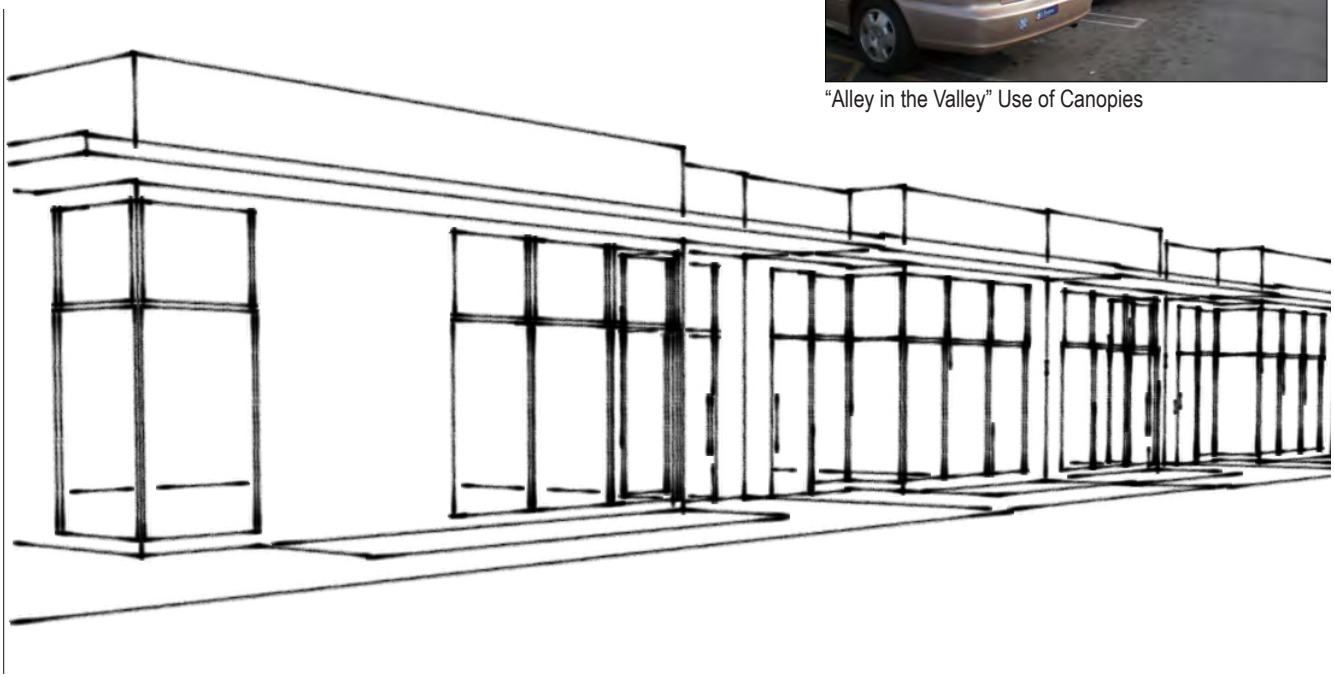
# Prototype Building Block Study

## PEDESTRIAN ENHANCED LOCAL RETAIL




"Alley in the Valley" Use of Canopies



**Tarzana Crossing**

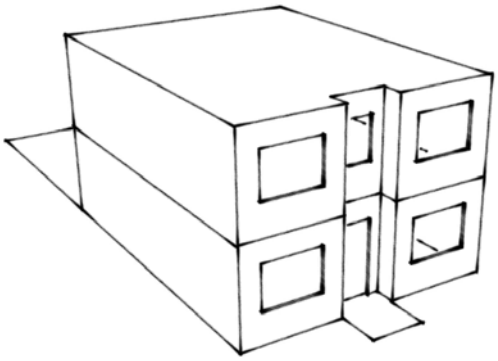
Southern California Association of Governments
City of Los Angeles - Department of City Planning
urban design studio

Development Prototypes

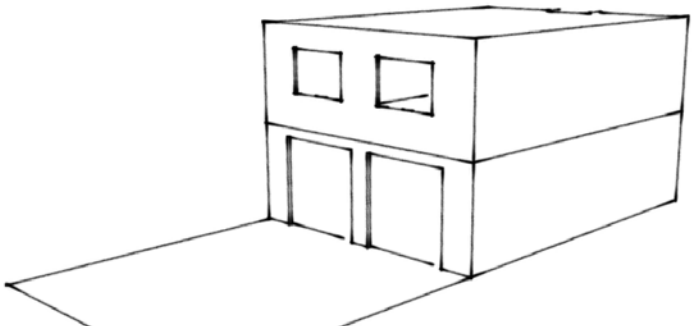
June 10, 2010
IBI Group
Meléndrez

# Prototype Building Block Study

## TYPICAL ATTACHED RESIDENTIAL



Limited use of exterior space at entrance elevation does little to enhance pedestrian realm

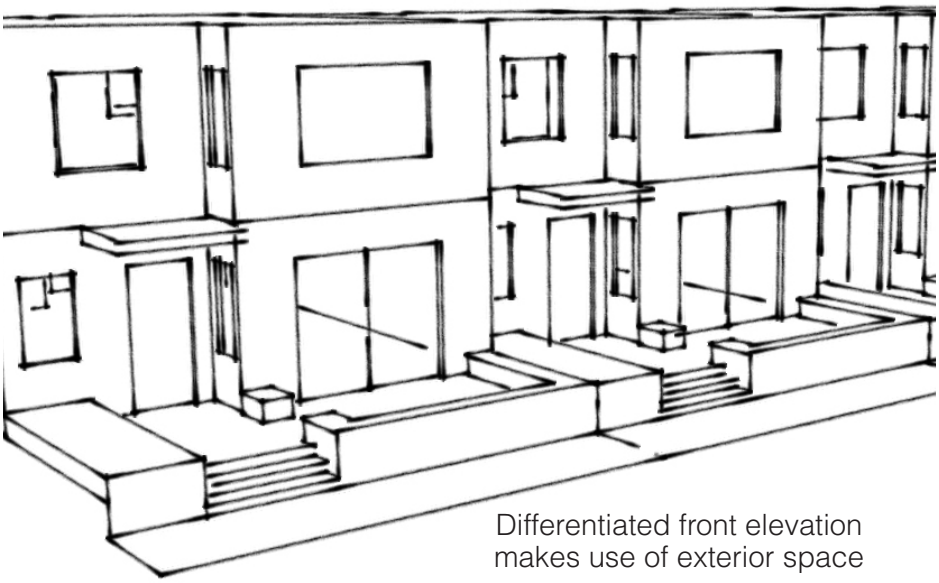


Lane access with two car garage to support non-transit supported development

Existing Tarzana Street Edge Service Lane

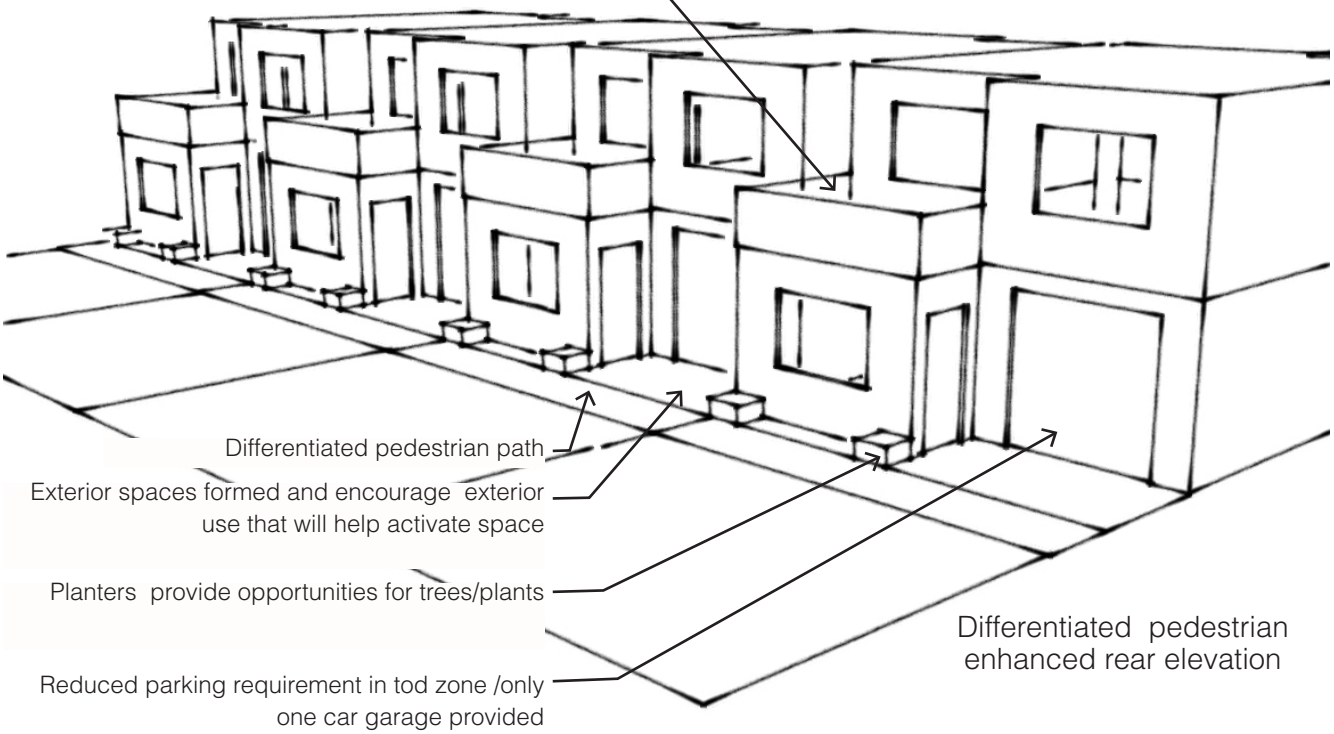
# Prototype Building Block Study

## PEDESTRIAN ENHANCED RESIDENTIAL



Differentiated front elevation makes use of exterior space

Existing Tarzana Street Edge Residential

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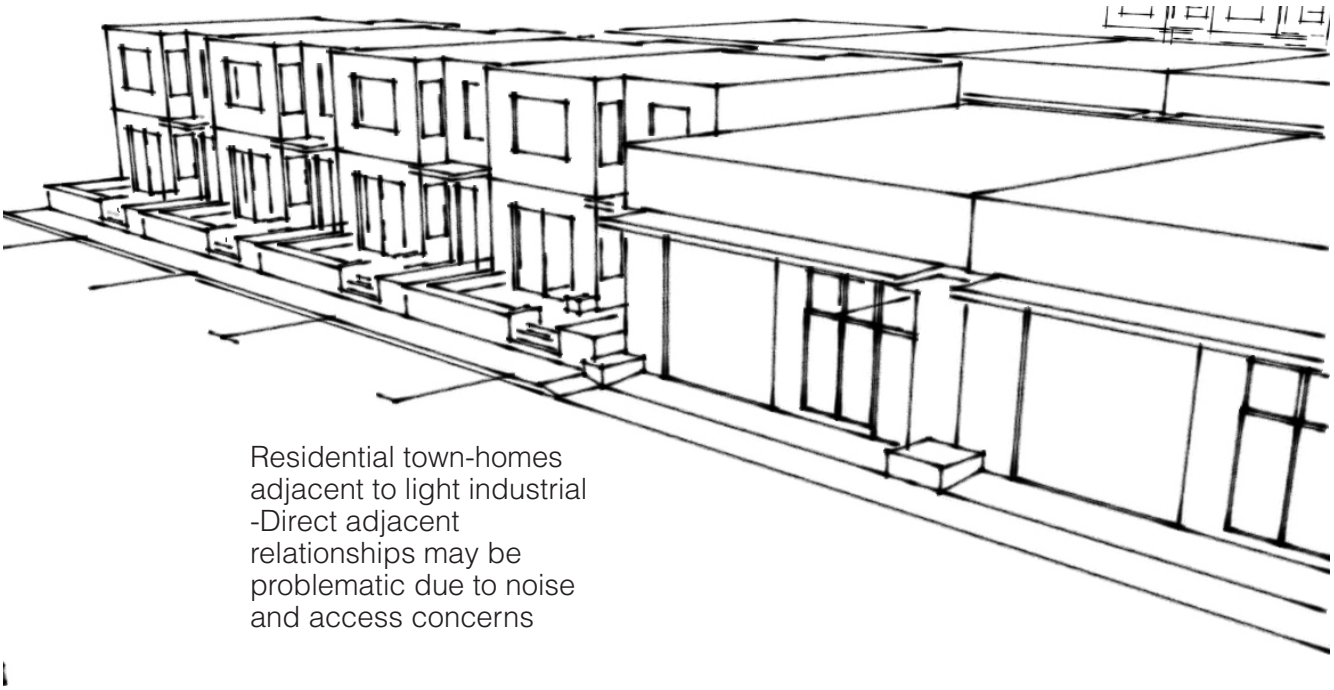
# Prototype Building Block Study

## MIXED-USE SCENARIOS HORIZONTAL SEPARATION

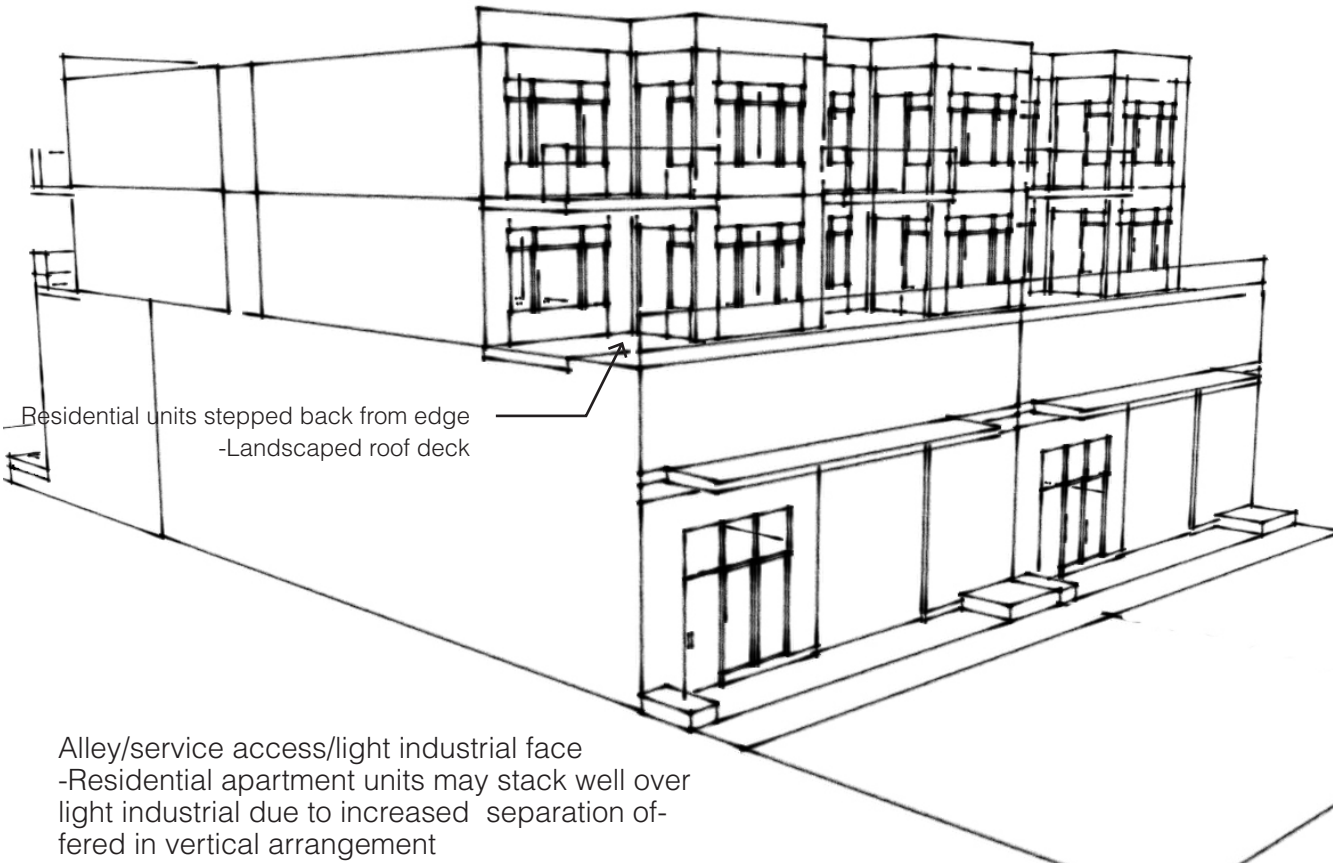


Residential town-homes adjacent to light industrial
-Direct adjacent relationships may be problematic due to noise and access concerns

Retail adjacent to light industrial
-This adjacent relationship suggests interesting blurring of uses, as well as symbiotic relationships between uses

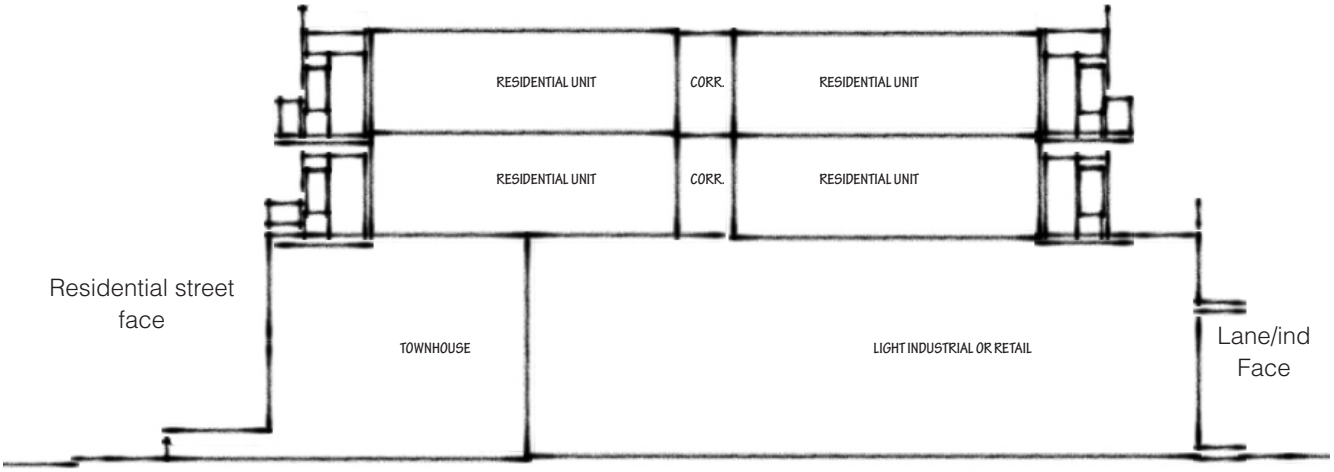
# Prototype Building Block Study

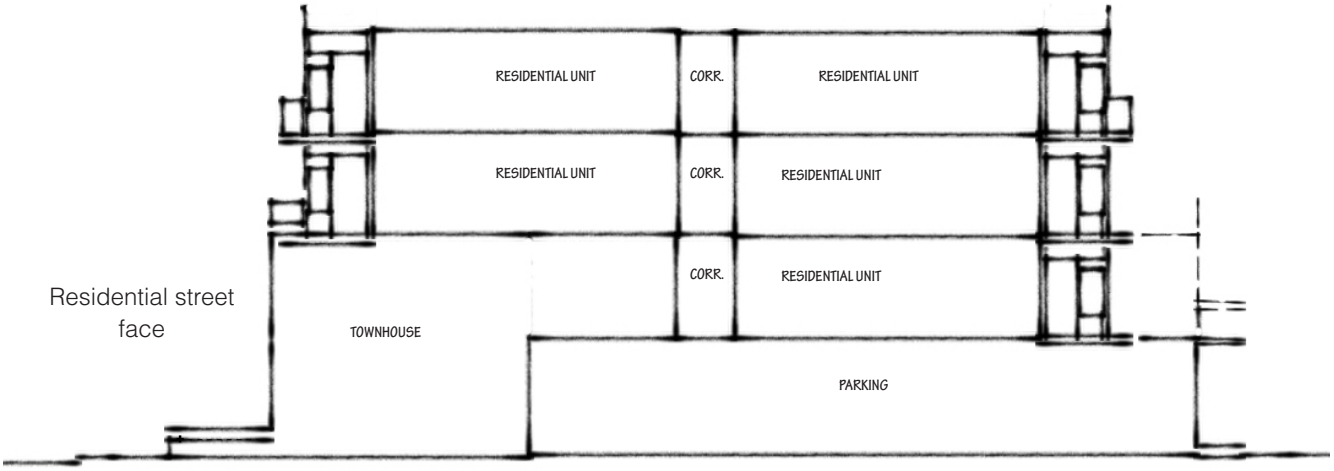
## MIXED-USE SCENARIOS VERTICAL SEPARATION



# Prototype Building Block Study

## MIXED-USE SCENARIOS VERTICAL SEPARATION



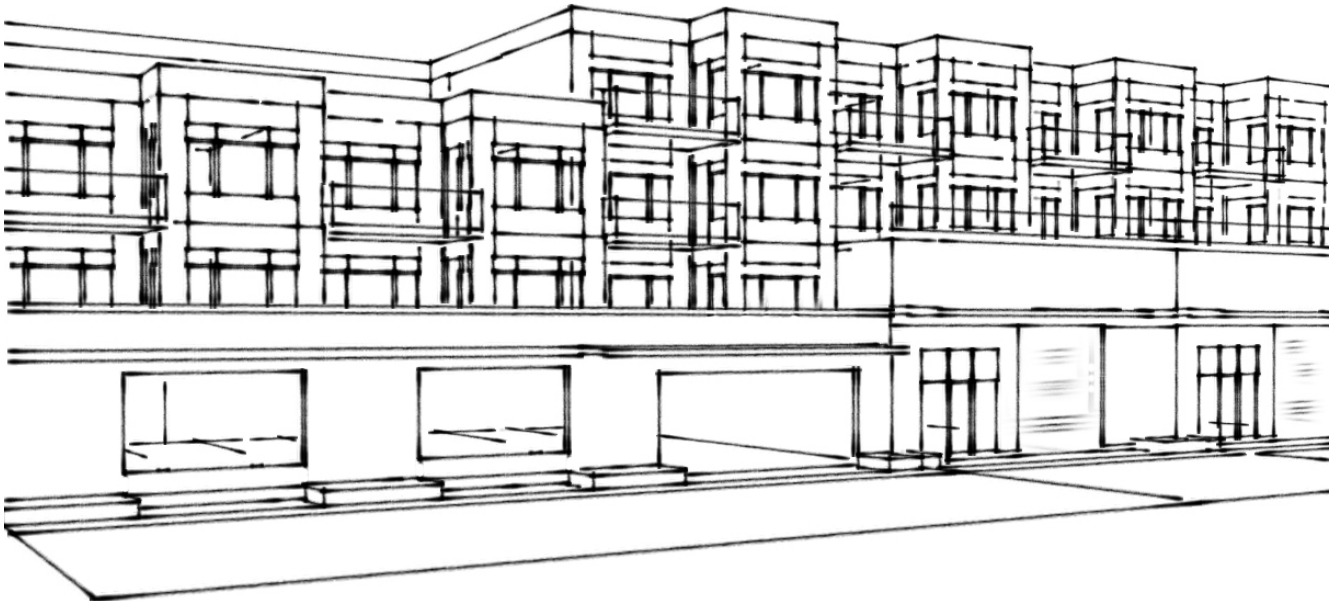




Section relationships

# Prototype Building Block Study

## MIXED-USE SCENARIOS VERTICAL SEPARATION

Residential parking and service shared with light-industrial access



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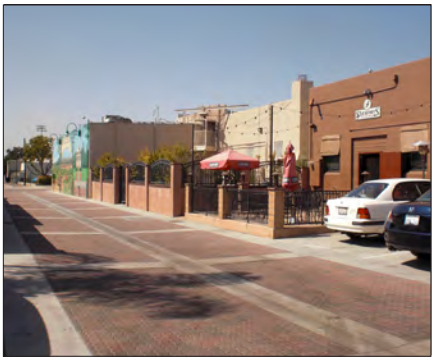
# Case Study: Fullerton's SOCO District



Source: City of Fullerton

## SOCO District

- SOCO District (South of Commonwealth Avenue). The project is located within the City of Fullerton's historic downtown and a catalyst for revitalization in the area.

- The project is transit compatible and located within a quarter mile (five minute walk) to Fullerton's Metrolink station and served by OCTA bus routes.

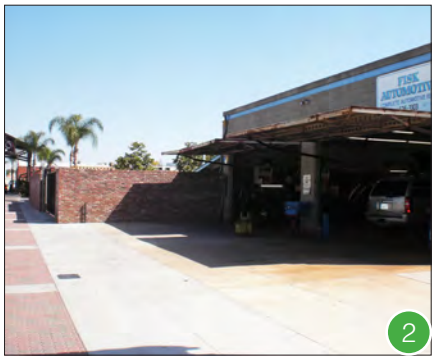
- The site combines a mix of light industrial and commercial uses and implements a shared space concept. A shared space is a street network that makes public space vital and accessible to both the pedestrian and automobile.

- Site is zoned C-3- ROD and M-G: Central Business District Commercial with a Restaurant District Overlay and Manufacturing General with a Restaurant District Overlay.
  - C-3 zones provide for a highly concentrated business district that includes mixed residential and commercial use, primarily for the downtown area.
  - M-G zones allow compatible industrial uses in proximity to each other with a particular focus on minimizing impacts on adjacent residential uses.
  - ROD (Restaurant Overlay District) is a City tool used when implementing redevelopment goals and objectives. Restaurants can expand and locate in the ROD without the need to provide on-site parking.

- SOCO District is based on an "alley network" designed to accommodate for the practical needs of businesses within the district while also creating a positive pedestrian realm through minor treatments such as brick paving, signage, murals, landscaping, and themed lighting.

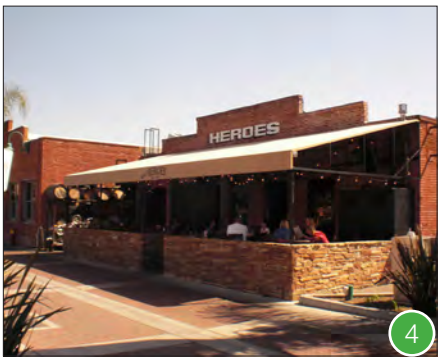
# Case Study: Fullerton's SOCO District

S. Malden Avenue entrance to SOCO District emphasized by SOCO signage, brick pavers, and Fullerton mural.



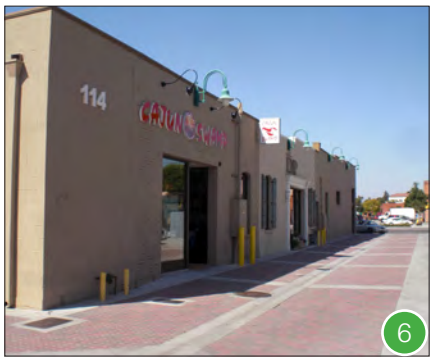
Fisk Automotive (Manufacturing-General use) located within the SOCO District.

Alley network looking east toward Harbor Boulevard. The alley network provides parking for businesses and a pathway for pedestrians.




Heroes Bar & Grill patio facing the alley network.

Ellingson Inc. (Light industrial use) adjacent to Heroes Bar & Grill (Commercial use).




Studio EMP Inc., a wedding photographer company, and The Dresser, a couture bridal boutique, share the alley with the Cajun Swamp restaurant.

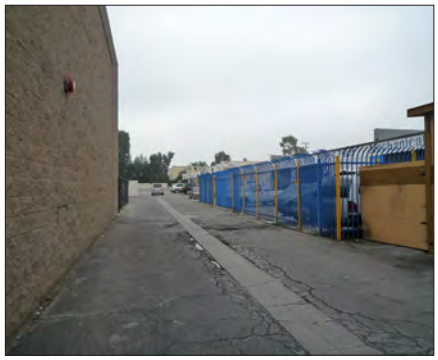
# Case Study: Fullerton's SOCO District

Tarzana Crossing, Los Angeles, California.
Site Area: 338, 000 square feet
Existing Land Uses: Commercial, Industrial, alley network

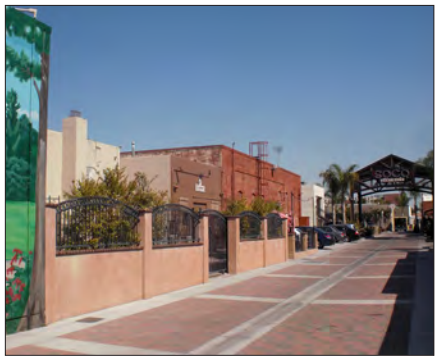
SOCO District, Fullerton, California.
Site Area: 180, 000 square feet
Existing Land Uses: Commercial (restaurant and retail), Industrial (manufacturing and light industrial), alley network

## Applying SOCO District Principles to Tarzana Crossing

- Defining pedestrian realm within an alley network provided through hardscape paving, landscaping, signage, and lighting.
- Creating a functional mix of uses within one site such as retail, light industrial, and residential.
- Enhancing light industrial and commercial uses with an emphasis on extending the use into the pedestrian realm.



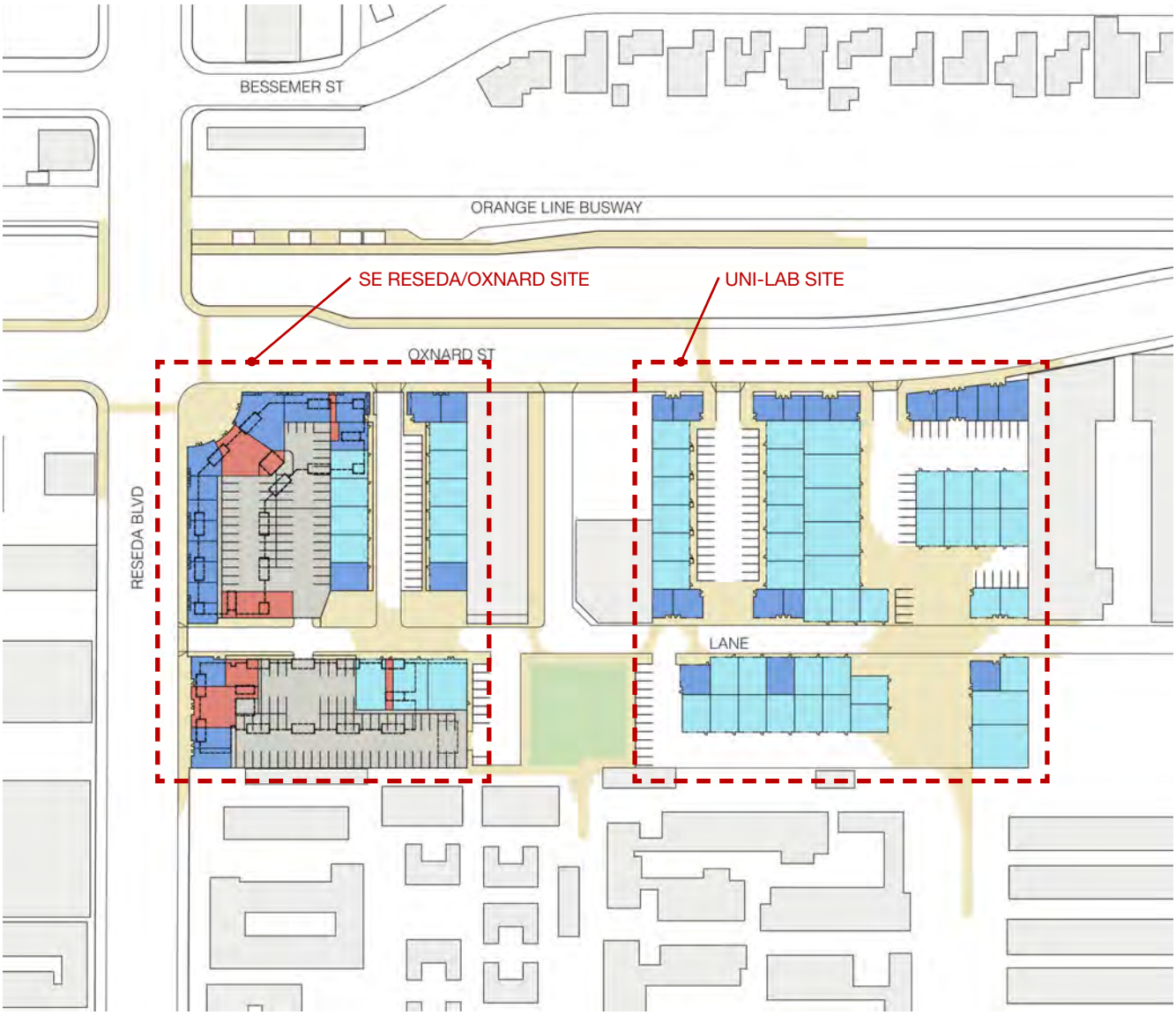
Tarzana Crossing



SOCO District

# Development Prototypes Site Layout

## OVERALL SITE PLAN



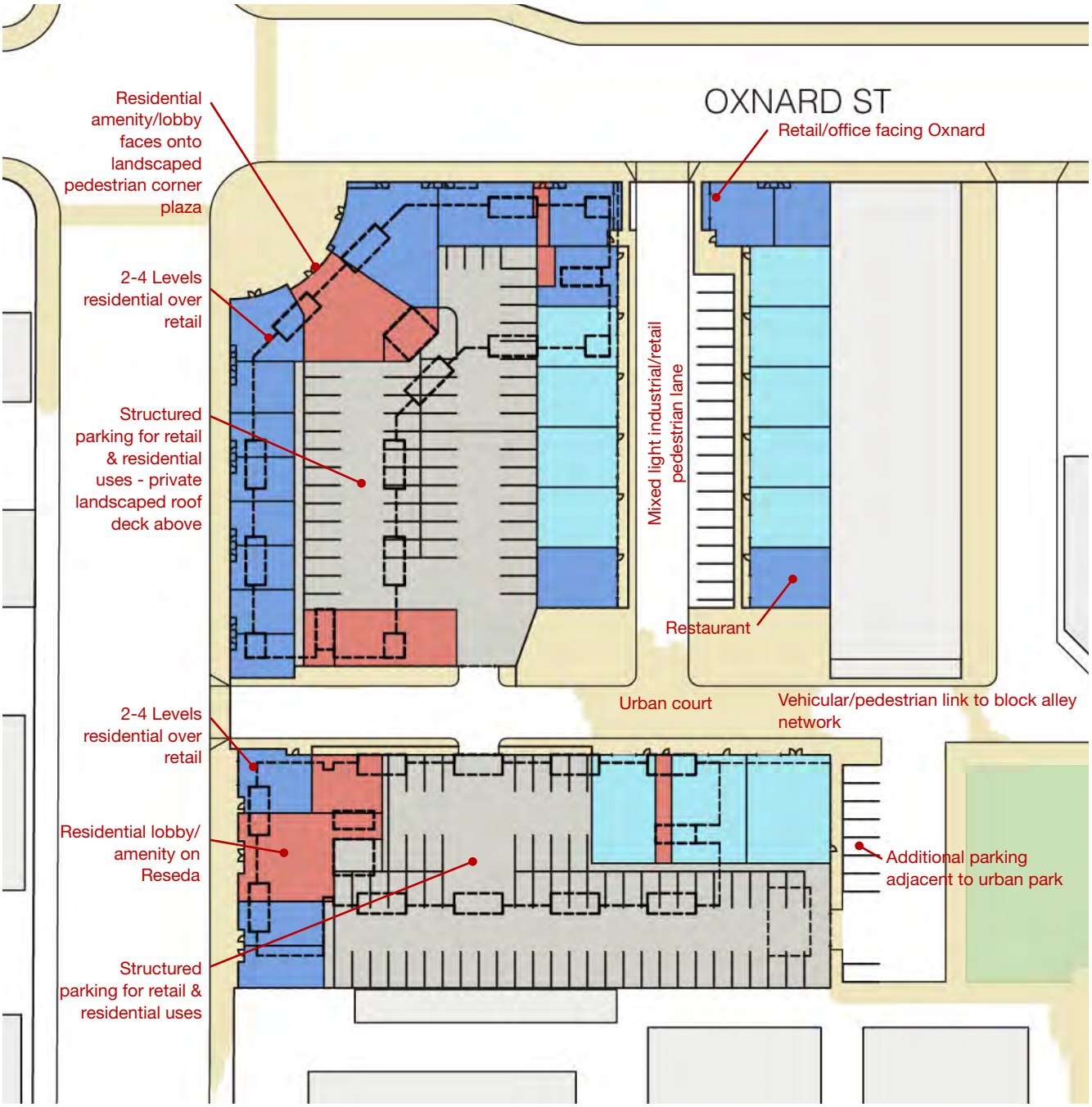

LEGEND:

- Retail/Commercial
- Residential
- Structured Parking
- Light Industrial
- Pedestrian Circulation

N

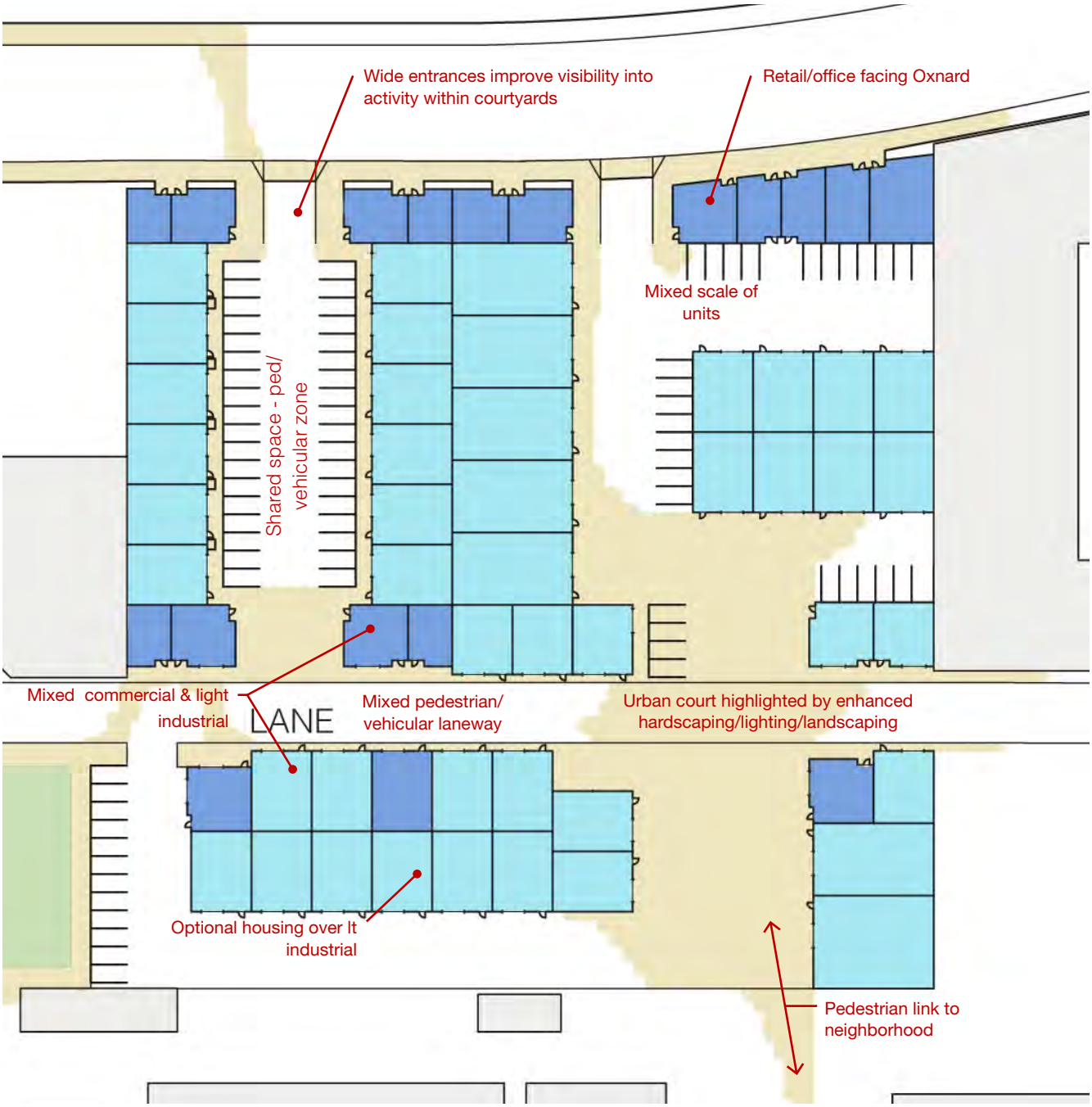
# Development Prototypes Site Layout

## SE RESEDA/OXNARD SITE PLAN



# Development Prototypes Site Layout

## UNI-LAB SITE PLAN



# Connectivity & Open Space Planning

# Public Realm Improvements

Public realm improvements will focus on increasing CONNECTIVITY and creating OPEN SPACE

## CONNECTIVITY

Connectivity issues relate to:

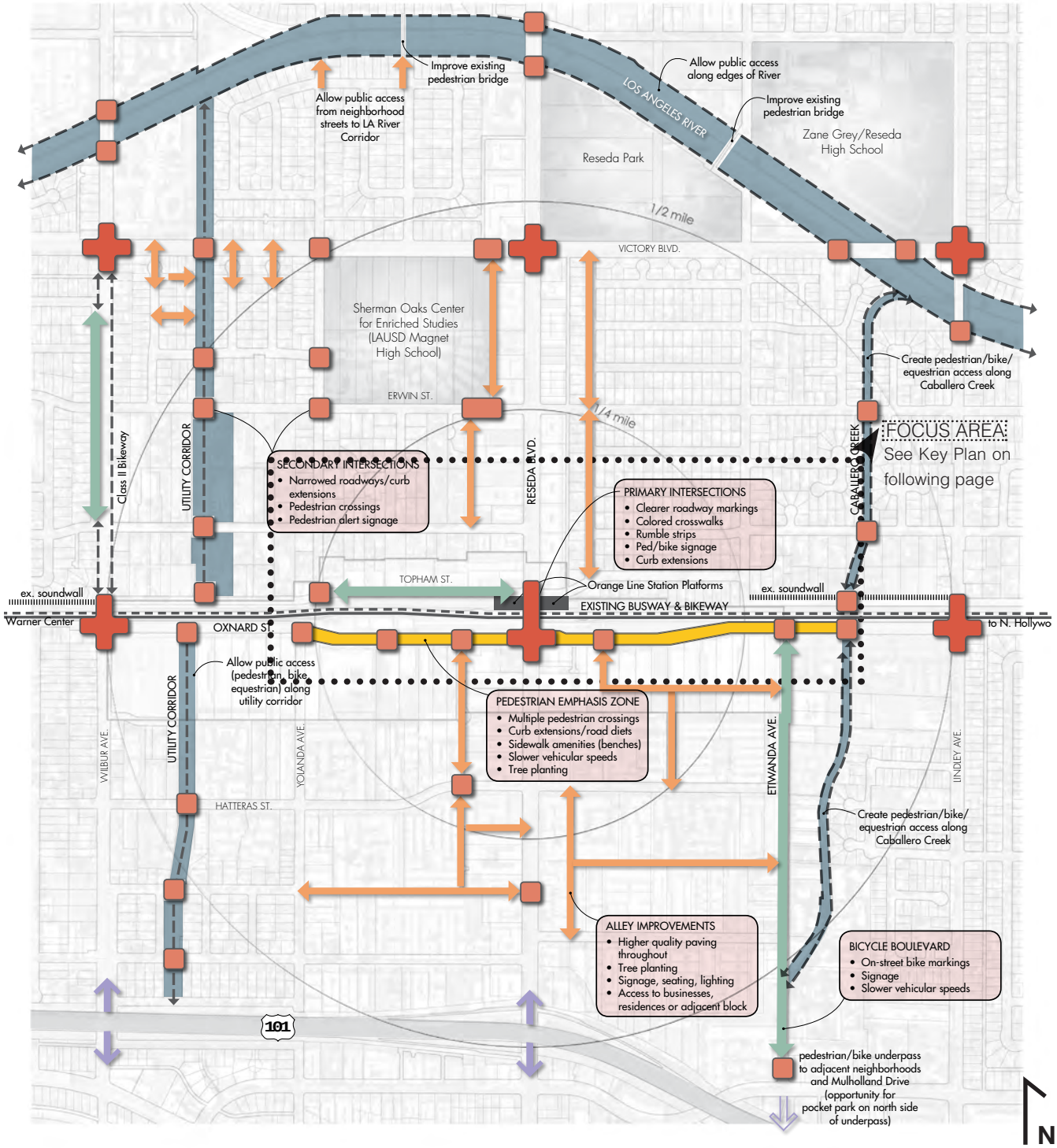
- Pedestrian improvements at intersections and on sidewalks
- Improving bike lanes and creating bike boulevards or off-road bike trails
- Alley improvements to encourage pedestrian use
- Slowing vehicles for pedestrian safety

## OPEN SPACE

Open Space issues relate to:

- Repurposing underutilized land for open space opportunities.
- Considering multi-functional spaces (ie. parking lots during the week and farmers markets on the weekend)
- Creating an off-street open space network by utilizing alleys and parking lots

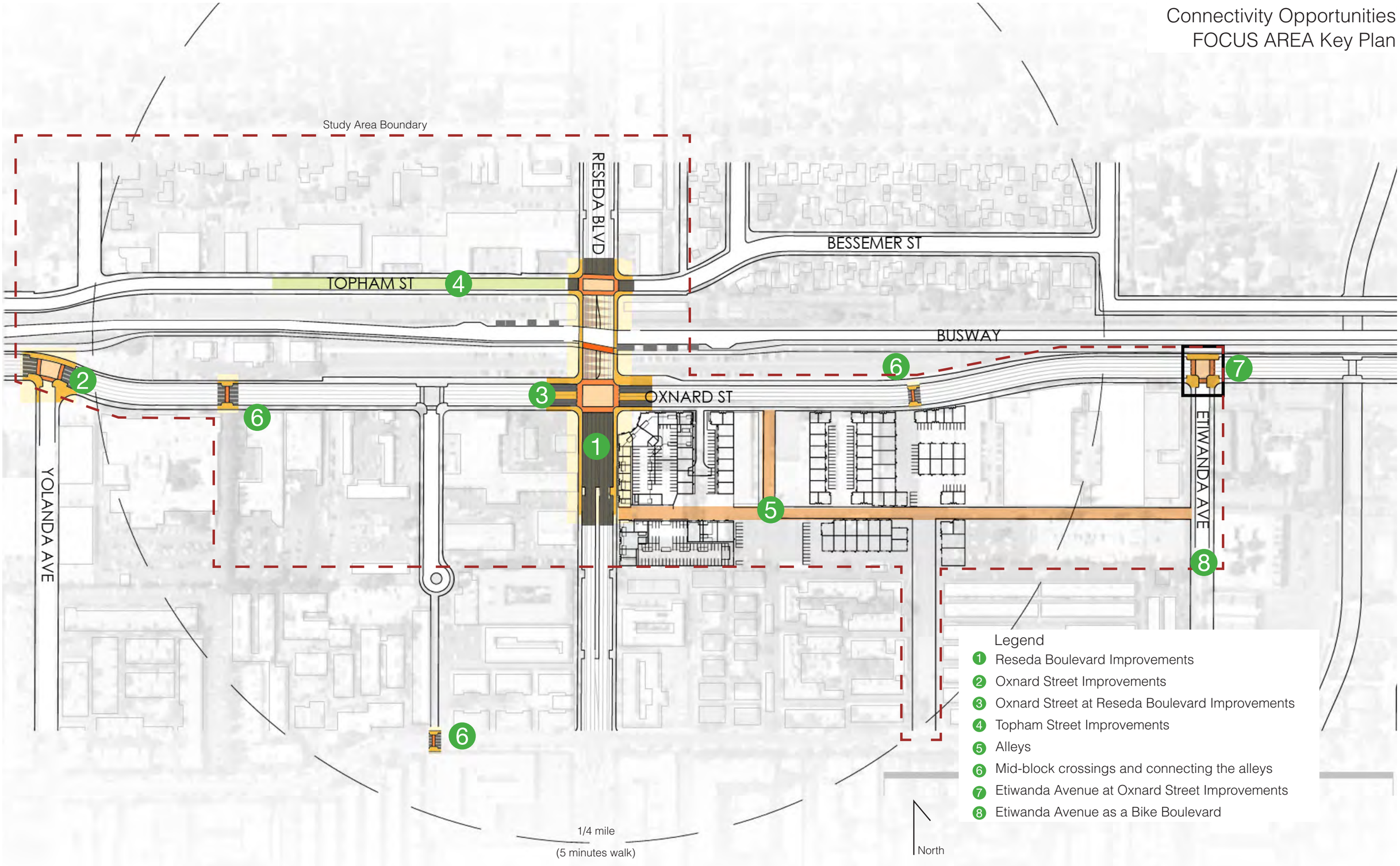
# Connectivity Opportunities




**LEGEND**

- PRIMARY INTERSECTIONS pedestrian improvements
- SECONDARY INTERSECTIONS pedestrian improvements
- PROPOSED BICYCLE BOULEVARDS
- PEDESTRIAN EMPHASIS ZONE
- IMPROVE PEDESTRIAN EXPERIENCE UNDER 101 FWY.
- EXISTING CLASS I BIKEWAY

# Connectivity Opportunities
## FOCUS AREA Key Plan



# Connectivity Opportunities

## 1 Reseda Boulevard Existing Conditions

No street trees

Wide expanses of asphalt with few pedestrian amenities.

Existing bike lane is good, but it could be better.

### How to make Reseda Boulevard a better street?

- Make the street beautiful without affecting traffic flow.
- Alert motorists to the presence of pedestrians.
- Create a better biking environment.

# Connectivity Opportunities

## 1 Reseda Boulevard Improvements

Add colored crosswalks and patterned intersections to alert motorists to the presence of pedestrians.

Add street trees on sidewalks and consider turning the existing painted median into a planted median.

Repurpose end section of Metro parking lot to expand transit plaza on either side of Reseda Boulevard. (See page 35)

Remove right turn lane and expand sidewalk to create a larger pedestrian transit plaza

Incorporate civic plaza at corner of new development.

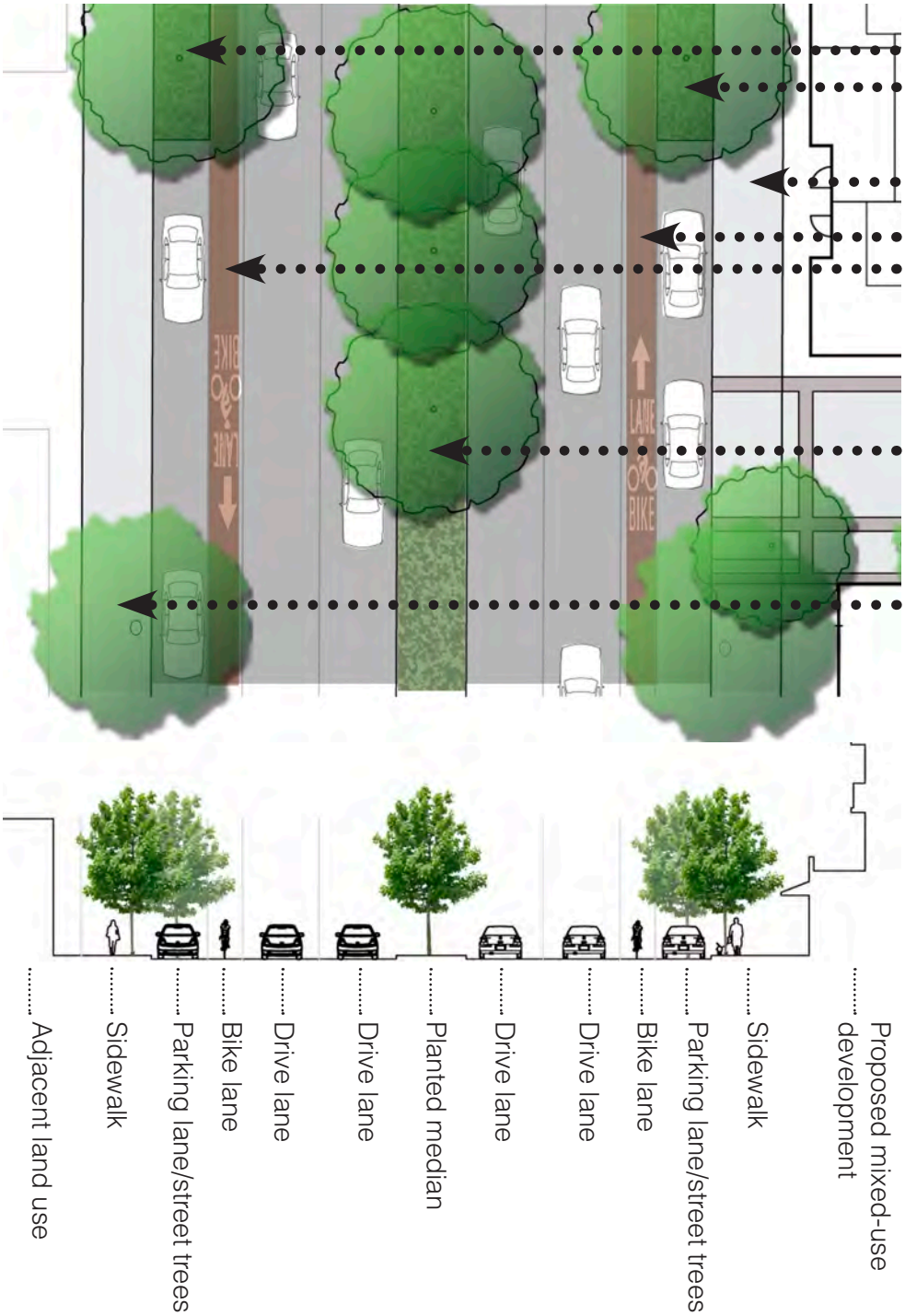
Add more street trees in pairs along Reseda Boulevard.

Remove one parking space approx. every 100' to make way for a street tree.

Add a planted median where center turn aisle is currently located, where possible.

# Connectivity Opportunities

## 1 Reseda Boulevard Improvements - Street Configuration Option 1




Remove one parking space approx. every 100' to make way for a street tree and planted area

Maintain existing sidewalk

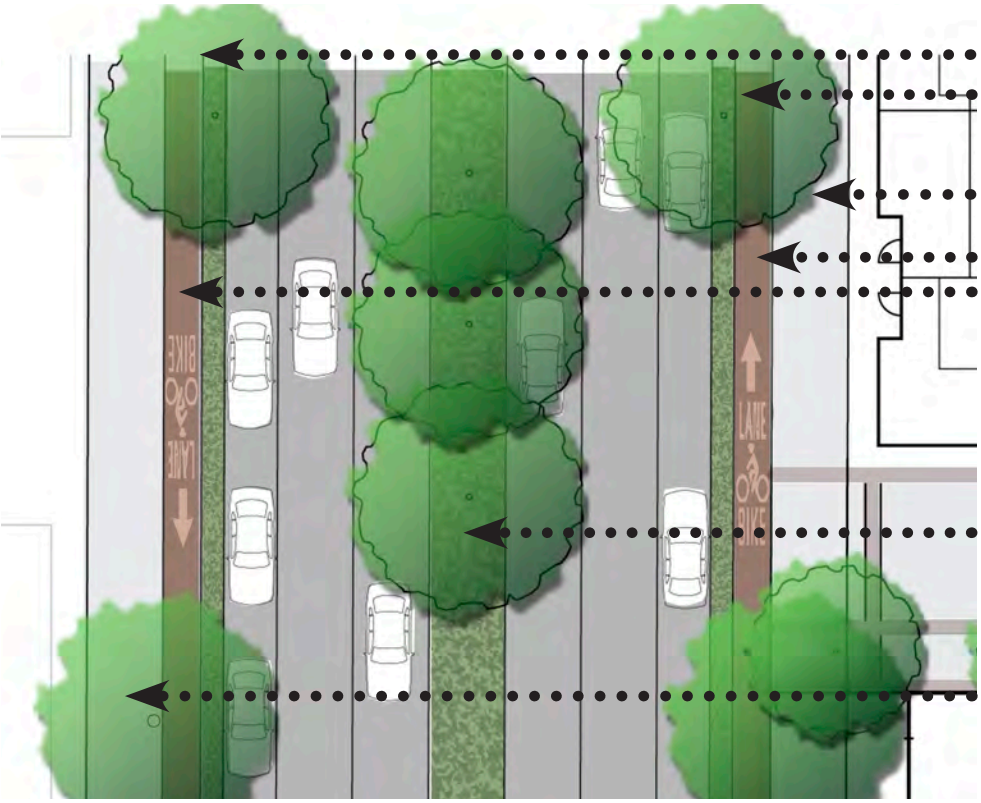
Maintain bike lane in existing location. Add a colored surface to bike lane for cyclist safety.

Add a planted median where center turn aisle is currently located, where possible.

Add additional street trees in sidewalk.

# Connectivity Opportunities

## 1 Reseda Boulevard Improvements - Street Configuration Option 2




Remove one parking space approx. every 100' to make way for a street tree

Maintain existing sidewalk

Create a protected bike lane by pushing bike lane to curb, adding a 3' wide buffer and moving parking lane away from curb. (Drive lanes would need to be narrowed to 10')

Add a planted median where center turn aisle is currently located, where possible.

Add additional street trees in sidewalk.

Adjacent land use
Sidewalk
Protected bike lane
3' wide buffer
Parking lane
Drive lane
Drive lane
Planted median
Drive lane
Drive lane
Parking lane
3' wide buffer
Protected bike lane
Sidewalk
Proposed mixed-use development

# Connectivity Opportunities

## 1 Reseda Boulevard Improvements - Bike Lane Possibilities

To improve safety and increase connectivity:

Consider a protected bike lane

Paint the bike lane

Create a protected bike lane with just a can of paint.

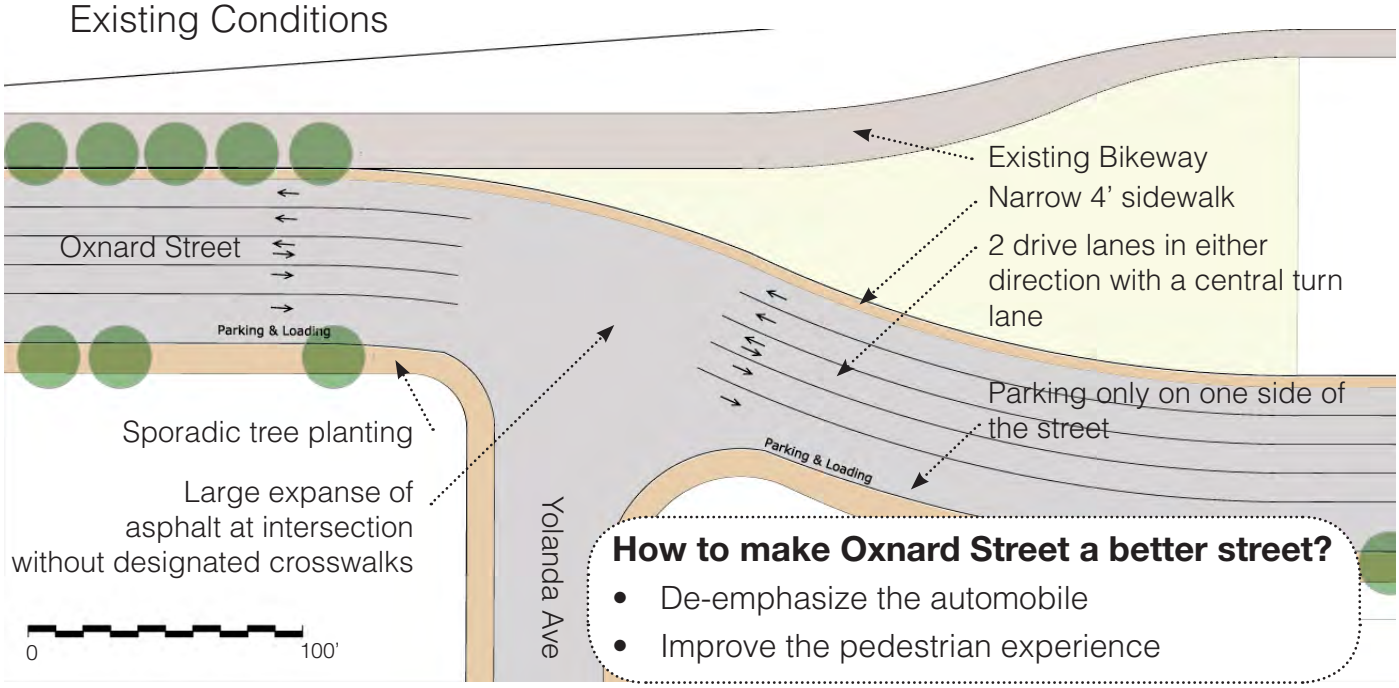
Add bike boxes at intersections.

# Connectivity Opportunities

## 2 How to create pedestrian focused street on Oxnard Street.

A PHASED APPROACH

Existing Conditions

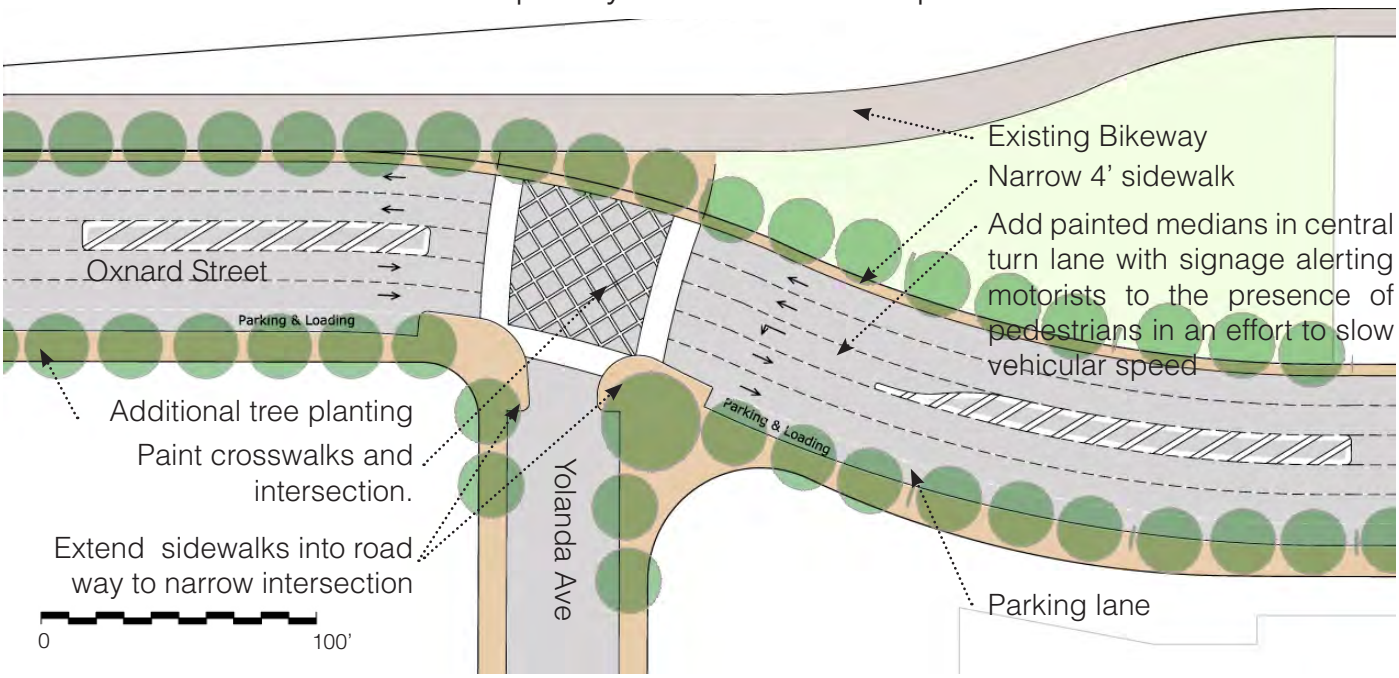


View west along Oxnard Street - Large expanse of asphalt with little pedestrian space

View east along Oxnard Street - No crosswalk markings to alert drivers to the presence of pedestrians or cyclists

## ❷ How to create pedestrian focused street on Oxnard Street. A PHASED APPROACH

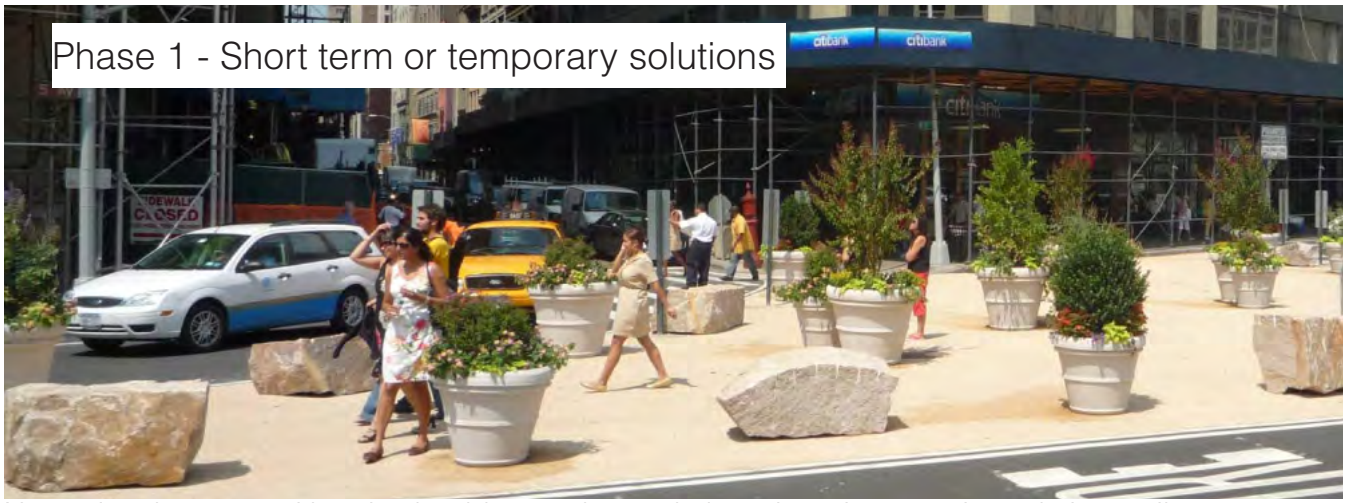
Phase 1 - Short term or temporary solution at a sample intersection



Painted medians can reorganize traffic patterns at minimal cost.

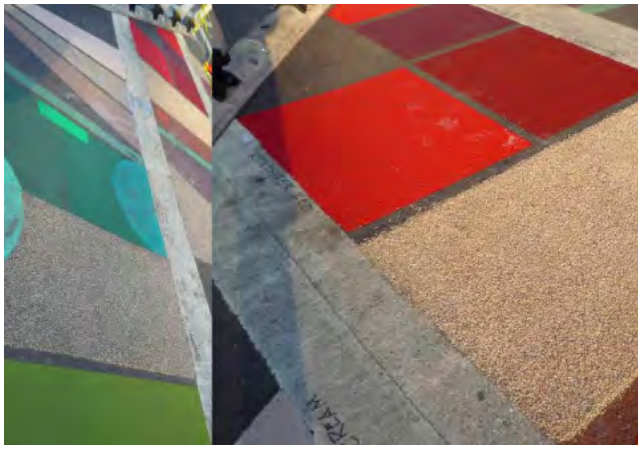
Painted crosswalks are quick to install while still being highly visible and effective.

## ❷ How to create pedestrian focused street on Oxnard Street. A PHASED APPROACH

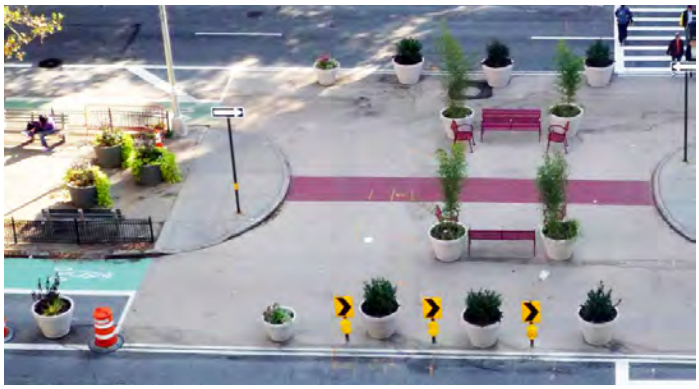



Narrowing the street with paint, boulders and potted plants is an inexpensive solution until a permanent solution can be implemented.

Painted intersection



Temporary surface treatment

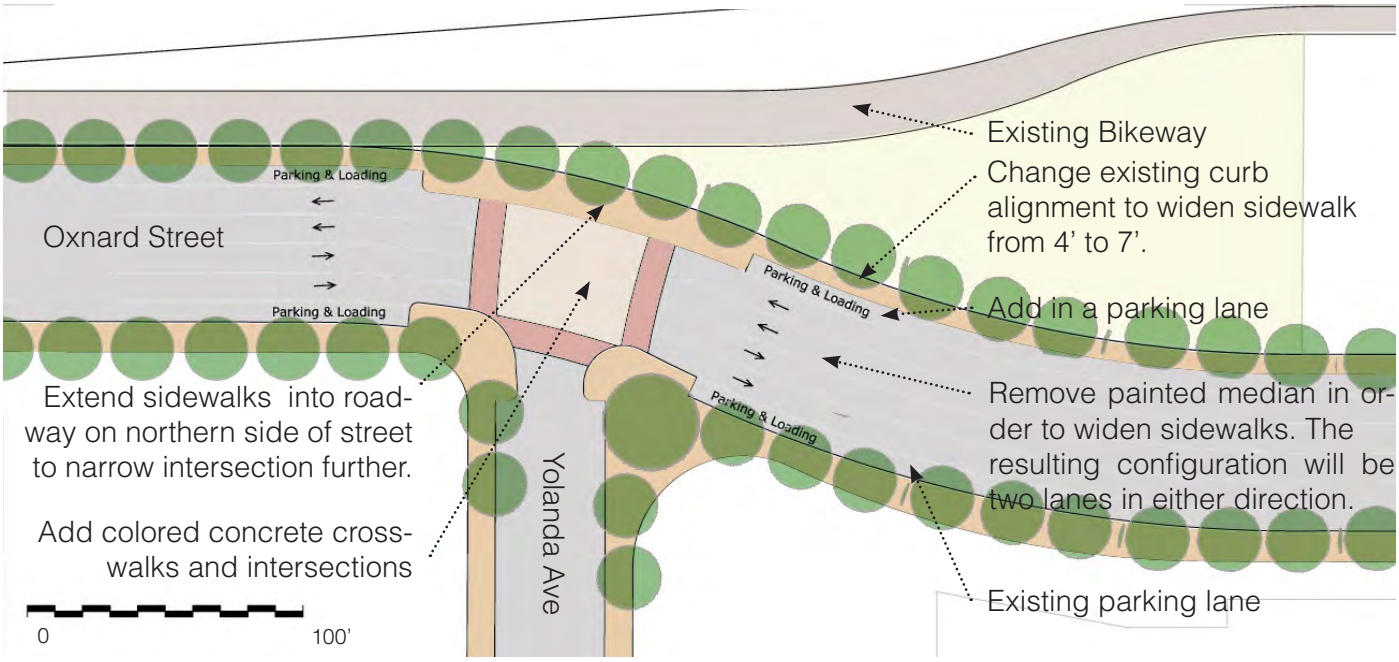


No changes to curb alignments

Use of potted plants to change traffic patterns

## 2 How to create pedestrian focused street on Oxnard Street
## A PHASED APPROACH

### Phase 2 -Long term or permanent solution at a sample intersection



Extending the sidewalks into the roadway narrows the intersection, which can help slow traffic. It also means that pedestrians can safely move to the edge of the roadway where they are most visible to motorists.

Colored concrete crosswalks, although more expensive, are a more permananent, higher quality solution.

## ❷ How to create pedestrian focused street on Oxnard Street
## A PHASED APPROACH

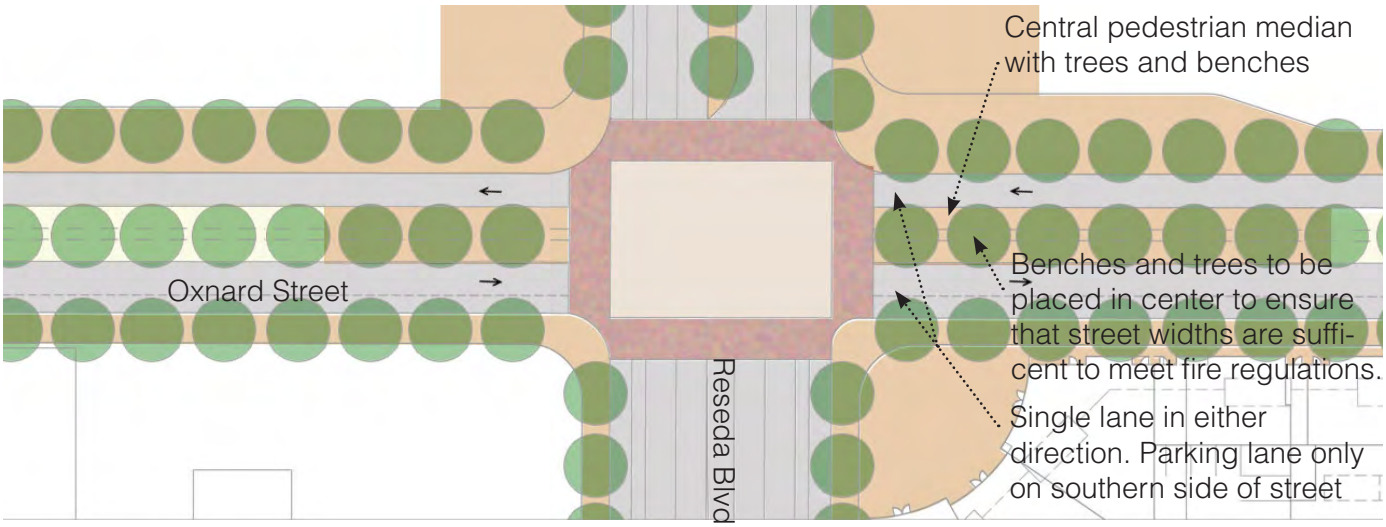
New medians

Fun colored concrete crosswalks

Street Print or Duratherm crosswalks

## 3 How to create pedestrian focused street on Oxnard Street at the Reseda Boulevard intersection.

Perhaps at some point in the future, when residents of Tarzana Crossing prefer to walk or ride their bikes, Oxnard Street will only need to be a single lane in either direction. The opportunity would then exist to pedestrianize the center of the street with trees and benches. Traffic would be further slowed and pedestrians would have a refuge in the middle of the street.



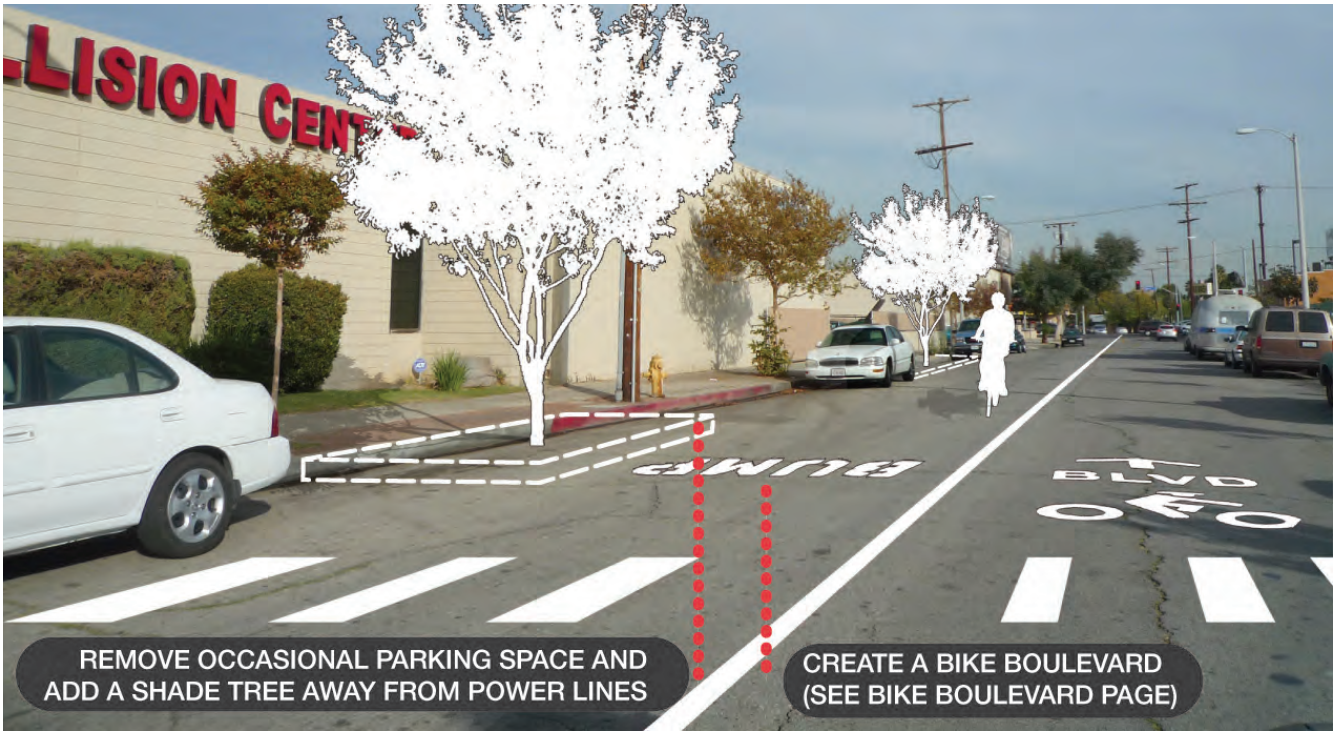
Pedestrian median with trees and benches. (This scheme may require rolled curbs to meet fire regulations)

## 3 Pedestrian-friendly retail streets

# 4 Topham Street Improvements

**How to make Topham Street a better street?**

- Make the street more friendly to pedestrians and cyclists by adding more shade trees within the right-of-way and create a bicycle boulevard.



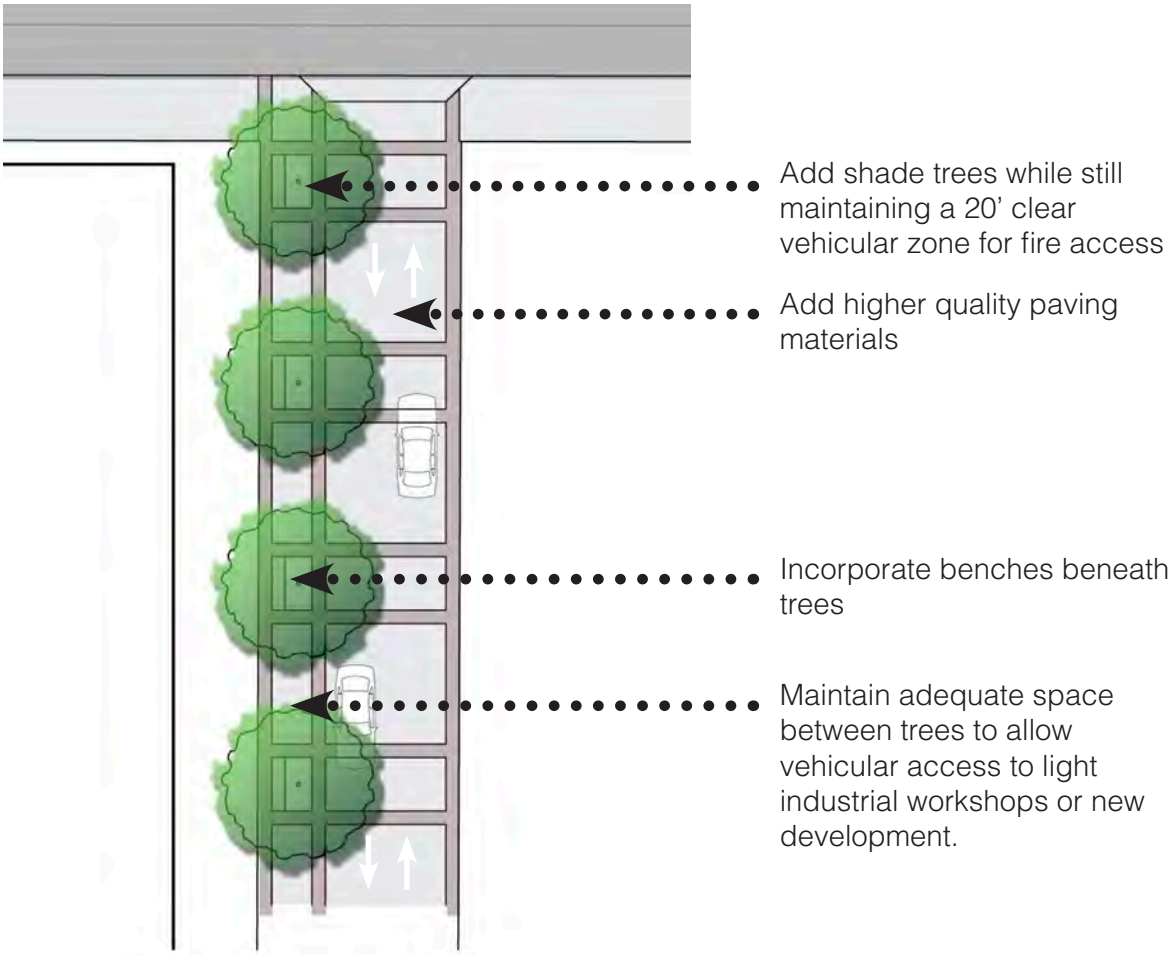
## 5 Alleys - Existing conditions

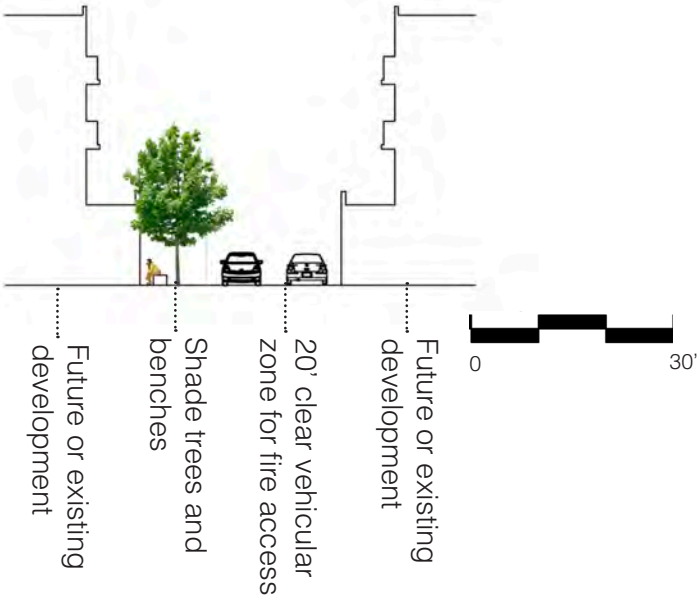
These existing alleys are are not inviting spaces for pedestrians.

**How to make the alleys better?**

- Make the alleys more attractive to pedestrians while still accomodating vehicles.

## 5 Alleys - Proposed Improvements



# 5 Alleys - Proposed Improvements

Alleys can be plesant pedestrian-oriented places lined with trees and benches, while stiill performing their role of providing access to the interior of blocks.

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## 6 Mid-block Crossings and Connecting the existing alleys

Crosswalks don't always have to be at intersections. Sometimes they can be in the middle of a block. This is useful on very long blocks so as to improve pedestrian circulation. If it's easy, safe and pleasant to walk, people will walk!

Given the numerous existing alleys in the district, it makes sense to connect them with crosswalks

# 7 Increasing connectivity at Etiwanda Avenue

This intersection at the northern end of Etiwanda Avenue has no curb ramp. A curb ramp in this location would be particularly beneficial to access the bike path directly behind.

This intersection at the northern end of Etiwanda Avenue directs pedestrians to the other side of Etiwanda Avenue in order to cross Oxnard Street. A truly pedestrian-oriented street allows people to cross all segments of an intersection.

# 8 Bicycle Boulevards

Bicycle boulevards are roads where bicycles are given precedence over vehicles, although there may be no dedicated bike lane. Instead, as the photograph above shows, the following elements may be added at minimal cost:

1. bicycle markings to alert drivers to presence of cyclists.
2. meandering road alignmnent to slow vehicles
3. speed humps to slow vehicles

With the exception of the speed humps, a bicycle boulevard can be created with just a can of paint.

# 9 Road Diets

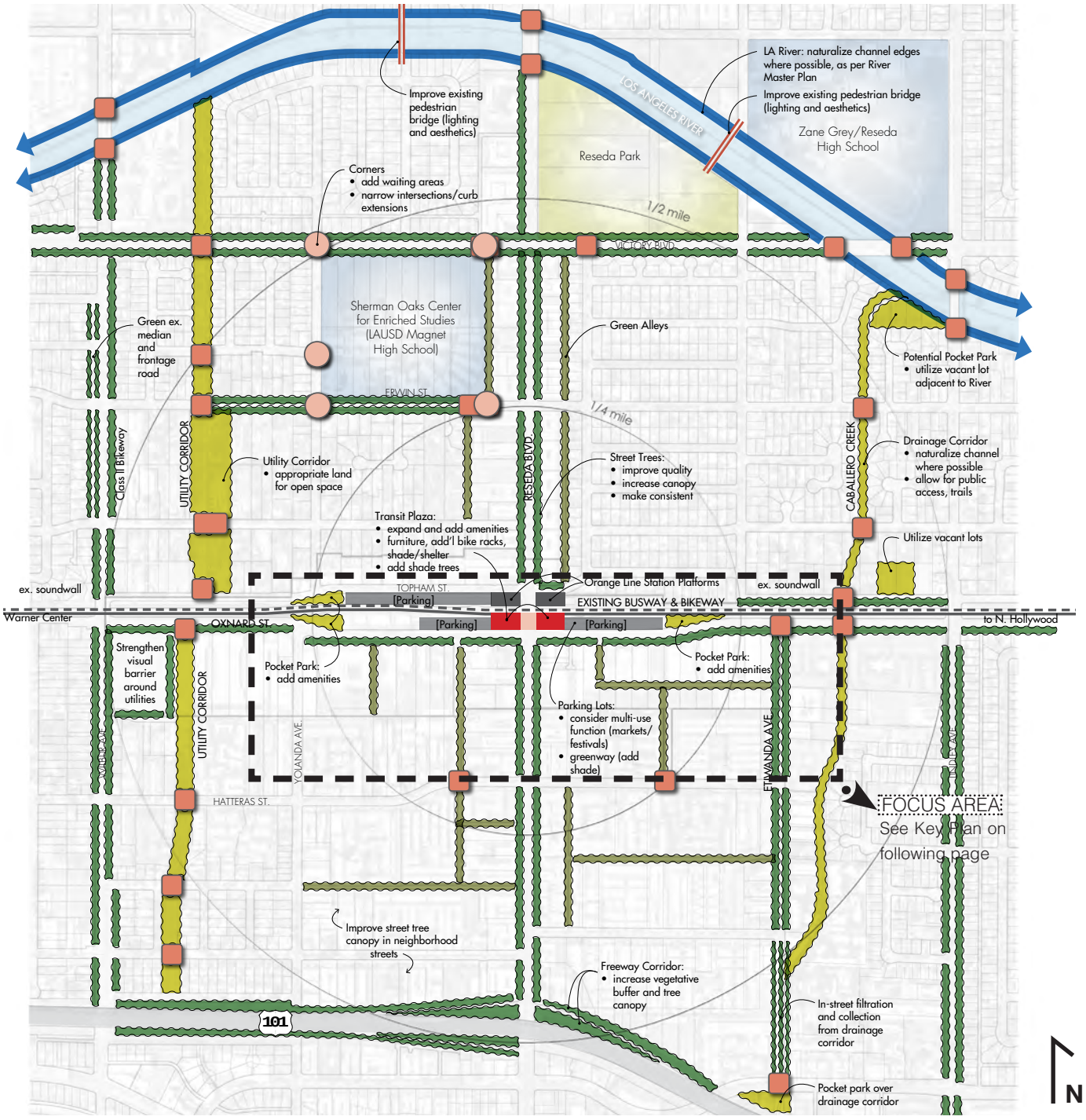
Four-lane road that is difficult for pedestrians to cross before the road diet.

The same road is converted to three lanes plus bicycle lanes after the road diet.

Pedestrian crossing islands can be added in the center lane at select crossing locations.

Road diets are a traffic calming technique that has been gaining popularity in recent years.
Essentially, the process involves identifying a four lane road (2 lanes in either direction) for example, that carries fewer vehicles than it was designed for, and narrowing it to two lanes (one lane in either direction). Traffic speeds are significantly slowed and the newly found space can be used for central median or refuge islands and/ or bikelanes.

# Open Space Opportunities

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## Open Space Planning

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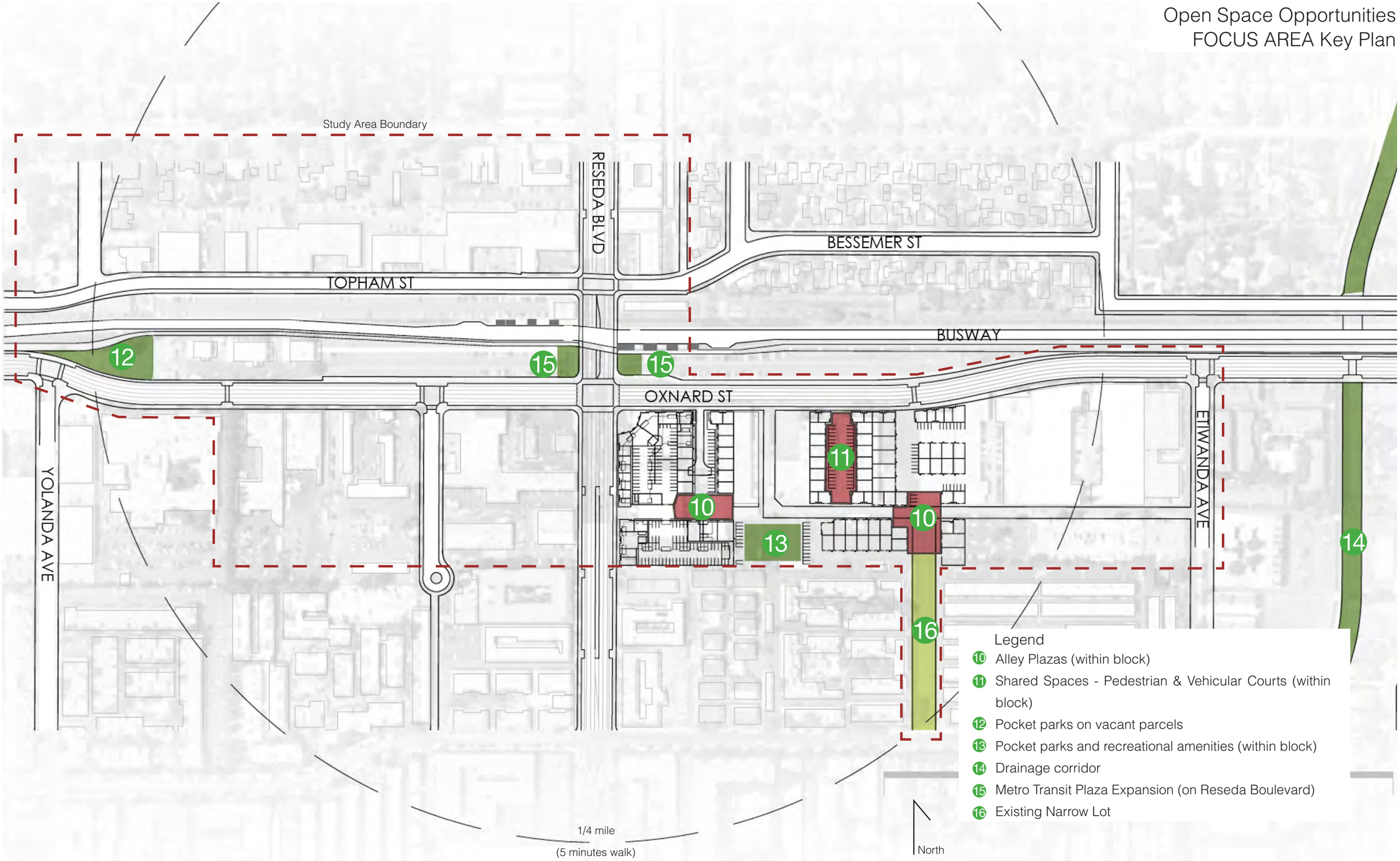
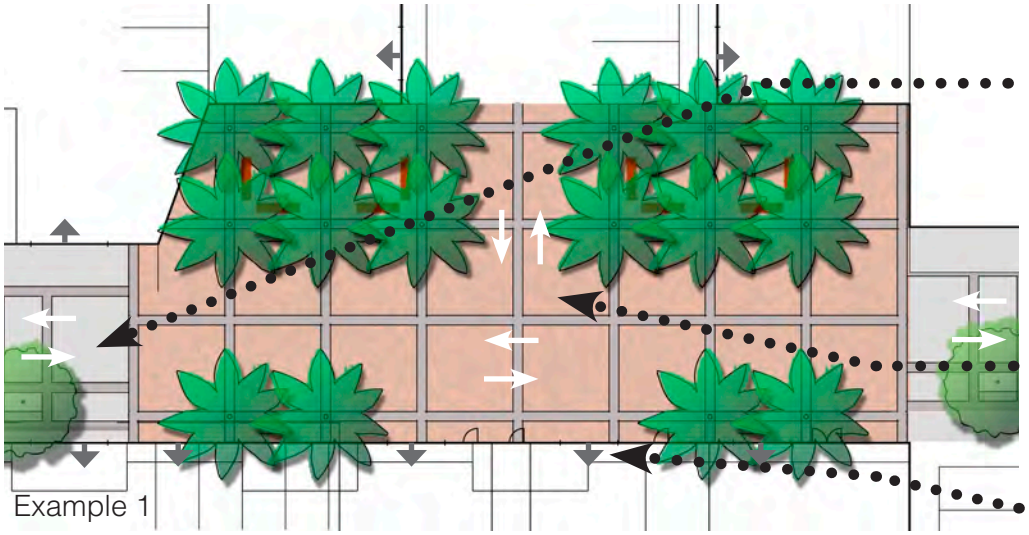
# Open Space Opportunities
## FOCUS AREA Key Plan



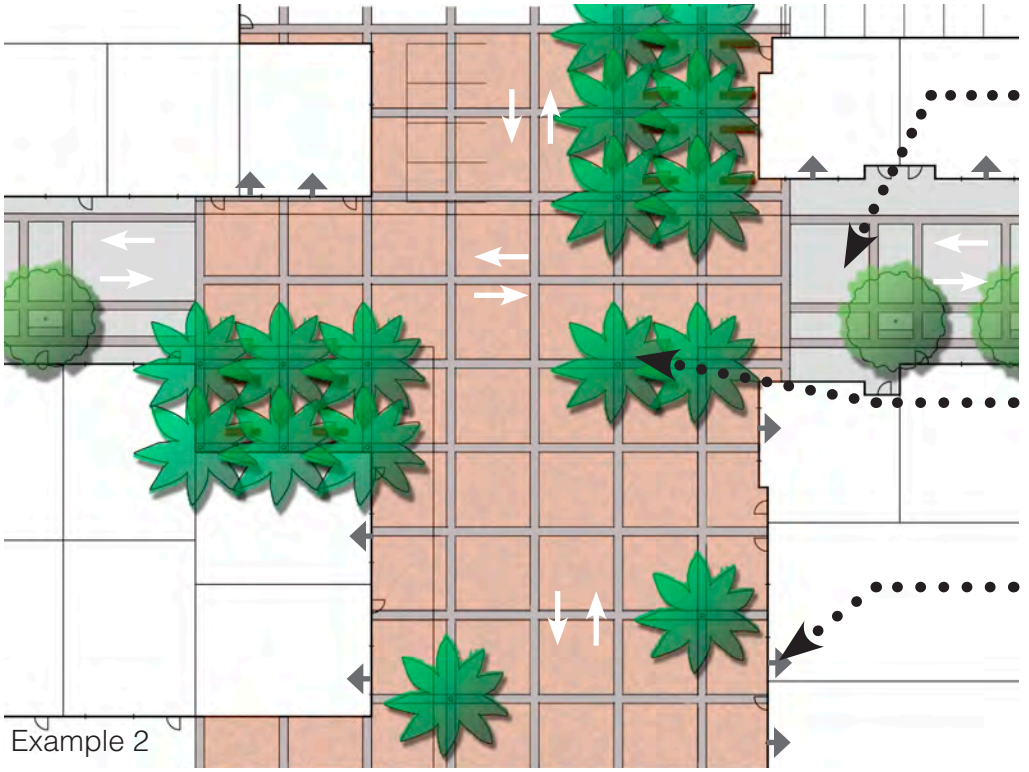
## 10 Shared Spaces - 'Alley Plazas' within a block




Internal Alleys open out into 'Alley Plazas' - complete with feature planting (palms) and benches/tables for employees.

Palms will be located to avoid turning circle radii for delivery vehicles and to allow for loading dock access.

Access to loading docks depicted by grey arrows.

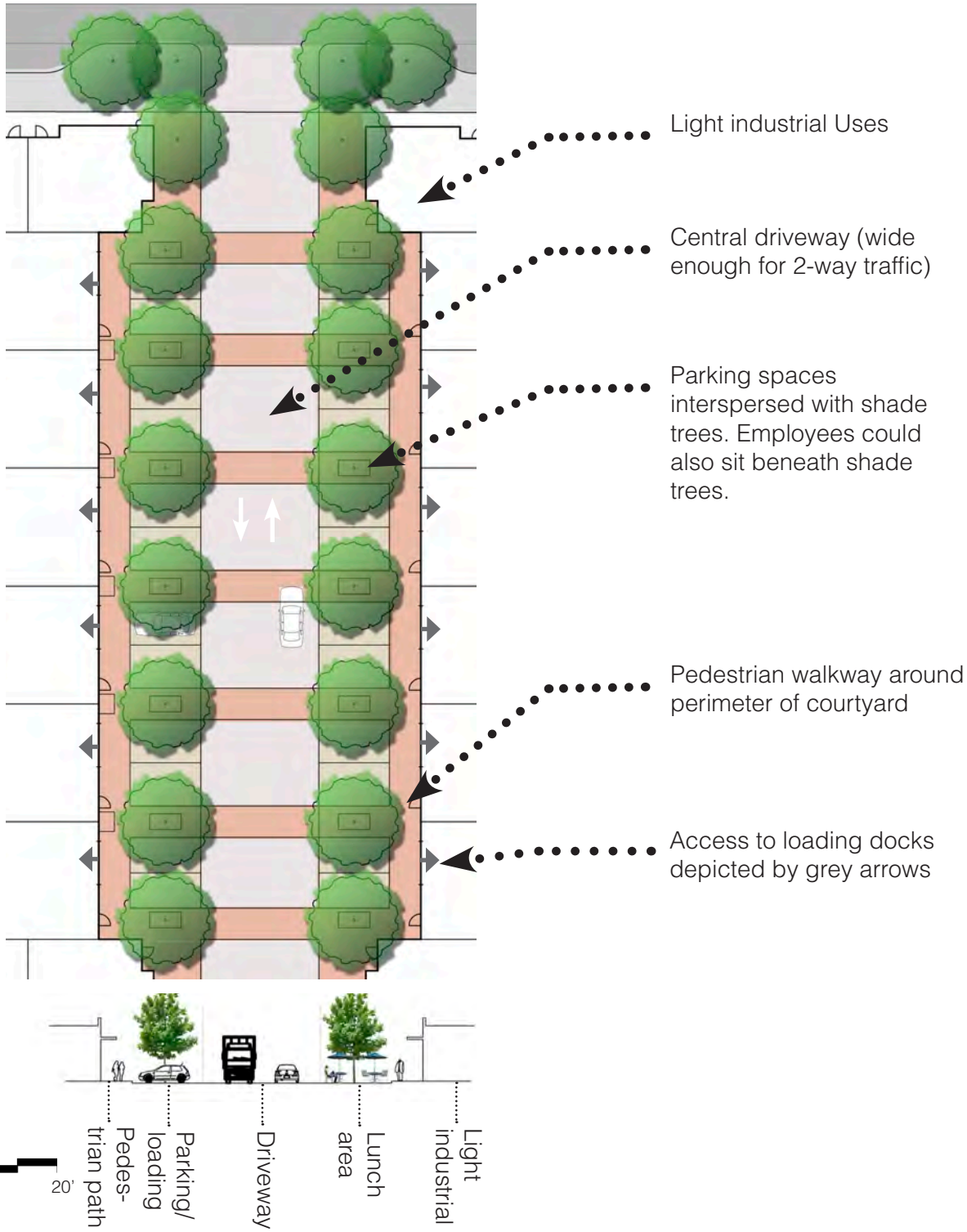



Internal Alleys open out into 'Alley Plazas' - complete with feature planting (palms) and benches/tables for employees.

Palms will be located to avoid turning circle radii for delivery vehicles and to allow for loading dock access.

Access to loading docks depicted by grey arrows

## 11 Shared Spaces - Pedestrian and Vehicular Courts (within block)



# Open Space Opportunities

## 10 11 Shared Spaces - Courtyards and Alleys within blocks

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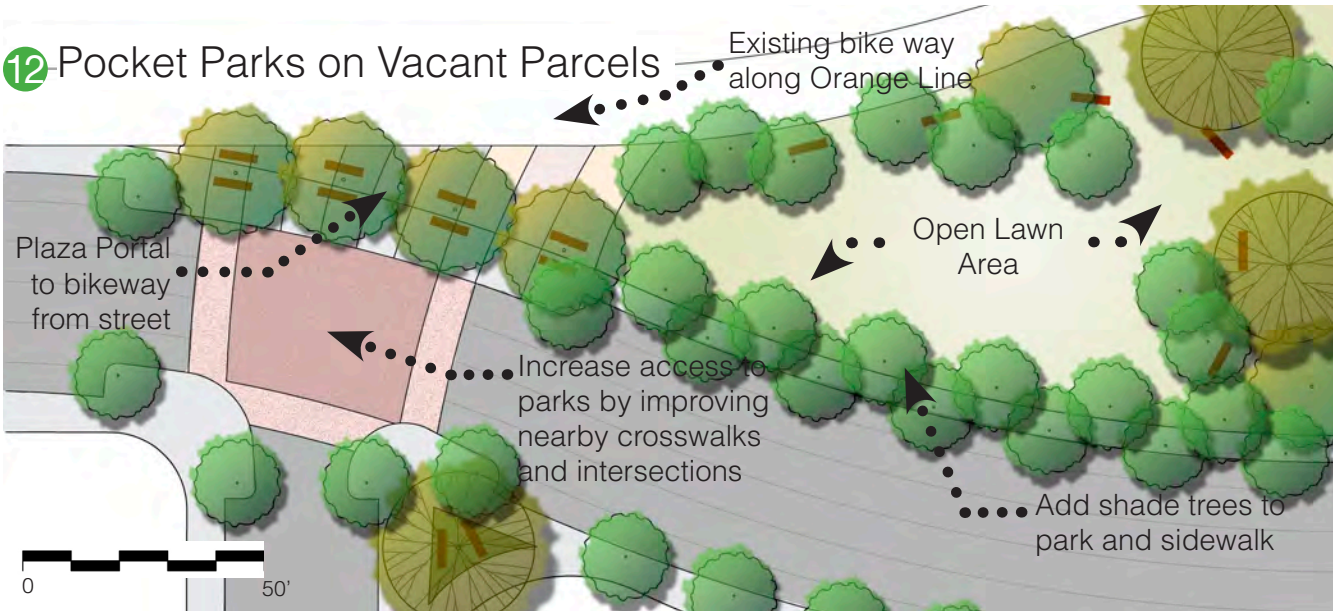
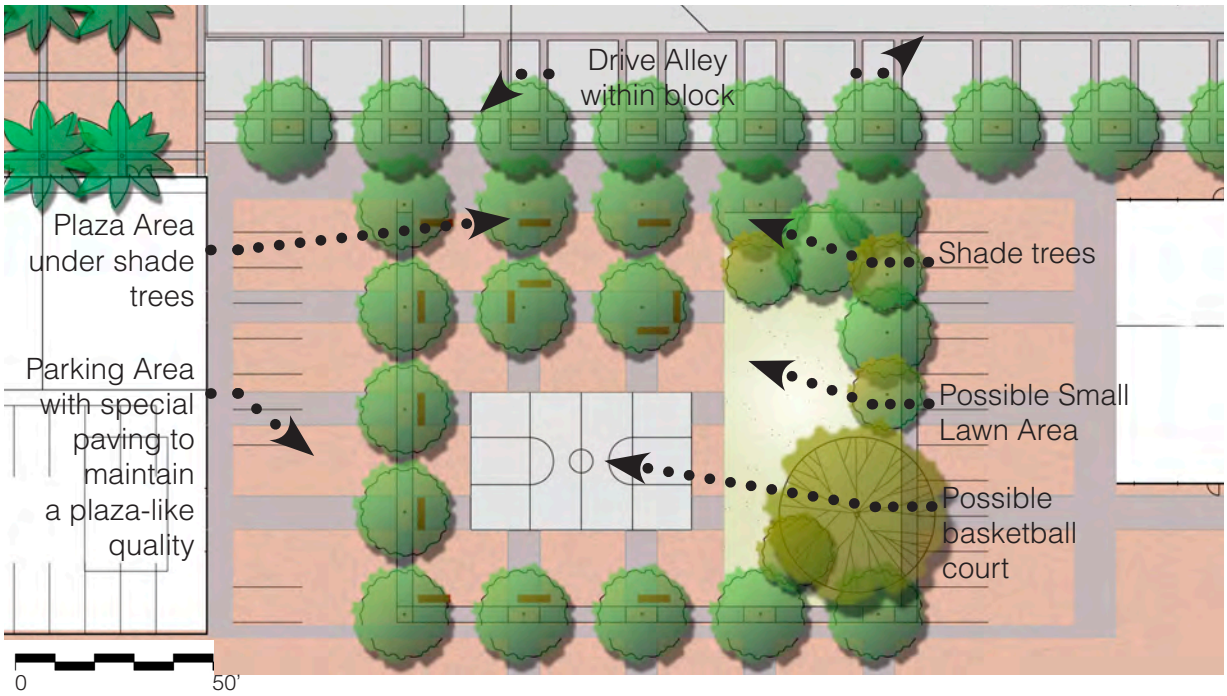
# Open Space Opportunities



Pocket park along a transit line. Parks do not have to be big to become a community asset.

# Open Space Opportunities

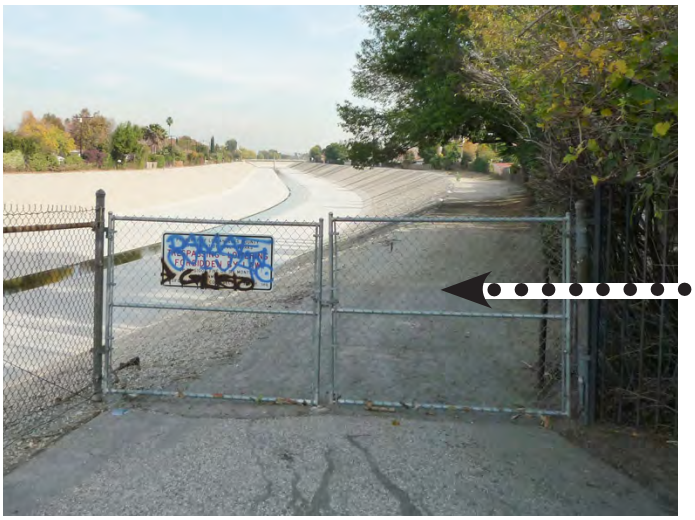
## 13 Pocket Parks and Recreational Amenities within blocks



Recreational amenities don't necessarily require a large space...

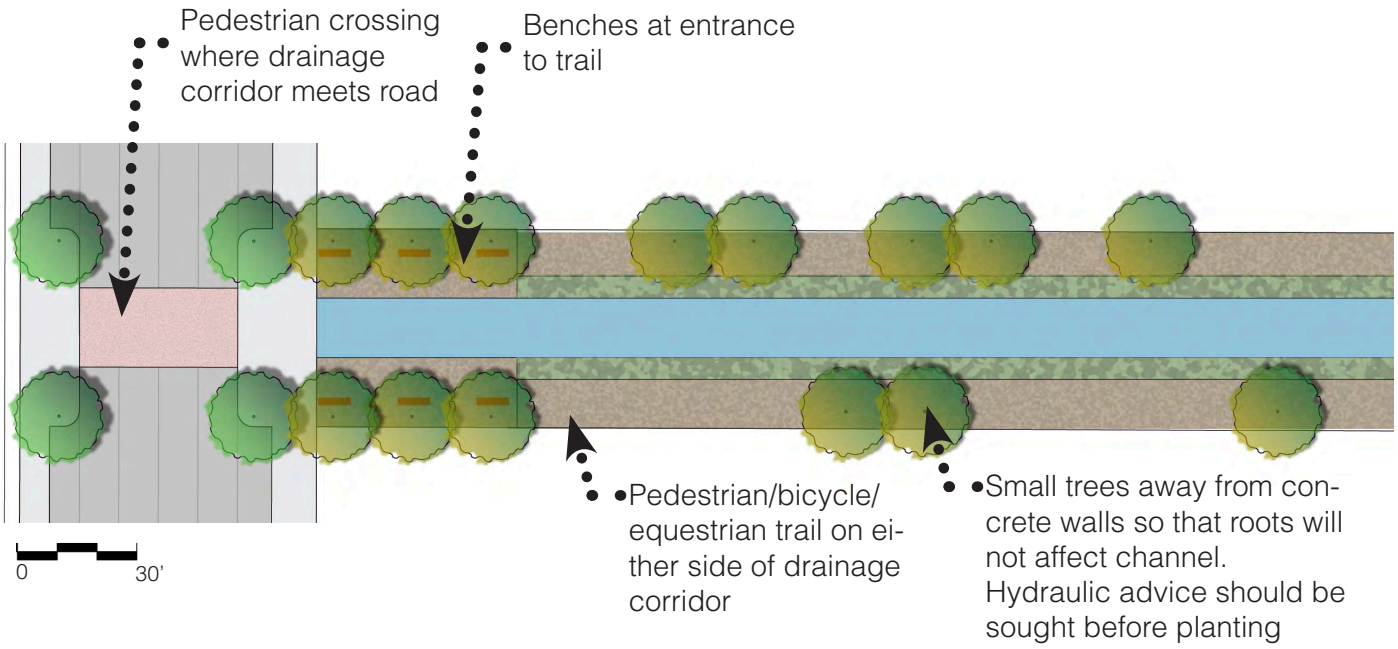
## 14 Drainage Corridor

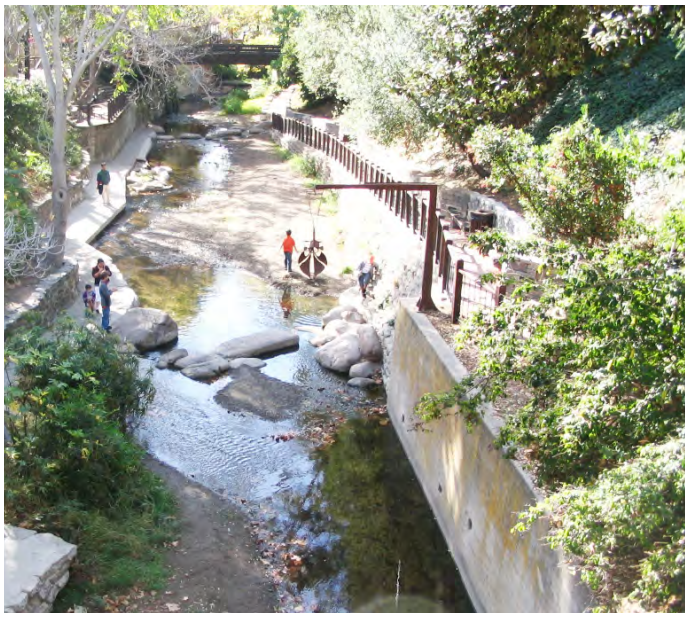
The drainage corridor east of Etiwanda Ave is fenced off, but has ample room for a pedestrian/ bike path or even an equestrian trail along either side.



The Los Angeles River runs along the northern edge of the Tarzana Crossing district. The river provides significant recreational potential. For further information about this potential review the Los Angeles River Revitalization Master Plan at: http://www.lariverrmp.org/

## 14 Drainage Corridor



The concrete flood walls don't neccessarily have to be removed to create a recreational amenity or to improve the aesthetic quality.

## 15 Metro Transit Plaza - Existing

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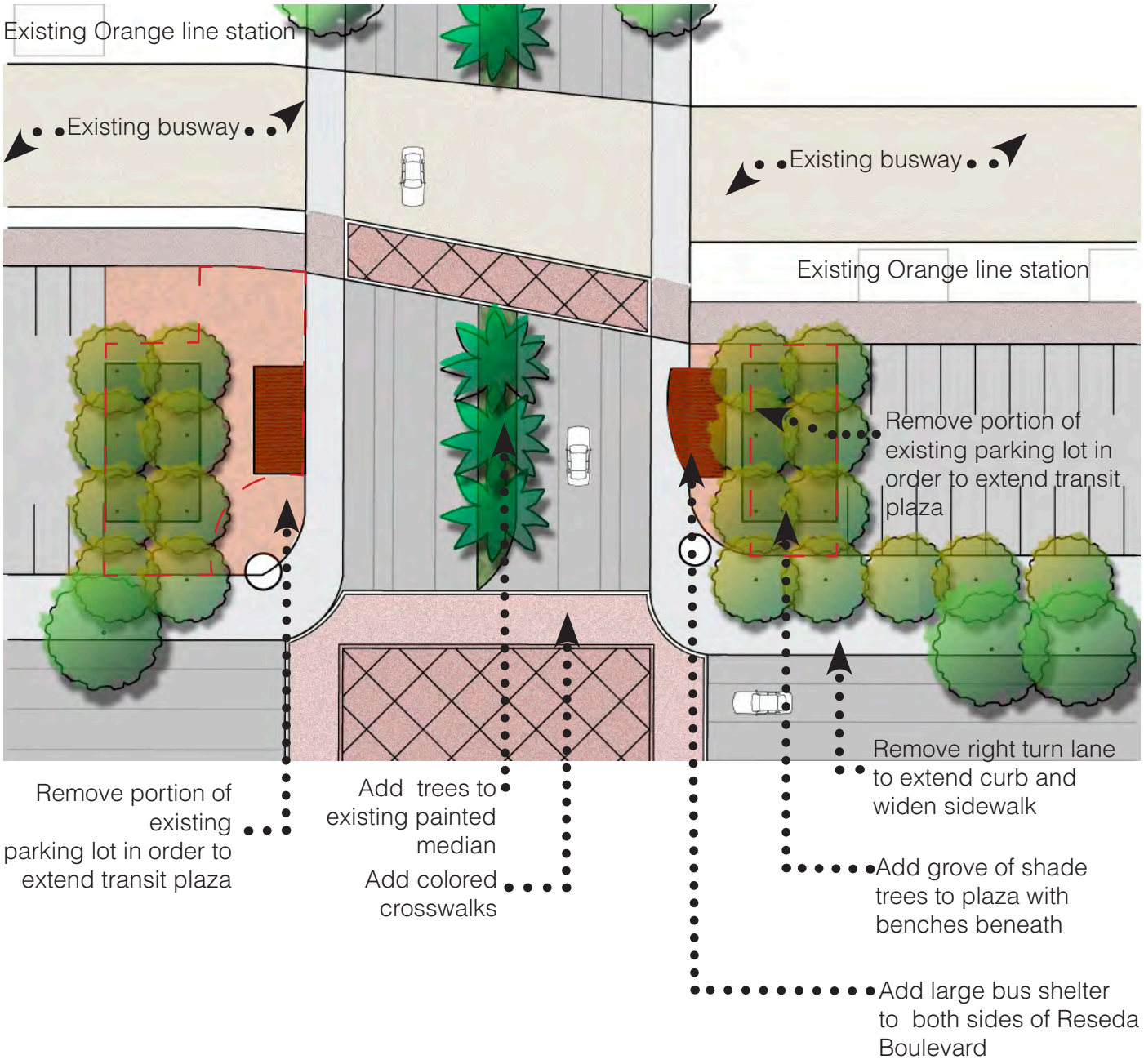
## 15 Metro Transit Plaza - Proposed Expansion

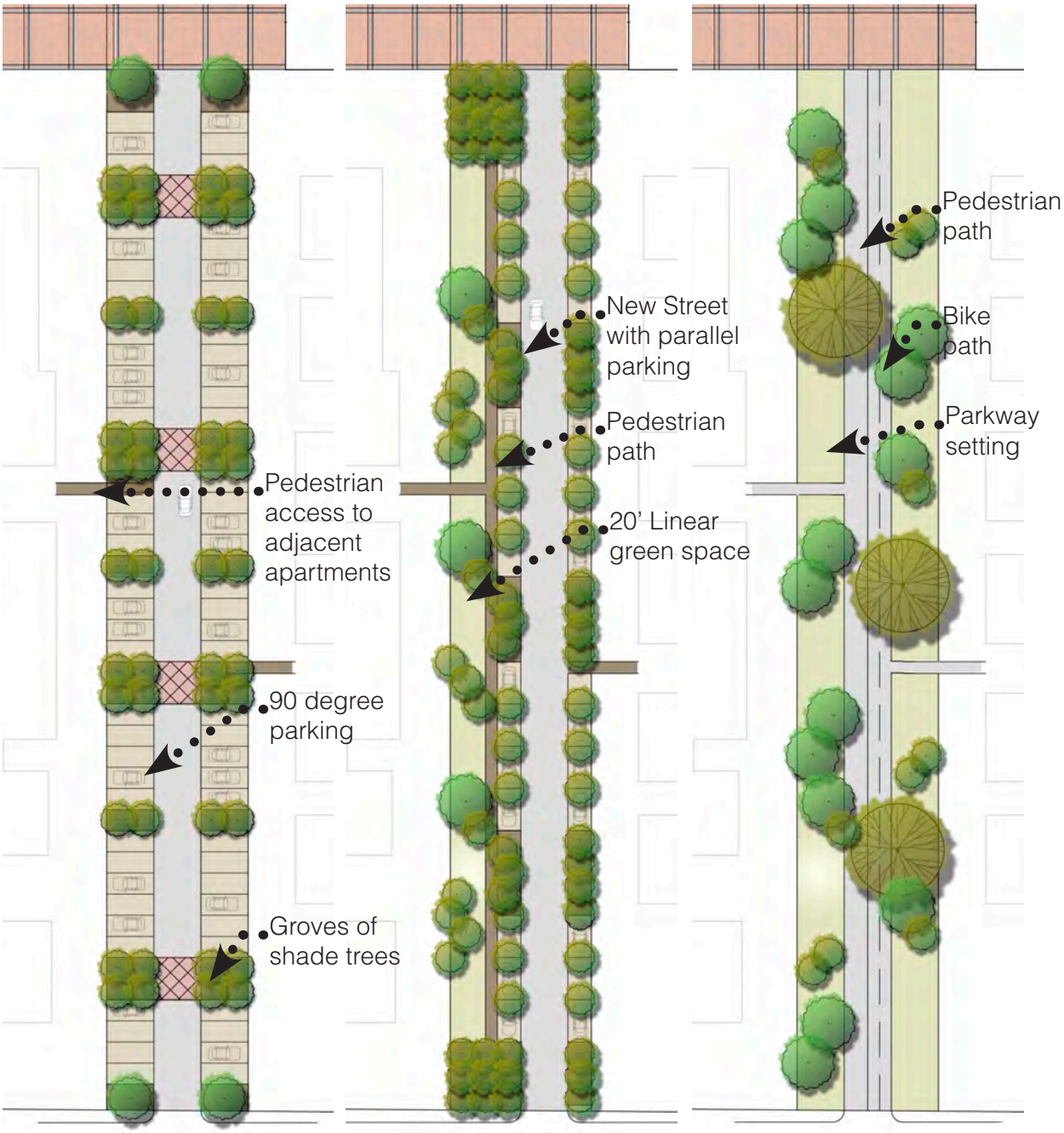
## 15 Metro Transit Plaza - Proposed Expansion



## 16 Existing Narrow Lot

This narrow vacant lot between Oxnard Street and Hatteras Street is 400' long and 50' wide. Some possible ideas for its future use are shown on the following page.

## 16 Existing Narrow Lot - Options




If parking is a priority, it should be a well shaded parking lot with a storm water management focus.

If it were to become a new street, it could have parallel parking and a 20' wide linear green space down one side.

Or perhaps it wouldn't be open to vehicles at all and instead be a dedicated pedestrian and bike thoroughfare.

## 17 Ciclovias!

Ciclovias: A temporary closure of a street for pedestrians and cyclists to “own” the road for a few hours on a weekend.

# Open Space Opportunities

Farmer's Markets

Flea Markets

Skate Parks

## 19 Managing rain water in the urban context

Traditionally rainwater has been funneled from the streets and sidewalks into an underground pipe. Instead, water can be collected from the streets and sidewalks and sent into a garden in a median or on the sidewalk where the water is cleansed by the plants and soil as it seeps back into the ground. It's good for the environment and it makes for a beautiful street.

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## 20 Furnishings and Wayfinding Identity - Possibility 1

Inspiration: Red Barn Feed and Saddlery

Clockwise from top left:
- Horseshoe bike racks
- Traditional looking bench in red
- Pre-Rusted steel way-finding signage
- Feature streetscape components such as this clock
- Pedestrian scaled lights should reference the traditional without copying it.

# Open Space Opportunities

## 20 Furnishings and Wayfinding Identity - Possibility 2

Inspiration: Columbia College Hollywood School of Film and Television

Clockwise from top left:
- Slick, contemporary bike racks
- Manufacture bike racks to look like film reels?
- Stainless steel benches
- Wayfinding signage
- Contemporary bus shelters
- Stylish pedestrian lights

# Visual Preference Survey

## Public Presentation

On May 11 2010 the Tarzana Neighborhood Council hosted a gathering and public presentation to discuss and review the results of the Tarzana Crossing TOD Study effort. The event was hosted at Columbia College, an important institution within the study area, and was attended by approximately 40 local business owners and residents, as well as by individuals from the Los Angeles Planning Department and Councilman Zine's District Office. After initial food and beverages supplied by Milanos Sandwiches and Espresso, the IBI Group team presented a slide show capturing the project team approach and work products. The presentation was preceded by an introduction from Joe Bernstein of the Tarzana Neighborhood Council, and Simon Pastucha from the City of Los Angeles Urban Design Studio.

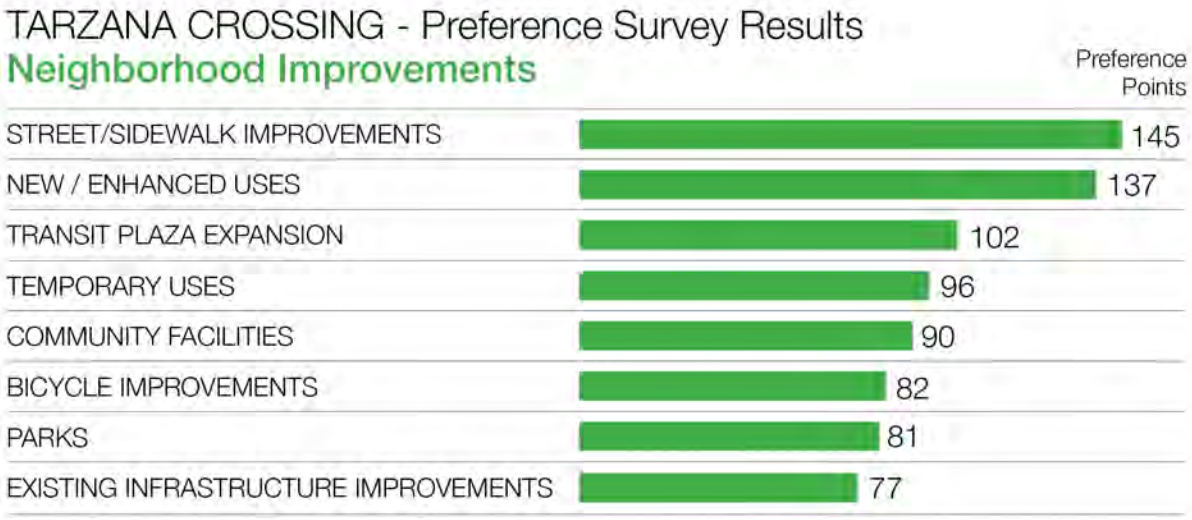
The presentation was broken into two main parts. The first provided a summary of TOD in the context of BRT, gave a visual history of the work process, and summarized overall objectives, approach and findings. The second part of the presentation broke down many generative ideas produced throughout the project into eight organizing themes related to possible area improvements. This theme related directly to "preference cards" that were handed out to the audience at the start of the presentation. The intent was to obtain feedback from the community about what possible area improvements are most preferred, understanding that resources are scarce and not all visions will be instantly achievable. The eight organizing improvement themes included:

1. Parks
2. Street/Sidewalk Improvements
3. Bicycle Improvements
4. Existing Infrastructure Improvements
5. Transit Plaza Expansion
6. Community Facilities
7. Temporary Uses
8. New/Enhanced Uses

The presentation expanded on each of these improvements, and the audience was asked to rate the items in order of preference, and also provide additional comments on the backs of the cards.

# Preference Survey Results

The results of the survey were interesting. To tabulate the data, ranks were assigned points. So a #1 preference rank on the card was scored as 8 points, a #2 preference rank 7 points and so on. Two improvement themes were strongly preferred – Street/Sidewalk Improvements received a total of 145 out of a possible 176 points, and New Uses received 137 points. These two categories received 82% and 78% possible preference points lifting them both well above the others. Transit Plaza Expansion was also a strongly preferred improvement strategy gaining 102 points. Existing Infrastructure Improvements, such as drainage corridor enhancements and the sustainable operation of streets to allow for better water management practices, were the least preferred options. The introduction of Parks in the community was also low on the list, with the specific concern about tax liability being cited in the public comments.



## Public Comments

The Audience was provided space on the back of the cards to fill in additional comments if they desired. Comments collected included:

### Streetscape Improvements

"Really like the N.Y.C. example for street improvements. Great way to create vibrant activity on Oxnard."

"Bike improvements, temporary uses & basic street/sidewalk improvements seem like they can be implemented relatively easily."

"Palm trees are great and are iconic L.A. trees. They should be encouraged!"

### Beautification

"Alley improvements are a great idea – this area has too much hardscape."

"Great! We need it ASAP! Any improvements and beautifications would be very welcomed!"

"More attractive alleys!"

"It would be great if the bus stop at Reseda & Oxnard was more attractive – trees, benches, etc. Rather ugly right now."

### Gathering Spaces

"Encourage restaurants/pubs/taverns."

"Pocket Parks raise property tax! Would draw an unsavory crowd to the area."

"Love the idea of a farmers market. Santa Monica closes a street every Wednesday for this."

"How about a YMCA? A facility for events would be nice."

### Enhancing Existing Land Uses

In addition to transit riders, there are a lot of residents nearby that would walk to the district to support it."

"No auto body shops in district. Expand district North on Reseda to include all commercial areas to Erwin St. Expand district to Wilbur Avenue to assist in the redevelopment of the entire Oxnard St. corridor."

"Take into account religious facilities."

"Provide info on how to start a BID."

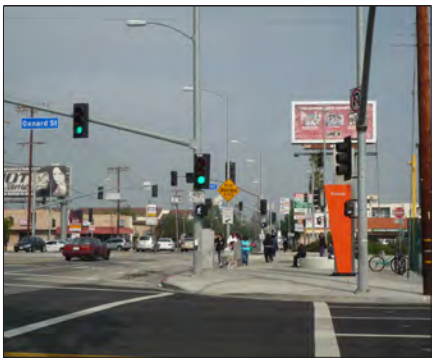
### Circulation

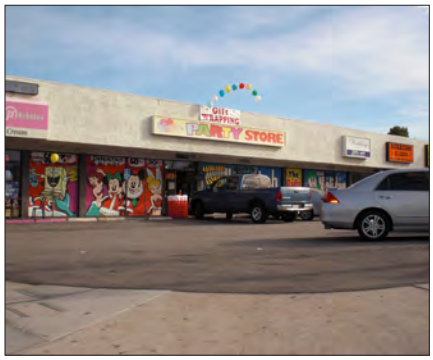
"Slowing traffic is a top concern."

"Like the idea of adding street trees in the travel lane on Topham - addresses two issues – shading and slowing down traffic."

# Parking strategies and Study

# Parking Study and Strategies





The parking study completed for the Tarzana Crossing project examined the two development prototypes proposed for the station area and presented earlier in this report. A summary of the land uses included in the development prototype components is as follows:

- Site 1 – SE Corner of Oxnard Street and Reseda Boulevard – 18,000 sf of light industrial, 19,000 sf of retail, 4,000 sf of restaurant use, and 120,000 sf of residential (100 to 120 units).
- Site 2 – Former UNILAB Site - 65,000 sf of light industrial, 12,000 sf of retail, 4,000 sf of restaurant use, and 40,000 sf of residential (50 units).

The objective of the parking study is to identify the minimum parking requirements as established by the City of Los Angeles Municipal Code and to quantify potential reductions in the minimum parking requirements that could be achieved given the proximity of the proposed uses to the Orange Line transit station and the mixed-use characteristics of the prototypes.

## Minimum Required Parking Spaces

The minimum number of off-street parking spaces required for each land use type is defined in Section12.21.1 A 4 of the City of Los Angeles Municipal Code. A summary of the off-street parking requirements for commercial, industrial, retail, restaurant, and residential land uses proposed for the project are summarized in Table 1.

Table 1 – City of Los Angeles Off-Street Parking Space Requirements

| Use Classification | Unit | Minimum Parking Requirement |
|---|---|---|
| Commercial and Industrial | SF | 2 parking space per 1,000 SF of gross floor area |
| Retail | SF | 4 parking spaces per 1,000 SF of gross floor area |
| Restaurant | SF | 10 parking spaces per 1,000 SF of gross floor area |
| Residential | | |
| Less than 3 habitable rooms | DU | 1 parking space per dwelling unit |
| 3 habitable rooms | DU | 1.5 parking spaces per dwelling unit |

Source: Section12.21.1 A 4 of the City of Los Angeles Municipal Code
SF – Square Feet
DU – Dwelling Unit

Based on the parking ratios identified above, the number of off-street parking spaces required for the proposed redevelopment of Site 1 and Site 2 are shown in Table 2.

Table 2 – Off-Street Parking Space Requirements for Proposed Development

| Use | Site 1: Mini-Shopping Center | | Site 2: Unilab | |
|---|---|---|---|---|
| | Quantity (TSF/DU) | Required Parking Spaces | Quantity (TSF/DU) | Required Parking Spaces |
| Light Industrial | 18.0 | 36 | 65.0 | 130 |
| Retail | 19.0 | 76 | 12.0 | 48 |
| Restaurant | 4.0 | 40 | 4.0 | 40 |
| Residential | 120 DU | 120 | 40 DU | 40 |
| Total | | 272 | | 175 |

Source: Section12.21.1 A 4 of the City of Los Angeles Municipal Code
TSF – thousand square feet

Given the transit-oriented theme and orientation of the sites, their proximity to the existing Orange Line BRT Reseda Station, and mixed-use components proposed for each site, reductions to minimum parking requirements may be warranted. The process for requesting reductions to parking space requirements in the City of Los Angeles includes several options depending on the use and location of the project. These processes are each described in greater detail below.

## Conditional Use Permits and Variances for Reduced Parking

The requirements for obtaining a conditional use permit or variance for parking reductions can also be found in the City of Los Angeles Municipal Code. Developers may request parking reductions to the minimum required parking spaces by applying for a conditional use permit or variance. The conditional use permit will allow the developer to request up to a certain percentage of reduced spaces for commercial or industrial uses only, provided the developer provides transportation alternatives or off-site parking and shuttle services. Requests for parking reductions through a variance process will allow the developer to request parking reductions for any use and up to any amount of spaces.

To apply for the reduction, developers must prepare a parking management plan that provides at a minimum: the number of parking spaces on-site, the number and kinds of transportation alternatives proposed, and the level of employee and/or tenant use of the transportation alternatives. The application is then reviewed by the Zoning Administrator to determine the appropriate reduction percentage for the development. This effort is beyond the scope of this planning study as it would be conducted for the specific development proposal. However, a review of the potential reduction options is warranted here to on the candidate development prototypes to provide guidance on options related to parking reductions for the City of Los Angeles, the Tarzana Neighborhood Council, and potential developers.

Several options exist within City of Los Angeles regulations for obtaining parking reductions. These options are outlined below.

## Reduced On-Site Parking with Transportation Alternatives

The City of Los Angeles Planning Commission Authority allows requests for reduced on-site parking with transportation alternatives. Under Zoning Code Section 12.24 X 17, commercial and industrial uses involving 100 employees and/or tenants

that provide transportation alternatives to single-occupant automobiles, such as carpools, vanpools, mass transit, buses or bicycles may request up to a sixty percent (60%) reduction to the minimum required number of parking spaces.

## Reduced Parking with Remote Off-Site Parking

A request for reduced on-site parking with remote off-site parking may also be made to the City of Los Angeles Planning Commission for commercial or industrial uses only that involve arrivals of at least 100 employees and/or tenants and if the remote off-site parking does not exceed seventy-five percent (75%) of the number of parking spaces required. The off-site parking must be used solely by the employees and/or tenants of the commercial or industrial use and provide a form of transportation between the off-site parking location and the commercial or industrial use.

## Shared Parking

Under the City of Los Angeles Municipal Code Section 12.24 X 20, a request may be made to allow two or more uses to share their off-street parking spaces. A parking demand analysis must be conducted for seven consecutive days, 24 hours per day to show that the total number of parking spaces needed is lower than the total number of parking spaces required. The shared parking facility must be located within 750 feet of each building.

## Special Permission for Reduction of Off-Street Parking Spaces by the Director

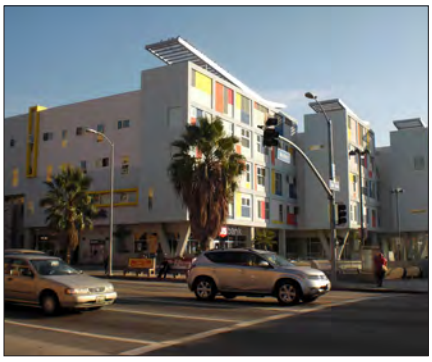
Under Section 12.24 Y of the Los Angeles Municipal Code, the Director or the Area Planning Commission may allow a reduction in the number of off-street parking spaces required for commercial or industrial uses located within 1,500 feet of a transit station may be reduced by ten percent (10%).

## Mixed-Use Districts

Under Section 13.09 of the Los Angeles Municipal Code, for mixed-use districts located within 1,500 feet of a transit station, a reduction in the number of parking spaces may be requested provided a minimum of two spaces for every 1,000 square feet of non-residential floor area is provided. The appropriate level of parking reduction is determined by the City Council, and includes factors such as local transit dependency and automobile usage, traffic, available parking, and the level of transit service.

## Variance

A variance from Section 12.21.1 A 4 of the Los Angeles Municipal Code may be requested to reduce the minimum number of parking spaces required for a development site. The parking reduction may be requested for any land use type and up to any amount. Under Section 12.27 A, an application with the Department of City Planning must be filed that includes information required by the instructions on the application and the guidelines adopted by the Chief Zoning Administrator.



The various methods and procedures identified above give developers and the city a tool box of options related to parking reductions for individual projects. To assist in identifying an appropriate parking ratio for the Tarzana Crossing sites, two case studies of individual projects from elsewhere in Los Angeles County are summarized below.

## Case Studies

Mixed-use transit oriented developments are becoming a common trend and solution to revitalizing and redeveloping underutilized properties near transit stations. The proposed mixed-use Tarzana Crossing development prototypes are unique in that these concepts involve developing transit-oriented development near a bus rapid transit station. Other transit-oriented developments in Los Angeles are located primarily near light rail or subways. However, the Orange Line BRT provides a level and quality of service that approaches a rail transit system, and the case studies outlined below provide representative samples that could thrive near a BRT station. The case study examples include:

•Long Beach Pacifica, Long Beach, CA – Long Beach Pacifica is a mid-rise mixed-use community comprising of 62 residential units above 4,333 square feet of ground floor retail. The community of Pacifica is located within the City's revitalized "Promenade" district and within a half block of the Metro Blue Line light rail system. Approximately 144 parking spaces are provided to accommodate the residential and retail units. A twenty-five percent (25%) parking reduction was applied based on the City of Long Beach parking reductions for new developments located within 600 feet of a Blue Line transit station.

•Metro Hollywood Apartments, Los Angeles, CA – The Metro Hollywood Apartments is a transit-oriented development located above the Metro Red Line Western & Hollywood subway station. The Transit Village consists of 120 housing units situated above 11,000 square feet of retail, child care, and on-site management offices. Approximately 45 spaces plus 38 shared spaces for child care and retail are provided in a below grade parking facility. A parking reduction was granted due to the sites close proximity to a transit station, while the nature of the land uses allowed for shared spaces between the child care facility and retail uses.

## Summary of Findings

The purpose of developing a transit-oriented, mixed-use village the Tarzana Crossing area is to promote non-vehicular modes of transportation and increase transit and pedestrian connectivity between the surrounding land uses. One method of encouraging this practice is to lower the minimum number of off-street parking spaces required for new development. By reducing parking spaces, land can be used more efficiently and the design of the project can promote transit and non-motorized modes of transportation instead of automobile travel. Limited parking spaces means that less cars will be able to park on-site, which reduces traffic congestion in parking lots, frees up space for pedestrian walkways and

bicycle lanes, and enhances the streetscapes' aesthetic.

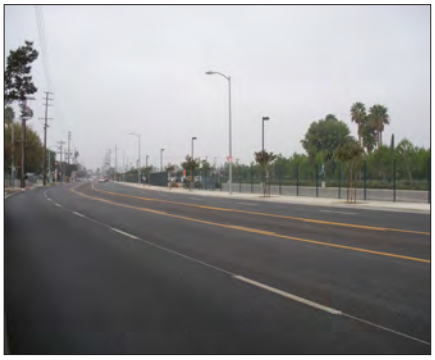
It is recommended that a 25% reduction in the minimum parking requirements be considered for both development prototype project sites. This level of reduction accounts for several factors, including the proximity of these sites to a transit station, the goals and objectives of this study to make the study area more walkable, and to introduce a mix of land uses that compliment each other and create opportunities to reduce automobile use and parking needs within the project area. The proposed 25% reduction also represents a good compromise with other more aggressive options for parking reductions, given the suburban nature of the larger surrounding community and the understanding that habits will not change overnight. Instead, these projects and this study are intended to start an evolution in development within the Tarzana Crossing study area. Table 3 summarizes the new minimum parking requirements for the two development prototypes with the proposed 25% reduction.

Table 3 – Off-Street Parking Space Requirements for Proposed Development

| Use | Site 1: Mini-Shopping Center | | Site 2: Unilab | |
|---|---|---|---|---|
| | Quantity (TSF/DU) | Required Parking Spaces | Quantity (TSF/DU) | Required Parking Spaces |
| Light Industrial | 18.0 | 27 | 65.0 | 98 |
| Retail | 19.0 | 57 | 12.0 | 36 |
| Restaurant | 4.0 | 30 | 4.0 | 30 |
| Residential | 120 DU | 90 | 40 DU | 30 |
| Total | | 204 | | 194 |

Source: Proposed 25% reduction applied to Section12.21.1 A 4 of the City of Los Angeles Municipal Code
TSF – thousand square feet
DU – Dwelling Unit

# Circulation Assessment



The Circulation Assessment completed for the Tarzana Crossing project further developed the Open Space section of this report. The Circulation Assessment evaluated the possibility of reducing Oxnard Avenue from a four lane street to a two lane street to increase connectivity and pedestrian safety within the station area.

Oxnard Street is a four-lane undivided highway that travels east and west through the study area. On-street parking is permitted at some locations, but not immediately east or west of Reseda Boulevard. Traffic counts taken on Thursday, September 25, 2009 show that the average daily traffic (ADT) on Oxnard Street east of Reseda Boulevard is 11,262 vehicles, with 1,100 vehicles during the AM peak hour and 1,163 vehicles during the PM peak hour.

The City of Los Angeles General Plan Transportation Element defines a four-lane roadway with on-street parking as a Secondary Highway. The capacity for a Secondary Highway is 20,000 to 30,000 ADT and 1,400 vehicles per hour (VPH) in each direction during the peak time periods. A Collector Street is defined as a two-lane roadway with two full-time parking lanes. The capacity for a Collector Street is 10,000 ADT and 600 VPH in each direction during peak time periods.

A summary of the volume to capacity (V/C) ratio on Oxnard Street is shown in Table 1.

| Street | Thru Lanes | ADT | Capacity | V/C | LOS |
|---|---|---|---|---|---|
| Secondary Highway | 4 | 11,262 | 20,000 | 0.563 | A |

The excellent existing level of service on Oxnard Street suggests that there may be opportunities to reduce the width of the travel way for the street within the study area. As identified in the Connectivity and Open Space section of this report, possible improvements for the Oxnard Street corridor range from minor improvements including lane width reductions, raised medians, and curb extensions to reduce pedestrian crossing distances across the street and to provide wider sidewalks. Ultimately, the city could move towards reducing Oxnard Street from a four lane street to a two lane street, providing a single travel lane in each direction.

No capacity reductions are proposed for Reseda Boulevard within the study area. This roadway serves as an important regional arterial roadway and the improvements proposed for this corridor are focused on beautification and functionality without impacting the traffic volume capacity of the corridor.

# Market Analysis

## Purpose of Supporting Market Analysis

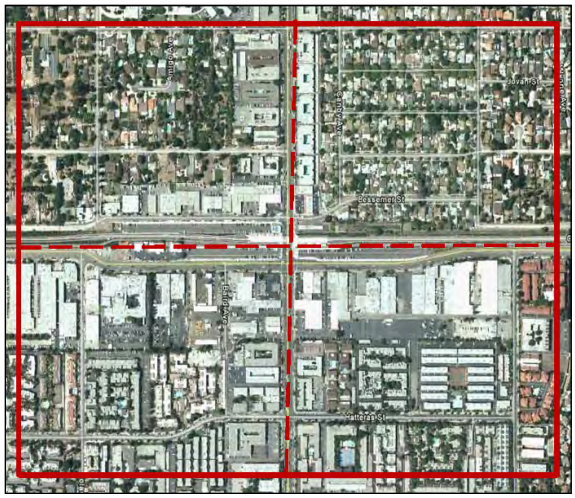
The Orange Line Bus Rapid Transit (BRT) has exceeded Metro's ridership expectations through the provision of high quality transit service to San Fernando Valley residents. An increased level of pedestrian activity has been generated by the Reseda BRT station and relatively low levels of vacancies (either land or building) were observed within proximity to the station. However, with numerous light industrial and manufacturing buildings, commercial plazas and low-rise housing located along Tarzana's main arterial roads (e.g. Oxnard Avenue and Reseda Boulevard), the densities within the study area are much lower than normally found along key transit corridors. As seen elsewhere in Los Angeles and other states and countries, investment in public transit infrastructure can stimulate renewed investment and development. As demand for land and property values increase over time, intensification and conversion of underutilized properties into 'higher-order' land uses can occur.

The primary purpose of this market analysis is to provide a market context to the assessment of viable short to medium term development opportunities within proximity to the Reseda Orange Line BRT station. More specifically, the market analysis provides a localized overview of supply and potential demand for various types and forms of residential and non-residential products. It characterizes the potential highest and best uses within the transit node, relative to other nearby station areas and in consideration to the characteristics of the broader real estate market. Most importantly, the market analysis informs the assumptions used to generate estimates of return on investment (ROI), including the magnitude of potential demand and the pricing of sale and rental and ownership units.

In summary, the following market analysis provides the situational basis for which supply and demand of real estate product is assessed and subsequently translated into a definition of market gaps. The findings of the market gap analysis were used to determine various scenarios for development to be evaluated through a financial proforma analysis.

It should be noted, however, that transit alone, is not enough to stimulate significant land use changes or intensification. A community or city must either already possess or have the potential to attract and maintain other necessary components for intensification (e.g. supportive local planning and development policies, private sector interest, compatible land uses and socio-demographic characteristics within existing and stable areas) and beyond local conditions. The market analysis therefore includes an overview of the municipal planning framework, the existing land use and market conditions and a profile of the demographic characteristics of the area. In addition to local factors, larger economic and market conditions will play an important role as will competing development and investment opportunities available in other communities.

## Physical Description of the Study Area



A review of existing land uses and planning/development permissions was undertaken for lands within a one quarter mile radius of the intersection Oxnard Street and Reseda Boulevard and the BRT station. The Orange Line BRT runs east/west through the center of the study area, with Topham Street located to the north and Oxnard Street located to the south. As shown below, Reseda Boulevard runs north/south down the center of the study area, thus dissecting the study area into four quadrants.

## Existing Land Uses

The quadrants of the study area are somewhat differentiated in terms of land use as well as property value and socio-demographics (as further described in Sections 3 and 4):

Northwest Quadrant:

•The south side of Topham Street is flanked by a linear greenbelt and surface parking for the BRT.

•The north side of Topham Street is fronted by single-family residential housing and a stretch of industrial and commercial properties. A web-based search of real estate listings showed only two non-residential properties are currently for lease[1].

•The west side of Reseda Boulevard is flanked low-rise multi-unit residential buildings.

•The interior portion of the northwest quadrant is comprised primarily of single family housing, with a few industrial and institutional properties. Few homes appear to be for sale at market rates, but a number of houses are listed as being for sale through Notice of Default[2].

Office Building, Yolanda Avenue (south of Calvert St.)
9,000 sq.ft. Built-to-Suit
$0.89 sq.ft./mo plus (depending on improvements)

Office Space, Topham St. (west of Yolanda Ave.)
300 sq. ft. (within fully furnished 4,200 sq. ft. office)
$4/sq.ft./mo

Northeast Quadrant:

•A car wash is located at the corner of Bessemer Street and Reseda Boulevard.

•The east side of Reseda Boulevard is flanked by low-rise multi-unit residential buildings.

•The interior portion of the northeast quadrant is comprised of single family housing. A number of houses are for sale, with an approximate range in price of $221,000 to $675,000 (i.e. $150 to $647 per sq. ft.).

Southwest Quadrant:

•The north side of Oxnard Street is flanked by a linear greenbelt and surface parking for the BRT, with the exception of a small island of development located between Yolanda Avenue and Baird Avenue that includes warehousing and commercial buildings (e.g. the Red Bard Feed Saddlery).

•The south side of Oxnard Street primarily includes public/institutional uses (e.g. Tarzana Treatment Centre, Columbia College, Ohel Rachel Synagogue, Reseda Street Maintenance Yard) and commercial retail plazas. Many of these properties include large surface parking areas.

•The west side of Reseda Boulevard is comprised of low-rise multi-unit residential buildings and some commercial uses.

[1] www.loopnet.com, www.showcase.com and www.cityfeet.com

[2] http://www.trulia.com/CA/Tarzana/#for_sale/Tarzana,CA (listings from May 2010)

Industrial Space, Reseda Blvd. (south of Oxnard St.)
800 sq.ft. (portion of 17,000 sq. ft. warehouse)
$1.00 sq.ft./mo

Industrial Space, Oxnard Blvd. (west of Yolanda Ave.)
1,520 sq.ft. (part of Tarzana Industrial Park)
$1.20 sq.ft./mo

• The interior portion of the quadrant is primarily comprised of low-rise multi-unit residential buildings, but there is some office/light industrial space. A number of residential condominiums and townhouses are for sale, with an approximate range in price from $139,000 to $445,000 (i.e. $168 to $244 per sq. ft.). A web-based search of real estate listings showed only two non-residential properties are currently for lease.

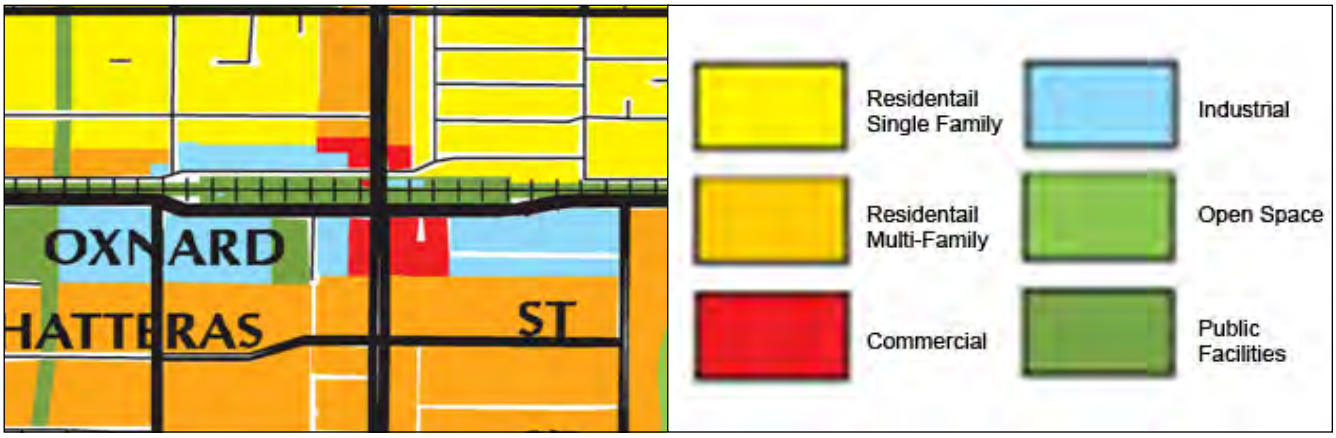
Southeast Quadrant:
• The north side of Oxnard Street is flanked by a linear greenbelt and surface parking for the BRT.
• The south side of Oxnard Street primarily includes commercial and retail uses. Few properties appear to be for rent or sale. A web-based search of real estate listings showed only one property currently for lease.
• The east side of Reseda Boulevard is comprised of commercial uses and low-rise multi-unit residential buildings.
• The interior portion of the southeast quadrant is primarily comprised of low-rise multi-unit residential buildings. A number of residential condominiums and townhouses are for sale, with an approximate price range of $140,000 to $355,000 (i.e. $184 to $253 per sq. ft.).

Office Space, Oxnard St. (east of Reseda Blvd.)
1,362 sq.ft. (part of 25,000 sq. ft. building)
$1.82 to 2.92 sq.ft./mo

As detailed in the sections below, current land uses and forms of development in the study area generally reflect the provisions of the latest versions of the Encino-Tarzana Community Plan and the Reseda-West Van Nuys Community Plan and the Municipal Code. Based on information produced by the Center For Transit-Oriented Development (CTOD), there are approximately 8.5 acres of vacant or underutilized land in the study area. Most of the parcels are smaller in size (i.e. less than 1 acre). While amendments or updates to the City's planning documents could alter future development in the area, TOD opportunities in proximity to the Reseda BRT Station will also be largely influenced by existing neighborhood conditions, the socio-demographic variations amongst the four quadrants, the stability of many of the existing land uses and businesses, development incentives and larger economic and market conditions.

## General Plan

The study area straddles two separate General Plans; the Encino-Tarzana Community Plan (adopted December 18, 1998) and the Reseda-West Van Nuys Community Plan (adopted November 17, 1999). As shown below, these Plans designate the interior of the study area for residential purposes and allow for industrial and public facility uses along Oxnard Street and a portion of Topham Street and commercial at the Reseda Boulevard intersection surrounding the BRT station.




The General Community Plans include a number of land use goals, objective and guiding principles. Those which are particularly relevant to the study area are summarized as follows:

Residential

• Provide a safe, secure, and high quality residential environment for all economic, age and ethnic segments of the community.
• In multiple-family residential areas, the emphasis is on the promotion of architectural design that enhances the quality-of-life, living conditions and neighborhood pride of the residents.
• Provide for the continued preservation of the existing residential neighborhoods throughout the area, retain existing single family districts and multi-family clusters.
• Locate new housing in a manner which reduces vehicular trips and makes it accessible to services and facilities.

Commercial

• Provides for the development of single or aggregated parcels for mixed use commercial and residential development. These structures would normally incorporate retail, office, and/or parking on the lower floors and residential units on the upper floors. The intent is to provide housing in close proximity to jobs, to reduce vehicular trips, to reduce congestion and air pollution, to assure adequate sites for housing, and to stimulate pedestrian oriented areas to enhance the quality of life in the Plan area.
• Create a strong and competitive commercial sector which best serves the needs of the community.
• Redevelopment of existing commercial corridors and areas, and conversion of existing structures to more appropriate uses should result in the physical and aesthetic upgrading of these areas. Enhance the identity of distinctive commercial districts

and to identify Pedestrian Oriented Districts (PODs).
• Maintain and increase the commercial employment base for community residents whenever possible.

While the Plans do not mandate mixed used projects, they encourage them in certain commercially designated areas, located along transit corridors, in pedestrian oriented districts, and in transit oriented districts.

## Zoning

The most recent document governing zoning in the study area is the Official City of Los Angeles Municipal Code, Chapter 1: General Provisions and Zoning, Sixth Edition (effective November 12, 1936, last amended February 4, 2010). As shown below, the zoning provisions reflect the land designations established by the Community Plans and existing land uses within the study area.

The traditional one-story retail and personal uses within the area reflect the relatively low maximum heights and floor area ratios (FAR) permitted under the existing zoning (e.g. within the C2-IVL buildings are not to exceed three storeys and the FAR is not to exceed 1:1). However, the General Plan does not prescribe a maximum permitted height to the Manufacturing or Public Facility zones. Some of the industrially zoned parcels of land are being used for new and innovative transitional uses (e.g. media and entertainment, artist studios). This transition should be further facilitated as an important element of the TOD market opportunity.

## Population and Employment Profile

For the purposes of the land use and planning review, the Tarzana Crossing study area was defined as a one quarter mile radius around the intersection of Oxnard Street and Reseda Boulevard. However, for the analysis of population and employment within the market area, zip code areas, as defined by the US Census Bureau, for Reseda (i.e. 91335) and Tarzana (i.e. 91356) were used.

Defining the market area using census tract data was considered, however, it was determined that zip code data would best meet the needs of the study as the zip codes capture demographic characteristics from north to south (primarily where the BRT station will draw). If census tract data was used, a market area running east west would have been defined, resulting in the inclusion of market areas served by neighboring BRT stations east and west of the Reseda station. All data within the Tarzana and Reseda zip code areas, with the exception of business establishment data, is sourced from the 2000 US Census. The federal government undertakes an official census every 10 years and the 2010 US Census will not be available until mid 2011. However, OnBoard Informatics, a well-known company that undertakes neighborhood assessments using data sources such as the US Census, FBI and Bureau of Labor Statistics and the local Chambers of Commerce, prepares annual community overviews for zip code areas. While the demographic and workforce information included in these reports are estimates, the findings have been included in the overview of the market area for additional context.

## Population and Dwellings

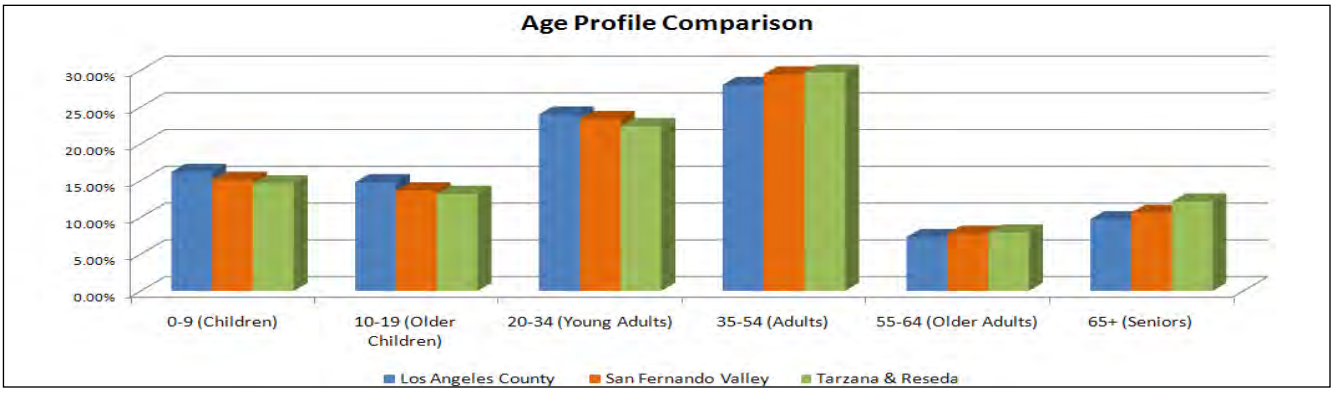
At the time of the 2000 Census, Tarzana (zip code 91356) had a population of 27,407 and Reseda (zip code 91335) had a population of 68,002. Combined, the market area had a total population of 95,409. According to the On Board community overviews, Tarzana currently has a population of 28,954 (representing a 5.6% growth in population over the past decade) and Reseda currently has a population of 69,332 (representing a 2.0% growth in population over the past decade)[3]. As illustrated in the tables below, the age profile shown in the 2000 Census is similar within the study area and the larger San Fernando Valley and Los Angeles County, with the exception that there is a slightly higher proportion of older adults and seniors in Tarzana and Reseda.

| POPULATION BY AGE GROUP | | | |
|---|---|---|---|
| | Los Angeles County | San Fernando Valley | Tarzana & Reseda |
| 0-9 (Children) | 1,539,678 | 258,905 | 13,949 |
| 10-19 (Older Children) | 1,407,118 | 233,835 | 12,589 |
| 20-34 (Young Adults) | 2,283,559 | 400,761 | 21,363 |
| 35-54 (Adults) | 2,666,090 | 504,488 | 28,325 |
| 55-64 (Older Adults) | 696,220 | 132,991 | 7,588 |
| 65+ (Seniors) | 926,673 | 182,106 | 11,586 |
| **Total Population** | **9,519,338** | **1,713,086** | **95,400** |

| PERCENTAGE POPULTION BY AGE GROUP | | | |
|---|---|---|---|
| | Los Angeles County | San Fernando Valley | Tarzana & Reseda |
| 0-9 (Children) | 16.17% | 15.11% | 14.62% |
| 10-19 (Older Children) | 14.78% | 13.65% | 13.20% |
| 20-34 (Young Adults) | 23.99% | 23.39% | 22.39% |
| 35-54 (Adults) | 28.01% | 29.45% | 29.69% |
| 55-64 (Older Adults) | 7.31% | 7.76% | 7.95% |
| 65+ (Seniors) | 9.73% | 10.63% | 12.14% |
| **Total** | **100.00%** | **100.00%** | **100.00%** |

Source: IBI Group based on US Census Bureau 2000 Census and The San Fernando Valley Economic Research Centre

The aging of the population within the study area is reflected in the proportion of single-person households and the average household size, particularly in Tarzana.




[3] OnBoard Informatics (2010) Community Overviews for Zip Codes 91335 and 91356, Neighborhood Navigator

| HOUSEHOLD COMPOSITION | Los Angeles County | San Fernando Valley | Tarzana | Reseda |
|---|---|---|---|---|
| Households with individuals unde 18 years | 41.28% | | 31.03% | 42.3% |
| Householder living alone | 24.63% | | 28.63% | 22.4% |
| Average household size | 3.0 | 3.0 | 2.4 | 3.05 |

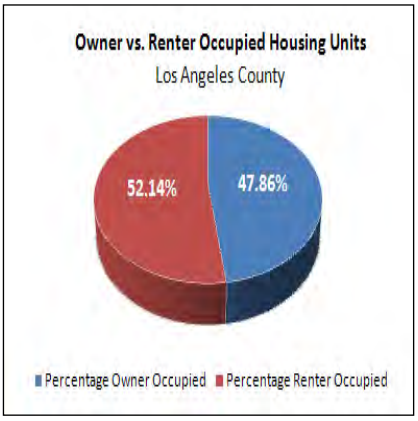
Source: IBI Group based on US Census Bureau 2000 Census and the San Fernando Valley Economic Research Center

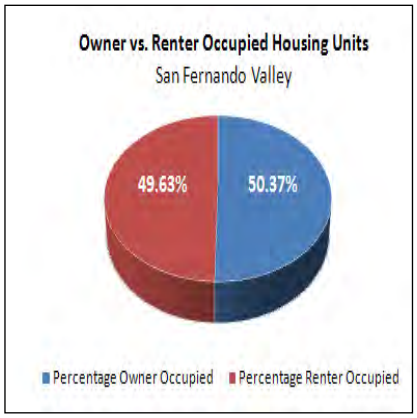
According to OnBoard Informatics, the median annual household income in Tarzana is $67,964 and it is $50,612 in Reseda. Based on the Onboard community overviews, it appears that approximately 50% of the households in Tarzana have incomes of over $75,000 and approximately 40% of the households in Reseda have incomes of over $75,000, but over 3,000 households have annual incomes of less than $15,000.

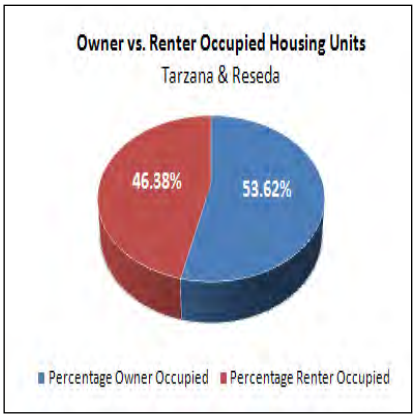
The analysis below shows that dwelling vacancy rates are comparable to the Regional and County averages and demonstrate a healthy market in Tarzana and Reseda. The residential tenure profile is also similar to the Regional and County profiles, with a relatively high proportion of owner occupied housing units. This reflects the quality and price point of the housing in Tarzana and Reseda, the income profile of the area and the range of housing options in the mixed density area. The demographic reality of an aging population signals an opportunity to create housing and employment opportunities for a younger demographic through new TOD development.

| HOUSING UNITS - VACANT AND OCCUPIED | Los Angeles County | San Fernando Valley | Tarzana & Reseda |
|---|---|---|---|
| Occupied Housing Units | 3,133,774 | 571,340 | 32,936 |
| Percentage Occupied Housing Uni | 95.81% | 96.85% | 96.21% |
| Vacant Housing Units | 137,135 | 18,580 | 1,297 |
| Percentage Vacant Housing Units | 4.19% | 3.15% | 3.79% |
| **Total Housing Units** | **3,270,909** | **589,920** | **34,233** |

Source: IBI Group based on US Census Bureau 2000 Census and the San Fernando Valley Economic Research Center



## Employment Profile

The employment data prepared by the US Census is based on place of residence (i.e. the industries in which people who live in the study area work). It does not define the number of jobs located in Tarzana and Reseda. Together with occupational data, the employment profile analysis provides a snapshot of the available labour force, market buyer profile (e.g. real estate) and retail market opportunities. The 2010 Census will be essential to providing an up-to-date and comprehensive understanding of both the population and employment profile of the study area.

As shown below, at the time of the 2000 Census there was a relatively low level of unemployment in the study area. However, currently Los Angeles County's unemployment rate is estimated to be 12.4%[4].

| Employment- Tarzana and Reseda - 2000 | | |
|---|---|---|
| | Number | Percentage of Population Aged 16+ |
| Total in Labor Force | 45,261 | 61.50% |
| Employmed | 21,587 | 57.23% |
| Unemployed | 3,128 | 4% |

Source: IBI Group based on US Census Bureau, 2000 Census

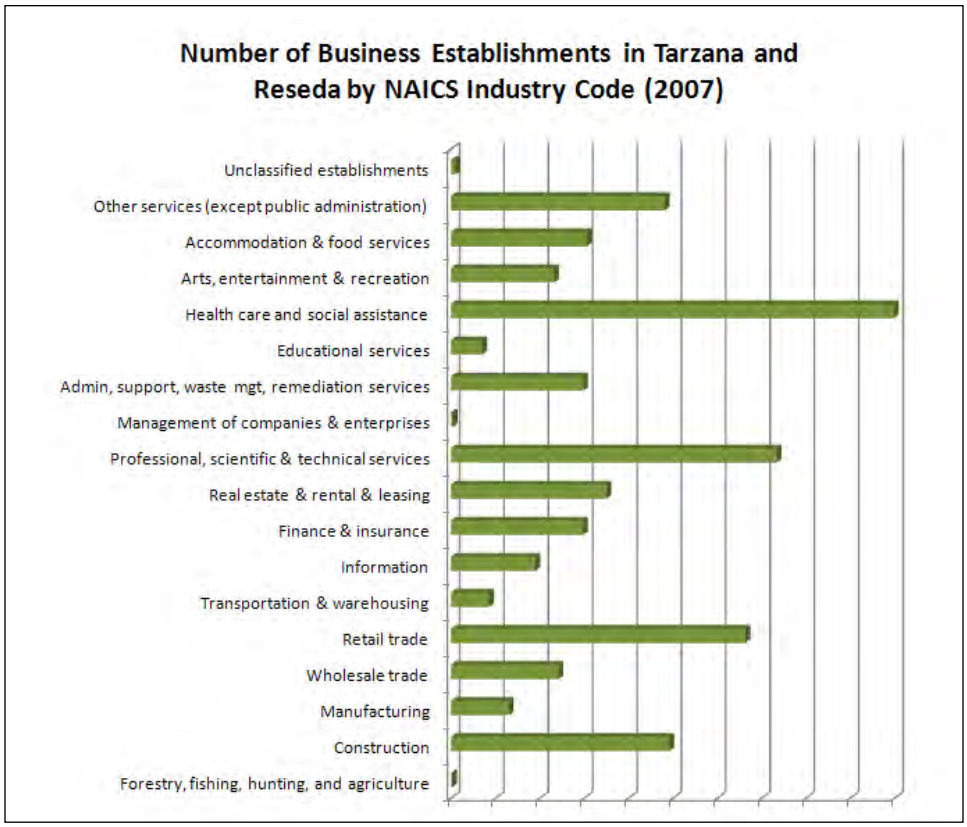
The largest proportions of the study area residents are employed in industries which can be classified as professional services, education, health and social services and retail trade. The Census shows that as of 2000, manufacturing was not the largest employer of people residing in the study area. Anecdotally, since 2000, manufacturing in the local area has declined.

| Employed Civilian Population by Industry - Tarzana and Reseda - 2000 | | |
|---|---|---|
| | Number | Percentage of Total |
| Agriculture, forestry, fishing and hunting, and mining | 25 | 0.06% |
| Construction | 2,225 | 5.28% |
| Manufacturing | 4,924 | 11.69% |
| Wholesale trade | 1,619 | 3.84% |
| Retail trade | 5,546 | 13.17% |
| Transportation & warehousing | 1,394 | 3.31% |
| Information | 2,482 | 5.89% |
| Finance, insurance, real estate, and rental and leasing | 3,798 | 9.02% |
| Professional, scientific, management, administrative, and waste management services | 5,571 | 13.23% |
| Educational, health, and social services | 7,240 | 17.19% |
| Arts, entertainment, recreation, accommodation, and food services | 3,788 | 8.99% |
| Other services (except public administration) | 2,906 | 6.90% |
| Public Adminstration | 602 | 1.43% |

| Employed Civilian Population by Occupation - Tarzana and Reseda - 2000 | | |
|---|---|---|
| | Number | Percentage of Total |
| Management, professional, and related occupations | 14,636 | 34.75% |
| Service Occupations | 2,225 | 15.73% |
| Sales and office occupations | 4,924 | 30.25% |
| Farming, fishing, and forestry occupations | 1,619 | 6.00% |
| Construction, extraction, and maintenance occupations | 5,546 | 7.96% |
| Production, transportation, and material moving occupations | 1,394 | 11.24% |

Source: IBI Group based on US Census Bureau, 2000 Census

A review of 2007 business establishment data shows that the majority of businesses are small in scale and employ between one and four employees. Between 69% and 65% of business are of this scale in Tarzana and Reseda, respectively. Almost all existing business establishments in Tarzana and Reseda (i.e. 98%) employ less than 50 people. As shown below, the majority of businesses establishments in Tarzana and Reseda, as identified by the US Census Bureau, are service sector establishments such as health care offices, professional services and retail. However, given the types of businesses and institutions observed in the more immediate Tarzana Crossing study area (i.e. a quarter mile radius surrounding the Reseda BRT station), it would appear that a large proportion of the study area residents may travel elsewhere within Tarzana and Reseda and beyond for work.




Source: IBI Group based on US Census Bureau

[4] CB Richard Ellis (2009) Market View Greater Los Angeles, Retail, Fourth Quarter 2009.

The employment trends depicted by the US Census further reinforces the findings from the review of existing land uses and the notion that the study area is not yet attracting commercial office, retail, light industrial or research and development businesses at a larger scale. The essence of the future market opportunity resides with a mixed offering of neighborhood services, small-scale office and specialist retail and larger employers that can take advantage of the proximity to the transit station and the general socio-economic character of the area.

In order to provide a context for comparison, the analysis also considers benchmarking market conditions in the San Fernando Valley as defined by the San Fernando Valley Economic Research Centre. The comparison shows that the Tarzana community is (was as of 2000) well positioned in terms of its overall socio-economic and income profile. Employment data for 2007 is available by zip code, however, a consolidation of such information for the San Fernando Valley is not readily available.

## Market Real Estate Characteristics and Highest and Best Use

In review of development potential for the study area and the role that the transit system may play in creating TOD opportunities, it is important to distinguish between the current market environment and longer term prospects. Consideration must be given to the structural nature of the local economy and wider market forces as well as planning goals and zoning permissions. The Community Plans for Encino-Tarzana and Reseda-West Van Nuys recognize the need to preserve the existing character of the community while at the same time supporting sustainable development and the creation of new employment and housing for future populations. The following analysis of existing market real estate characteristics within the study area and future development potential is based on data from a number of real estate publications and listings for the Greater Los Angeles Area and the Tarzana and Reseda communities.

Residential

As previously described, housing in the study area is predominantly comprised of low-rise apartment buildings and townhouses (rental and owned) and clusters of detached single-family housing. According to MLS.com, the majority of housing within the Tarzana area (cited as having a population of 91,000, thus appearing to include Reseda) was built before 1969 (i.e. 76.5%) and only 5.8% of the housing stock was built after 1995.

Based on a review of existing real estate listings, there appear to be between 30 and 50 residential units currently for sale within a quarter mile radius of the Reseda BRT Station, ranging in price from $139,000 to $667,000 (i.e. $168 to $647 per sq. ft.). Housing prices appear to be the highest within the northeast quadrant of the study area, where the majority of larger single-family housing is located. MLS.com reports that as of March 2010, the median sales price for Tarzana real estate is $325,000 which represents an increase of 8.3% from the previous year. As illustrated below, MLS.com also shows that housing prices within Los Angeles County are considerably higher than elsewhere within the State or the country.

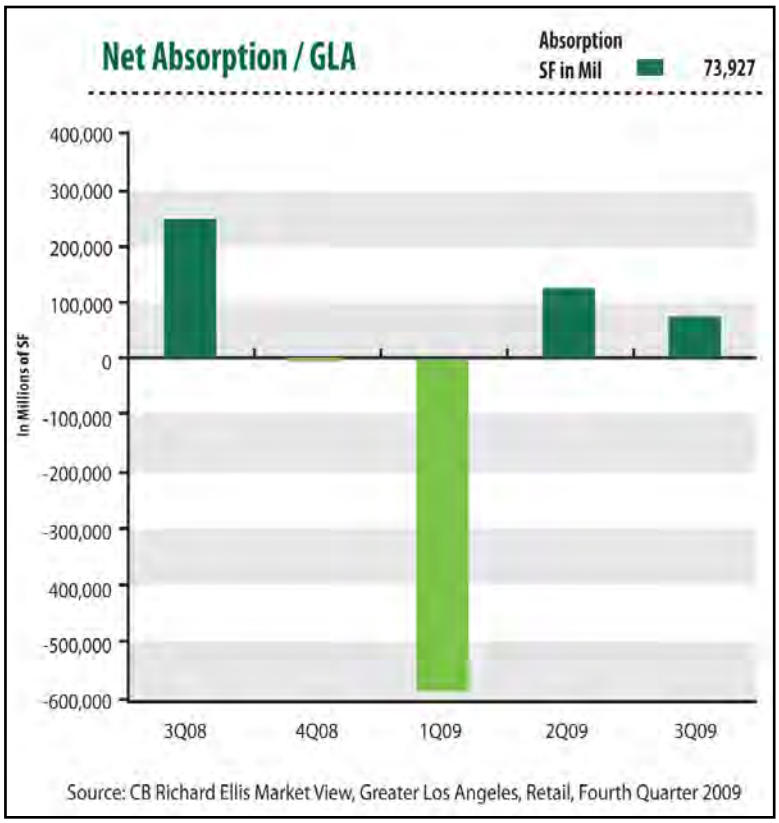
The OnBoard community overviews for Tarzana and Reseda show the following fair market rental ranges within the study area:

| Fair Market Average Gross Monthly Rental Rates | | | | | |
|---|---|---|---|---|---|
| | Studio | One Bedroom | Two Bedroom | 3 Bedroom | 4 Bedroom |
| Tarzana (zip code area 91335) | $916 | $1,105 | $1,380 | $1,853 | $2,230 |
| Reseda (zip code area 91356) | $1,114 | $1,343 | $1,678 | $2,253 | $2,711 |

Source: OnBoard Informatics, based on US Department of Housing and Urban Development (HUD) data

According to a report prepared by the US Environmental Protection Agency, the proportion of residential building permits located within the central city and core suburban areas of Los Angeles (including Orange, San Bernardino, Riverside and Ventura Counties), versus greenfield suburban development has steadily increased over the past decade. Between 1990 and 1995 building permits in the central city and core suburbs accounted for only 24% of all residential building [5] permits but grew to 35% by 2008.

Based on the market characteristics and the presence of the Orange Line, the potential for future residential development in the study area appears to be highest for medium density housing (e.g. townhouses, apartments), geared to either the rent or ownership market. Potential locations can be created through personalization of the large industrial tracts, as well as potentially medium rise residential as part of mixed use developments and infill projects.




Source: CB Richard Ellis Market View, Greater Los Angeles, Retail, Fourth Quarter 2009

Retail

According to CB Richard Ellis, as of the fourth quarter of 2009 the Greater Los Angeles retail market continues to mirror other commercial market types with increased vacancy, negative net absorption and little to no product under construction. As shown below, the County experienced -52,468 square feet of net absorption in the 4th quarter of 2009.

The latest CB Richard Ellis Market View report for retail in the Greater Los Angeles area shows that within San Fernando Valley there is a total retail vacancy of 6.7% and that of the various sub markets within the County San Fernando Valley has one of the lowest asking lease rates (i.e. $1.95 per sq. ft. per month). The report cites that no new retail is under construction anywhere in the County except for Ventura and San Gabriel Valley.

A web-based search of real estate listings resulted in no listings for retail space within the precise Tarzana Crossing study area, but multiple listings

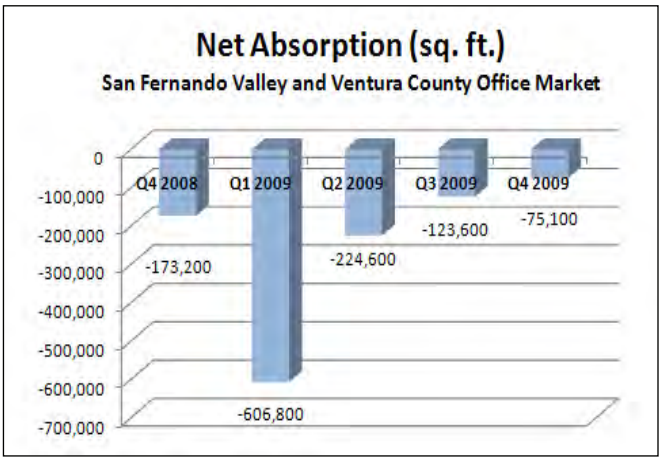
[5] US Environmental Protection Agency (2010) Residential Construction Trends in America's Metropolitan Regions.

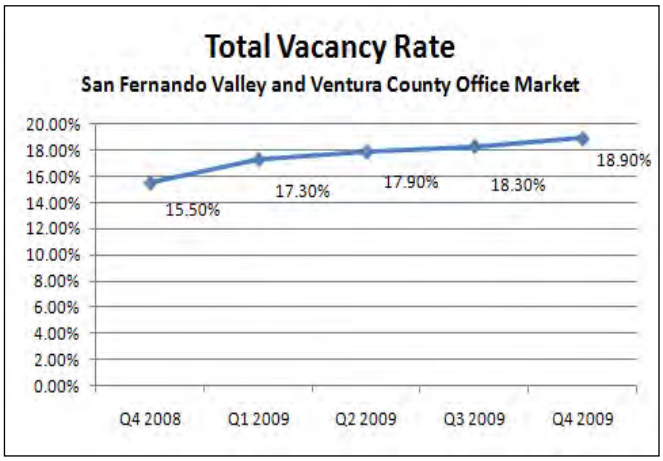
in the larger Tarzana and Reseda area. Space is for lease within a variety of new and older retail buildings and centers and monthly rental rates range from $2.10 to $3.10.

The subject area does not particularly lend itself as a destination for large scale retail-pad development given the existing parcel fabric, the current and future role of the node as a neighborhood service provider and TOD center and economic realities. However, the immediate area is poorly served by larger grocery retailers and an opportunity for such establishments may exist along with other opportunities to serve the growing pedestrian and BRT user base. Comparable and competing stores are located within proximity to nearby east and west BRT stations.

Office

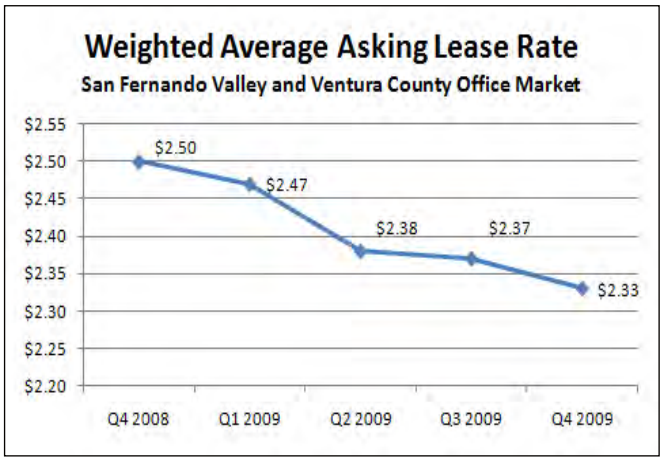
According to Colliers International, as at the fourth quarter of 2009, West San Fernando Valley had 179 office buildings with a total GFA of 17,255,100 sq. ft. The market for office space has been performing poorly in recent times with significantly negative market absorptions in the fourth quarter of 2009. Vacancies in the San Fernando Valley and Ventura County areas were at their highest this decade during the same quarter, after a period of steady incline.




Source: Colliers International Market Report, Office, San Fernando Valley & Ventura County, 4th quarter 2009

Further, average asking lease rates have followed a slow but declining trend from the fourth quarter of 2008 to the fourth quarter of 2009. The average asking monthly lease rate of $2.33 per sq. ft. in San Fernando and Ventura County, however, remains higher than that of West San Fernando which is at $2.26.




Source: Colliers International Market Report, Office, San Fernando Valley & Ventura County, 4th quarter 2009

A web-based search of real estate listings resulted in a few listings for office space within the precise Tarzana Crossing study area, and multiple listings in the larger Tarzana and Reseda area. Space is for lease within a variety of new and older office and light industrial buildings and monthly rental rates range from $1.60 to $2.20.

Overall, West San Fernando Valley has performed well relative in comparison to the larger Valley market. However, much of this performance is related to the office portfolio in principal nodes such as Warner Centre. The subject study area does not, in our opinion, represent a viable location for any significant speculative office development. However, potential may exist for speculative building or adaptive re-use similar to which has occurred, focusing on professional services, medical, dental, educational, etc.

Industrial

According to Colliers International, the San Fernando Valley and Ventura County industrial market is characterized by a moderately mature market with 68% of its space being built more than 20 years ago. It is not overly dominated by large format/big-box industrial buildings (only 32% of space contained in big box buildings, defined as 100,000+ sq. ft.).

Market trends for industrial have been similar over the past 5 quarters, with increasing vacancy rates and decreasing lease and sale prices. Despite this, the fourth quarter of 2009 showed positive net absorption of industrial space for the first time in over a year with +17,700 sq. ft. being absorbed.

The asking lease rate for industrial space within San Fernando Valley and Ventura County has dropped from $0.65 per sq. ft. to $0.58 per sq. ft. over the past year (weighted average). As shown below, the average asking sale price has also dropped considerably.

The mixed performance of the industrial market in West San Fernando Valley masks the structural change within parts of the more densely developed parts of the area. The presence of significant industrial including leading firms such as Pratt and Whitney, located next to key infrastructure and/or within master planned industrial parts, contrasts with the more organic development of industry in areas such as Tarzana and Reseda. Those industrial premises generally now represent inefficient locations and the proximity of residential and other land uses (such as south of the industrial development along Oxnard) further constrains these site for industrial use.

The opportunity is for adaptive re-use, or redevelopment, re-parcelization of these industrial premises in the area surrounding the node. The economics of each option will be a function of the particular condition and functionality of the building and property as well as the particular use or range of uses being contemplated.

Source: Colliers International Market Report, Office, San Fernando Valley & Ventura County, 4th quarter 2009

Institutional
Within a quarter mile area of the Reseda BRT station there are a number of public/community and institutional uses including schools, places of worship and medical facilities.

Often, certain civic office, library or service centre developments, as stable uses, can act as anchors for new developments. The market for institutional uses often reflects the investment decisions of the public sector and is difficult to plan for. However, as Tarzana is a neighborhood service centre catering to a range of markets including area residents, employees and students and those using the transit system, there is potential for the development of additional civic and community functions.

Summary of Highest and Best Uses Opportunities
IBI Group sees the opportunity to create a TOD zone around the Orange Line BRT and Reseda station as incremental and organic based on the existing market potential. The potential to replace the loss of industrial employment with several "large wins", such as significant speculative office development, is highly unlikely for the foreseeable future. In our view, employment generation is most likely to occur through harnessing the existing market opportunities and seeking some additional residential development where appropriate. While compatibility of land uses remains an issue, however, market forces can facilitate the relocation of less desirable uses over time once the critical mass of development around the station occurs and vacant premises are re-used/redeveloped.

The following further summarizes the highest and best uses and recommended approaches for future development and intensification in the study area:

• Build on what is there; generally retaining the mix of uses which are currently there and create a critical mass through intensification rather than attempting large-scale land assembly and right-of-way (ROW) creation;

• As a zone in transition, the authenticity of the existing market forces should be maintained rather than removed through attempts at significantly higher density;

• The zone functions as a service centre on a number of levels – each of these markets should be identified and provide a basis for a range of employment opportunities;

• The Warner Centre fulfills an important role in providing Class A office and industrial space, as well as significant large format retail opportunities. Development efforts within the study area should complement rather than try to compete with this already established center;

• The TOD will not, in our opinion, work as a classic residential node of significant density. There is some potential in our view for high density housing (3 to 4 storeys) on an appropriate site which could include the south east quadrant. The success of that development in that location would be the recognition of the need for ground floor retail and an acceptance by the market place for this form of development;

• Importantly, over time there may be potential for residential along Oxnard Avenue if sites are redeveloped and if the existing transition from industry to office and retail continues;

• In the absence of mixed-use buildings, retail at a moderate scale could be developed further south on Reseda Boulevard;

• The creation of the node as a destination is important – creating a daily destination for transit users and local retailers as well as a weekend destination for specialist retail and services;

• Opportunities north of the ROW are more limited and a range of important localized services currently exist and should be

protected for the medium term. Hence, the design process should continue its focus on infill development in this location, higher order uses where achievable, but cognizant of the need for compatibility with existing land uses;

Potential Challenges and Mitigation Measures

The study area boasts significant development potential, especially given forthcoming improvements and augmented pedestrian traffic levels surrounding the TOD interchange over time. Despite these attributes, Tarzana Crossing is somewhat limited in the type of future development it will most likely attract and support, based on the findings of the socio-demographic and market analysis, planning policy and general observations made on the type and quality of uses in the area. More specifically, it is limited in the type of development for which a private investor would likely be willing to risk an investment – the following return on investment analysis speaks further to this issue. The propensity for and the type of development most suitable to the area will change over time.

The organic growth of the study area should be encouraged while planning for the incorporation of principles of TOD. Economic development and planning strategies and tools such as the following can assist in attracting new development and investment:

• A planning policy and regulatory framework which allows for flexibility in land use and design scope to facilitate further transitioning away from the large parcel, low density fabric along main roads;

• Zoning incentives such as reduced parking requirements, while recognizing that even with the BRT parking must be adequate to enable each of the markets (neighborhood services, employment and destination retail/service) to flourish;

• Development incentives (e.g. tax cuts, free land, waiver of planning and building fees, grants, reduced parking requirements);

• Provision of investment readiness packages to potential investors which identify vacant lands, properties/buildings for lease or purchase, available servicing infrastructure, traffic volumes and transit ridership statistics and details on the City's planning and development approvals process and available assistance/incentives;

• Neighborhood beautification programs for both private and publicly owned properties (e.g. building and façade improvement programs, small-scale renovations and additions, streetscaping upgrades, street furniture to promote a pedestrian ambiance, a public art program, improved pedestrian crossings);

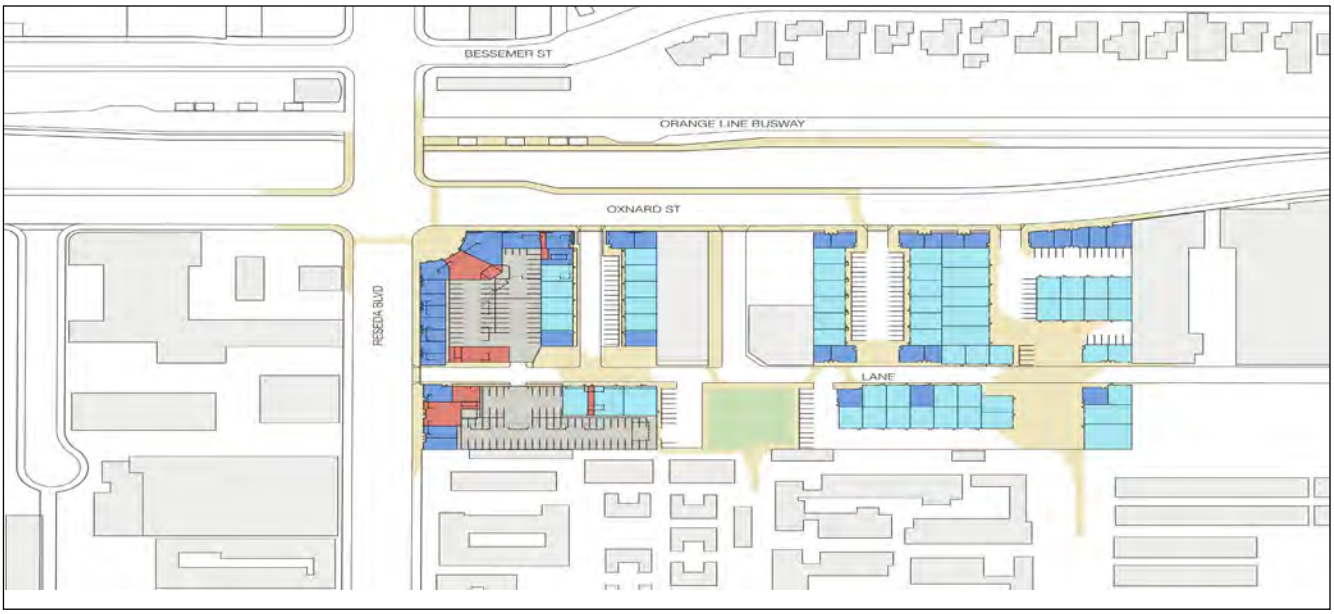
• The development of new community recreation facilities and amenities.

# Return on Investment

# Return on Investment

The return on investment (ROI) analysis provides a 20 year cash flow for two project development prototypes and two alternate scenarios for each site were identified, resulting in a total of four development options.

Options 1 and 2 assume redevelopment of the former Uni-Lab site (i.e. a mixed-use development of 121,000 sq. ft. and a light industrial development of 90,000 sq. ft.). Options 3 and 4 assume redevelopment of the southeast Corner of Oxnard Avenue and Reseda Boulevard (i.e. a mixed use development of 161,000 sq. ft. and a commercial/office development of 45,000 sq. ft.).




The four options differ in their assumption of GFA, land uses, and parking requirement as described in the following table:

| | Option 1 | Option 2 | Option 3 | Option 4 |
|---|---|---|---|---|
| Total GFA | 121,000 | 90,000 | 161,000 | 45,000 |
| Residential GFA | 40,000 | | 120,000 | |
| Commercial/Office GFA | 12,000 | | 19,000 | 45,000 |
| Retail GFA | 4,000 | | 4,000 | |
| Light Industrial GFA | 65,000 | 90,000 | 18,000 | |
| Total Parking Stalls | 189 | 135 | 219 | 135 |
| Surface Parking Stalls | 149 | 135 | | 135 |
| Structured Parking Stalls | | | 99 | |
| Below Grade Parking Stalls | 40 | | 120 | |

## Options and Assumptions

Several basic assumptions were made under each of the four options, based on similar relative experience and reasonable estimations, market research and/or industry norms. The basic assumptions of the analysis include the following:

- 3% annual escalation on all costs and sale prices;
- 5% project contingency which represents the risk factors for various unknowns and unanticipated expenses;
- Soft costs (e.g. professional fees) will total 12.5% of the project construction costs;
- Construction costs are estimates provided by RS Means, specific to the Greater Los Angeles area;
- 400 sq. ft. per parking space will be required;
- Site servicing costs will equal between $25,000 to $50,000 per acre for pre-serviced land;
- Average landscaping costs will equal $50,000 per acre;
- 5% of gross sales will be required to cover marketing costs;
- Financing was assumed at 25% equity and 75% debt at an interest rate of 4.5%, meaning that 75% of the project will be financed by borrowed funds and the developer will be paying 4.5% per year in interest;
- A 10% discount rate was applied which will discount future earnings or costs and relate them to earnings and costs achieved today;
- The non-residential rentals are assumed to have a standard rental rate for the first 5 years of occupancy. After 5 years the rental rate is stepped up by 3% annual escalation;
- 10% vacancy assumed for retail/office space;
- A 10% cap rate was used at the end of the 10-year rental period which allows us to value the projected sale price of the rental space based on the revenues achieved.

A full listing of assumptions and inputs into the financial model are available in the Appendix.

## Results

The following provides a summary of the results of a 20 year cash flow proforma analysis for the four development scenarios. Details of the analysis are provided on an annual basis for each scenario in the Appendix.

As illustrated below, a comparison of gross revenues across the four development scenarios shows that Option 3 (i.e. a mixed use development of 161,000 sq. ft. on the southeast corner of Oxnard Avenue and Reseda Boulevard) results in the highest total revenues at approximately $43.9 million.

However, Option 3, as expected given the square footage and provision of below-grade parking, also represents the development scenario with the highest project costs (i.e. costs of almost $38 million). Those development options with the smallest GFA not surprisingly have the lowest associated capital costs:

- Option 4: a 45,000 sq. ft. commercial/office building at the southeast corner of Oxnard Avenue and Reseda Boulevard with total costs estimated at $12.0 million

- Option 2: a 90,000 sq. ft. light industrial building on the former Uni-Lab site with total costs estimated at $12.0 million.

| ESTATEMASTER Development Feasibility | 1 | 2 | 3 | 4 |
|---|---|---|---|---|
| | Cash Flow - Option 1 | Cash Flow - Option 2 | Cash Flow - Option 3 | Cash Flow - Option 4 |
| **Summary of Comparison of Options** | Former Uni-Lab Site - Base Case | Former Uni-Lab Site - Alternate Case | SE Corner Oxnard / Reseda Site - Base Case | SE Corner Oxnard / Reseda Site - Alternate Case |
| **Tarzana Crossing** | 3.7 Acres<br>121,000. GFA<br>160,000. SqFt | 3.7 Acres<br>90,000. GFA<br>160,000. SqFt | 2.8 Acres<br>161,000. GFA<br>120,600. SqFt | 2.8 Acres<br>45,000. GFA<br>120,600. SqFt |
| Estate Master for Excel Licensed to: IBI GROUP | Mixed Use<br>Under Review | Mixed Use<br>Under Review | Mixed Use<br>Under Review | Mixed Use<br>Under Review |
| **REVENUE** | | | | |
| Total Sales Revenue | 23,191,648 | 12,763,789 | 37,343,882 | 12,391,512 |
| Less Selling Costs | (1,159,582) | (638,189) | (1,867,194) | (619,576) |
| NET SALE PROCEEDS | 22,032,066 | 12,125,599 | 35,476,688 | 11,771,936 |
| Rental Income | 13,145,594 | 11,888,274 | 8,932,106 | 12,823,926 |
| Less Outgoings & Vacancies | (341,971) | - | (541,455) | (1,282,393) |
| Less Letting Fees | - | - | - | - |
| Less Incentives (Rent Free and Fit Out Costs) | - | - | - | - |
| Less Other Leasing Costs | - | - | - | - |
| NET RENTAL INCOME | 12,803,623 | 11,888,274 | 8,390,651 | 11,541,533 |
| Interest Received | - | - | - | - |
| Other Income | - | - | - | - |
| TOTAL REVENUE | 34,835,688 | 24,013,874 | 43,867,339 | 23,313,469 |
| Less Nil Tax paid | - | - | - | - |
| TOTAL REVENUE | 34,835,688 | 24,013,874 | 43,867,339 | 23,313,469 |
| **COSTS** | | | | |
| Land Purchase Cost | - | - | - | - |
| Land Transaction Costs | - | - | - | - |
| Construction (inc. Construct. Contingency) | 14,453,240 | 7,794,000 | 23,979,270 | 7,294,050 |
| Professional Fees | 1,806,655 | 974,250 | 2,997,409 | 911,756 |
| Statutory Fees | - | - | - | - |
| Infrastructure Costs | 374,566 | 374,566 | 328,566 | 293,203 |
| Parking Construction Costs | 1,961,500 | 472,500 | 7,290,000 | 472,500 |
| Miscellaneous Costs 3 | - | - | - | - |
| Project Contingency (Project Reserve) | 929,798 | 480,766 | 1,729,762 | 448,575 |
| Land Holding Costs | - | - | - | - |
| Pre-Sale Commissions | - | - | - | - |
| Finance Charges (inc. Line Fees) | - | - | - | - |
| Interest Expense | 1,562,923 | 1,916,785 | 1,303,662 | 1,721,785 |
| Plus Corporate Tax | - | - | - | - |
| TOTAL COSTS | 21,088,681 | 12,012,866 | 37,628,669 | 11,141,870 |

An analysis of performance indicators gives an advanced perspective for comparison of the four development options. The summary reveals that while the greatest revenues are associated with Option 3, when total capital costs are taken into consideration it is Option 1 (i.e. a 121,000 sq. ft. mixed use building on the former Uni-Lab site) that is anticipated to achieve the highest gross profit at $13.7 million.

| PERFORMANCE INDICATORS | Option 1 | Option 2 | Option 3 | Option 4 |
|---|---|---|---|---|
| Gross Development Profit [1] | 13,747,007 | 12,001,007 | 6,238,671 | 12,171,600 |
| Net Developer's Profit after Profit Share [2] | 13,747,007 | 12,001,007 | 6,238,671 | 12,171,600 |
| Development Margin (Profit/Risk Margin) [3] | 61.79% | 94.86% | 15.80% | 103.49% |
| Target Development Margin | 20.00% | 20.00% | 20.00% | 20.00% |
| Residual Land Value (Target Margin) [4] | 5,684,922 | 5,594,218 | (1,273,812) | 5,812,419 |
| Breakeven Date for Cumulative Cash Flow [5] | Jan-2020 | Jan-2020 | Jan-2020 | Jan-2020 |
| Discount Rate (Target IRR) | 10.00% | 10.00% | 10.00% | 10.00% |
| Net Present Value [6] | 1,038,192 | 1,423,758 | (3,722,999) | 1,763,759 |
| Benefit Cost Ratio [8] | 1.053 | 1.141 | 0.898 | 1.187 |
| Project Internal Rate of Return (IRR) [9] | 11.22% | 12.04% | 5.79% | 12.67% |
| Residual Land Value (NPV) [10] | 1,038,192 | 1,423,757 | (3,722,998) | 1,763,758 |
| Maximum Debt Exposure | 14,644,319 | 7,572,061 | 27,243,755 | 7,065,064 |
| Date of Maximum Project Overdraft | Jan-2010 | Jan-2010 | Jan-2010 | Jan-2010 |
| Breakeven Date for Project Overdraft [11] | Jan-2017 | Jan-2019 | Jan-2013 | Jan-2019 |
| Total Equity Contibution | 4,881,440 | 2,524,020 | 9,081,252 | 2,355,021 |
| IRR on Equity [12] | 14.95% | 19.20% | 6.26% | 20.10% |
| Weighted Average Cost of Capital (WACC) | 3.37% | 3.38% | 3.37% | 3.38% |

The internal rate of return (IRR) of a project shows the performance of the project as a percentage of the initial investment. With regards to the IRR across development options, Options 2 and 4 (both alternate scenarios to the development prototypes) out-perform the original options from which these are derived. The difference in performance can be mainly attributed to the number and type of parking stalls which must be constructed to accompany each development scenario. Parking planned under Options 2 and 4 are entirely surface parking, the most inexpensive form of parking construction.

The poorest performing development option is Option 3 generally due to the fact that there is an abundance of parking required and all parking is assumed to be either structured or below grade in this scenario. The analysis assumes the same selling price of units under all options, however, it should be recognized that unit prices may differ depending on the quality and design differences across all options. The additional cost of the parking could be offset in the selling price in the units, bringing the outcome of Option 3 at or closer to that of the other options.

The net present value (NPV) is another tool to determine the success of a development project. The NPV measures the present value of an investment's future net cash flows minus the initial investment. NPV is used in capital budgeting to analyze the profitability of a project. The NPV results mirror those of the IRR. The alternate options (Options 2 and 4) demonstrate higher returns through NPV than either of the two original options. Typically, development incorporating residential sales perform at a higher level than those based strictly on leased space, but as stated above, the cost of below grade parking and structured parking in comparison to surface parking is the primary reason for the hindered performance of both Options 1 and 3.

## Risk Factors

The above-shown estimates of ROI are intended to provide a high-level illustration of the potential impacts various land use alternatives could have on the study area, in terms of creating new housing and places of employment.

While the ROI illustrates all four options are financially viable and therefore potentially attractive to the private sector, a number of risk factors must be acknowledged as they will influence the timing and level of developer interest and profitability. Examples of such risk factors include, but are not limited to:

• The requirement for improved market conditions in the study area and beyond and the demand for new residential and non-residential product. The ROI analysis has been simplified wherein sales were assumed to be brisk and delivery is planned for within a short time frame. This is a somewhat aggressive approach and due to the current economic conditions, the sale of units could occur over a longer period, thus reducing the overall profitability of the project.

• The potential for planning and development incentives to attract future private sector investment to the area (e.g. tax cuts, free land, waiver of planning and building fees, grants, reduced parking requirements).

• Planning and or construction delays. The ROI analysis assumes that the development process is completed without the hindrance of any delays. There are many factors that can cause significant delays throughout a development process and these can inhibit or even derail projects. Examples of such factors include:

- Approvals for the development are not granted or opposed.
- Site complications such as contamination, archaeological findings.
- Union strikes (e.g. electrical, mechanical, construction).
- A developer will not be able to obtain financing.

# Appendix

# Consolidation of Stages

ESTATEMASTER PROPERTY SOFTWARE | Development Feasibility

## Summary of Comparison of Options

**Tarzana Crossing**

Estate Master for Excel Licensed to: IBI GROUP

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|---|---|---|---|---|---|---|---|---|
| | Cash Flow - Option 1 | Cash Flow - Option 2 | Cash Flow - Option 3 | Cash Flow - Option 4 | | | | |
| | Former Uni-Lab Site - Base Case | Former Uni-Lab Site - Alternate Case | SE Corner Oxnard / Reseda Site - Base Case | SE Corner Oxnard / Reseda Site - Alternate Case | | | | |
| | 3.7 Acres<br>121,000. GFA<br>160,000. SqFt | 3.7 Acres<br>90,000. GFA<br>160,000. SqFt | 2.8 Acres<br>161,000. GFA<br>120,600. SqFt | 2.8 Acres<br>45,000. GFA<br>120,600. SqFt | | | | |
| | Mixed Use<br>Under Review | Mixed Use<br>Under Review | Mixed Use<br>Under Review | Mixed Use<br>Under Review | | | | |
| **REVENUE** | | | | | | | | |
| Total Sales Revenue | 23,191,648 | 12,763,789 | 37,343,882 | 12,391,512 | | | | |
| Less Selling Costs | (1,159,582) | (638,189) | (1,867,194) | (619,576) | | | | |
| NET SALE PROCEEDS | 22,032,066 | 12,125,599 | 35,476,688 | 11,771,936 | | | | |
| Rental Income | 13,145,594 | 11,888,274 | 8,932,106 | 12,823,926 | | | | |
| Less Outgoings & Vacancies | (341,971) | - | (541,455) | (1,282,393) | | | | |
| Less Letting Fees | - | - | - | - | | | | |
| Less Incentives (Rent Free and Fit Out Costs) | - | - | - | - | | | | |
| Less Other Leasing Costs | - | - | - | - | | | | |
| NET RENTAL INCOME | 12,803,623 | 11,888,274 | 8,390,651 | 11,541,533 | | | | |
| Interest Received | - | - | - | - | | | | |
| Other Income | - | - | - | - | | | | |
| TOTAL REVENUE | 34,835,688 | 24,013,874 | 43,867,339 | 23,313,469 | | | | |
| Less Nil Tax paid | - | - | - | - | | | | |
| TOTAL REVENUE | 34,835,688 | 24,013,874 | 43,867,339 | 23,313,469 | | | | |
| **COSTS** | | | | | | | | |
| Land Purchase Cost | - | - | - | - | | | | |
| Land Transaction Costs | - | - | - | - | | | | |
| Construction (inc. Construct. Contingency) | 14,453,240 | 7,794,000 | 23,979,270 | 7,294,050 | | | | |
| Professional Fees | 1,806,655 | 974,250 | 2,997,409 | 911,756 | | | | |
| Statutory Fees | - | - | - | - | | | | |
| Infrastructure Costs | 374,566 | 374,566 | 328,566 | 293,203 | | | | |
| Parking Construction Costs | 1,961,500 | 472,500 | 7,290,000 | 472,500 | | | | |
| Miscellaneous Costs 3 | - | - | - | - | | | | |
| Project Contingency (Project Reserve) | 929,798 | 480,766 | 1,729,762 | 448,575 | | | | |
| Land Holding Costs | - | - | - | - | | | | |
| Pre-Sale Commissions | - | - | - | - | | | | |
| Finance Charges (inc. Line Fees) | - | - | - | - | | | | |
| Interest Expense | 1,562,923 | 1,916,785 | 1,303,662 | 1,721,785 | | | | |
| Plus Corporate Tax | - | - | - | - | | | | |
| TOTAL COSTS | 21,088,681 | 12,012,866 | 37,628,669 | 11,141,870 | | | | |
| **PERFORMANCE INDICATORS** | | | | | | | | |
| Gross Development Profit [1] | 13,747,007 | 12,001,007 | 6,238,671 | 12,171,600 | | | | |
| Net Developer's Profit after Profit Share [2] | 13,747,007 | 12,001,007 | 6,238,671 | 12,171,600 | | | | |
| Development Margin (Profit/Risk Margin) [3] | 61.79% | 94.86% | 15.80% | 103.49% | | | | |
| Target Development Margin | 20.00% | 20.00% | 20.00% | 20.00% | | | | |
| Residual Land Value (Target Margin) [4] | 5,684,922 | 5,594,218 | (1,273,812) | 5,812,419 | | | | |
| Breakeven Date for Cumulative Cash Flow [5] | Jan-2020 | Jan-2020 | Jan-2020 | Jan-2020 | | | | |
| Discount Rate (Target IRR) | 10.00% | 10.00% | 10.00% | 10.00% | | | | |
| Net Present Value [6] | 1,038,192 | 1,423,758 | (3,722,999) | 1,763,759 | | | | |
| Benefit Cost Ratio [8] | 1.053 | 1.141 | 0.898 | 1.187 | | | | |
| Project Internal Rate of Return (IRR) [9] | 11.22% | 12.04% | 5.79% | 12.67% | | | | |
| Residual Land Value (NPV) [10] | 1,038,192 | 1,423,757 | (3,722,998) | 1,763,758 | | | | |
| Maximum Debt Exposure | 14,644,319 | 7,572,061 | 27,243,755 | 7,065,064 | | | | |
| Date of Maximum Project Overdraft | Jan-2010 | Jan-2010 | Jan-2010 | Jan-2010 | | | | |
| Breakeven Date for Project Overdraft [11] | Jan-2017 | Jan-2019 | Jan-2013 | Jan-2019 | | | | |
| Total Equity Contibution | 4,881,440 | 2,524,020 | 9,081,252 | 2,355,021 | | | | |
| IRR on Equity [12] | 14.95% | 19.20% | 6.26% | 20.10% | | | | |
| Weighted Average Cost of Capital (WACC) | 3.37% | 3.38% | 3.37% | 3.38% | | | | |

| **YIELD ANALYSIS** | Qty | Area | Qty | Area | Qty | Area | Qty | Area |
|---|---|---|---|---|---|---|---|---|
| **SALES** | | SqFt | | SqFt | | SqFt | | SqFt |
| Residential - 1 Bedroom Units | 0 | 40,000 | 0 | 0 | 0 | 120,000 | 0 | 0 |
| TOTAL | 0 | 40,000 | 0 | 0 | 0 | 120,000 | 0 | 0 |
| **TENANCIES** | | SqFt | | SqFt | | SqFt | | SqFt |
| Commerical Office | | 12,000 | | 0 | | 19,000 | | 45,000 |
| Retail Shops | | 4,000 | | 0 | | 4,000 | | 0 |
| Industrial Units | | 65,000 | | 90,000 | | 18,000 | | 0 |
| TOTAL | | 81,000 | | 90,000 | | 41,000 | | 45,000 |

**Footnotes (based on current Preferences):**

1. Development Profit: is total revenue less total cost including interest paid and received
2. Developer's Net Profit after distribution of profit share.
3. Development Margin: is profit divided by total development costs (inc selling costs).
4. Residual Land Value: is the maximum purchase price for the land whilst achieving the target development margin.
5. Breakeven date for Cumulative Cash Flow: is the last date when total debt and equity is repaid (ie when profit is realised).
6. Net Present Value: is the project's cash flow stream discounted to present value.
   It includes financing costs but excludes interest and corp tax.
8. Benefit:Cost Ratio: is the ratio of discounted incomes to discounted costs and includes financing costs but excludes interest and corp tax.
9. Internal Rate of Return: is the discount rate where the NPV above equals Zero.
10. Residual Land Value (based on NPV): is the purchase price for the land to achieve a zero NPV.
11. Payback date for the equity/debt facility is the last date when total equity/debt is repaid.
12. IRR on Funds Invested is the IRR of the equity cash flow including the return of equity and realisation of project profits.

## Preliminary

| | | | | | |
|---|---|---|---|---|---|
| Cash Flow Title | **Cash Flow - Option 1** | | Description of Option/Stage | Former Uni-Lab Site - Base Case | |
| Date of First Period: | Jan-2010 | | | | |
| Cash Flow Rest Period: | Yearly | | | | |
| Enter Project Size (a) | 3.7 | Acres | | | |
| Enter Project Size (b) | 121,000.0 | GFA | | | |
| Enter Site Area | 160,000.0 | SqFt | Floor Space Ratio | 0 :1 | Equated Gross Floor Area (SqFt) - |

| | |
|---|---|
| Type | Mixed Use |
| Status | Under Review |

## 1000 Land Purchase & Acquisition Costs

| | |
|---|---|
| Land Purchase Price | - |

| Code | Stage | | % of Land Purchase Price % paid | Amount | AND/OR Lump Amount | Year Start | Year Span | Cash Flow Period | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|
| 1002 | - | Deposit in Trust Account [1] | 0.00% | - | - | 0 | - | - | - | - |
| 1003 | - | Payment 1 | 0.00% | - | - | 0 | - | - | - | - |
| 1004 | - | Payment 2 | 0.00% | - | - | 0 | - | - | - | - |
| 1005 | - | Payment 3 | 0.00% | - | - | 0 | - | - | - | - |
| 1006 | - | Payment 4 | 0.00% | - | - | 0 | - | - | - | - |
| 1007 | - | Settlement (Balance) | 100.00% | | - | 0 | 1 | Jan-10 - Dec-10 | - | - |
| | | Interest on Deposit in Trust Account | 0.00% | | Interest from deposit shared between parties | | | | | |
| | | Profit Share to Land Owner | 0.00% | | . Paid progressively as project makes a profit. | | | | | |

| Code | Stage | **Other Acquisition Costs** | % of Land Purchase Price % paid | Amount | AND/OR Lump Amount | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1011 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| 1012 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| 1013 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| 1014 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| 1015 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | **TOTAL** | - | - |

[1] (No VAT credit available for Stamp Duty)

[2] Pro-rata with Land Payments ('L')

## Cost Escalation

| Code | | Escalation Rates (Applied Per Annum) based on Cashflow Period Years commencing Jan-10 | Jan-11 | Jan-12 | Jan-13 | Jan-14 | Jan-15 | Jan-16 | Jan-17 | Jan-18 | Jan-19 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Professional Fees | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Construction Costs (Uncategorised) | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| SUB | Subdivision Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| STG | Stage Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| BUI | Built Form | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| OT1 | Other | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| OT2 | Other | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Statutory Fees | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Infrastructure Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Parking Construction Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Miscellaneous Costs 3 | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Land Holding Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Selling and Leasing Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Finance Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |

## 2000 Project Contingency

| | | | |
|---|---|---|---|
| - | And / Or | 5.00% | of Construction, Professional, Statutory & Misc. Costs |

## 3000 Professional Fees

| Code | Stage | Description | % of Construct. [1] | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | S-Curve | Year Start[2] | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 3001 | - | Architect and Engineering | 5.50% | - | - | E | - | 0 | 1 | Jan-10 - Dec-10 | | 794,928 | 794,928 |
| 3002 | - | Legal and Accounting | 1.00% | - | - | E | - | 0 | 1 | Jan-10 - Dec-10 | | 144,532 | 144,532 |
| 3003 | - | Construction Management Fee | 5.00% | - | - | E | - | 0 | 1 | Jan-10 - Dec-10 | | 722,662 | 722,662 |
| 3004 | - | Building Permit | 1.00% | - | - | E | - | 0 | 1 | Jan-10 - Dec-10 | | 144,532 | 144,532 |
| 3005 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| | | | [1] % Based on Net Costs | | | | [2] Pro-rata with Construction ('C') | | | | | | |
| 3099 | - | Development Management | 0.00% | % of Project Costs (inc land) | | | - | 0 | - | - | | - | - |
| | | | | excludes finance costs and tax (if applicable). | | | [2] Pro-rata with Construction ('C'), Settlements ('S') | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | Project Costs inc Land ('P1') or exc Land ('P2') | | | | TOTAL | 1,806,655 | 1,806,655 |

## 4000 Construction Costs

| Code | Stage | Description | Cost Type | Sq. Ft. | Base Rate / Sq. Ft. | Escalate (E,R,N)1 | S-Curve | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 4001 | - | Retail / Office | - | 12,000 | 162 | E | - | 0 | 1 | Jan-10 - Dec-10 | | 1,945,080 | 1,945,080 |
| 4002 | - | Restaurant | - | 4,000 | 162 | E | - | 0 | 1 | Jan-10 - Dec-10 | | 648,360 | 648,360 |
| 4003 | - | Light Industrial | - | 65,000 | 87 | E | - | 0 | 1 | Jan-10 - Dec-10 | | 5,629,000 | 5,629,000 |
| 4004 | - | Residential | - | 40,000 | 156 | E | - | 0 | 1 | Jan-10 - Dec-10 | | 6,230,800 | 6,230,800 |
| 4005 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4006 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4007 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4008 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4009 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4010 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| | | | [1] Escalation ('N' = no escalation, 'E' = escalation to start period, 'R' = escalation to start period and through span) | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| 4099 | | **Construction Contingency** | | - | And / Or | | 0.00% | of Construction Costs | | | =D132 | - | - |
| | | | | | | | | | | | TOTAL | 14,453,240 | 14,453,240 |

## 5000 Statutory Fees

| Code | Stage | Description | Units | Base Rate / Units | Escalate (E,R,N) | S-Curve | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 5001 | - | . | - | - | - | - | 0 | - | - | | - | - |
| 5002 | - | . | - | - | - | - | 0 | - | - | | - | - |
| 5003 | - | . | - | - | - | - | 0 | - | - | | - | - |
| 5004 | - | . | - | - | - | - | 0 | - | - | | - | - |
| 5005 | - | . | - | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | TOTAL | - | - |

## 6000 Infrastructure Costs

| Code | Stage | Description | %of Construction[1] | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | S-Curve | Year Start[2] | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6001 | - | Subsurface Soil Investigation, Surveys & ESA | 0.00% | 1 | 45,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | - Based on relative experience | 45,000 | 45,000 |
| 6002 | - | Infrastructure Designs | 0.00% | 1 | 3,441 | E | - | 0 | 1 | Jan-10 - Dec-10 | - 2.5% of site servicing | 3,441 | 3,441 |
| 6003 | - | Planning Application Fees | 0.00% | 1 | 5,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | - Based on relative experience | 5,000 | 5,000 |
| 6004 | - | Site Servicing Costs | 0.00% | 4 | 37,500 | E | - | 0 | 1 | Jan-10 - Dec-10 | - Assumed average site | 137,625 | 137,625 |
| 6005 | - | Landscaping | 0.00% | 4 | 50,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | servicing costs in Los Angeles | 183,500 | 183,500 |
| 6006 | - | . | 0.00% | - | - | - | - | 0 | - | - | County to be 25k - 50k/acre | - | - |
| 6007 | - | . | 0.00% | - | - | - | - | 0 | - | - | for preserviced land | - | - |
| 6008 | - | . | 0.00% | - | - | - | - | 0 | - | - | - Assumed average landscapin | - | - |
| 6009 | - | . | 0.00% | - | - | - | - | 0 | - | - | costs to be 50k/acre | - | - |
| 6005 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | [1] Based on net costs. | | | | [2] Pro-rata with Construction ('C') or Settlements ('S') | | | | TOTAL | 374,566 | 374,566 |

6100

## Parking Construction Costs

| Code | Stage | Description | %of Construction¹ | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | S-Curve | Year Start² | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6101 | - | Sufrace Parking | 0.00% | 149 | 3,500 | E | - | 0 | 1 | Jan-10 - Dec-10 | Based on relative west coast | 521,500 | 521,500 |
| 6102 | - | Structured Parking | 0.00% | - | 30,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | costing experience - 400 sf | - | - |
| 6103 | - | Below Grade Parking | 0.00% | 40 | 36,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | per parking space | 1,440,000 | 1,440,000 |
| 6104 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6105 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | | **TOTAL** | 1,961,500 | 1,961,500 |

¹ Based on net costs.

² Pro-rata with Construction ('C') or Settlements ('S')

6000

## Miscellaneous Costs 3

| Code | Stage | Description | %of Construction¹ | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | S-Curve | Year Start² | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6001 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6002 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6003 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6004 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6005 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | | **TOTAL** | - | - |

¹ Based on net costs.

² Pro-rata with Construction ('C') or Settlements ('S')

7000

## Land Holding Costs

| Code | Stage | Description | No. Units | Base Rate /unit/term | Term ¹ | Escalate (E,R,N) | Year Start | Year Span² | Cash Flow Period | Remarks | Total Annual Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 7001 | - | . | - | - | M | - | 0 | - | - | | - | - |
| 7002 | - | . | - | - | M | - | 0 | - | - | | - | - |
| 7003 | - | . | - | - | M | - | 0 | - | - | | - | - |
| 7004 | - | . | - | - | M | - | 0 | - | - | | - | - |
| 7005 | - | . | - | - | M | - | 0 | - | - | | - | - |
| | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | **TOTAL** | - | - |

¹ Y=Yearly, BA=BiAnnualy, Q=Quarterly, BM=BiMonthly, M=Monthly

² Diminish proportionally with leasing ('DR') or settlements ('DS')

## Sales and Rental Revenue Escalation

| | | Escalation Rates (Applied Per Annum) based on Cashflow Period Years commencing | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Code | Category | Jan-10 | Jan-11 | Jan-12 | Jan-13 | Jan-14 | Jan-15 | Jan-16 | Jan-17 | Jan-18 | Jan-19 |
| RS1 | Residential - 1 Bedroom Units | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RS2 | Residential - 2 Bedroom Units | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RS3 | Residential - 3 Bedroom Units | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RDD | Detached Dwelllings Lots | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RTH | Townhouse Lots | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| COM | Commerical Office | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RET | Retail Shops | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| IND | Industrial Units | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| STW | Storage & Warehousing | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| OTH | Other | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |

Rental esclation occurs up to lease start date. For rent review escalation during lease period re

8000

## Selling and Leasing Costs

| | | Sales Commission | Sales Comm[1] | % of Comm. Pre-sales[2] | Deposits (% of Price)[3] | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|
| 8001 | RS1 | Residential - 1 Bedroom Units | 0.00% | 0.00% | 0.00% | | - | - |
| 8002 | RS2 | Residential - 2 Bedroom Units | 0.00% | 0.00% | 0.00% | | - | - |
| 8003 | RS3 | Residential - 3 Bedroom Units | 0.00% | 0.00% | 0.00% | | - | - |
| 8004 | RDD | Detached Dwelllings Lots | 0.00% | 0.00% | 0.00% | | - | - |
| 8005 | RTH | Townhouse Lots | 0.00% | 0.00% | 0.00% | | - | - |
| 8006 | COM | Commerical Office | 0.00% | 0.00% | 0.00% | | - | - |
| 8007 | RET | Retail Shops | 0.00% | 0.00% | 0.00% | | - | - |
| 8008 | IND | Industrial Units | 0.00% | 0.00% | 0.00% | | - | - |
| 8009 | STW | Storage & Warehousing | 0.00% | 0.00% | 0.00% | | - | - |
| 8010 | OTH | Other | 0.00% | 0.00% | 0.00% | | - | - |
| | | | | | | TOTAL | - | - |

[1] % of Gross Purchase Price
[2] Percentage of Sales Commission paid at exchange date for pre-sales
[3] Percentage of price deposited on exchange (for pre-sales)

| | |
|---|---|
| Report Pre-sale Commission as Project Cost | ☑ |

| | |
|---|---|
| Interest Rate on Deposits Invested in Trust Account | 0.00% |
| % of Interest retained by Developer upon settlement | 0.00% |

| Code | Stage | Other Selling Costs | % of Gross Sales | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 8101 | - | Marketing | 5.00% | - | - | - | 1 | 1 | Jan-11 - Dec-11 | | 1,034,262 | 1,159,582 |
| 8102 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8103 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8104 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8111 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | TOTAL | 1,034,262 | 1,159,582 |

Pro-rata with Settlements ('S') or Exchanges ('E')

| Code | Stage | Other Leasing Costs | % of Gross Rent | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 8201 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8202 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8203 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8204 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8211 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | TOTAL | - | - |

Pro-rata with Rental Income ('R')

## Sales Revenue Collection Profile

9000

## Sales

| Code | Stage | Description | No. Units | Total Area SqFt | Current Sale Price | Sales Calc Method | Pre-Sale Exchanges Year Start | Pre-Sale Exchanges Year Span | Settlements Year Start | Settlements Year Span | Settlements Cash Flow Period | Sales Rate Units / SqFt per Year | Land Use Code | | Total Current Sales Revenue | Total Escalated Sales Revenue |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 9001 | - | Residential Sales | - | 40,000 | 229 | Per SqFt | 0 | - | 1 | 1 | Jan-11 - Dec-11 | 40,000.00 | RS1 | | 9,170,000 | 9,445,100 |
| 9002 | - | . | - | - | - | Per Unit | 0 | - | 0 | - | - | - | - | | - | - |
| 9003 | - | . | - | - | - | Per Unit | 0 | - | 0 | - | - | - | - | | - | - |
| 9004 | - | . | - | - | - | Per Unit | 0 | - | 0 | - | - | - | - | | - | - |
| 9020 | - | . | - | - | - | Per Unit | 0 | - | 0 | - | - | - | - | | - | - |
| | | | | | | | | | | | | | Capitalised Sales (refer to Tenants) | | 11,515,240 | 13,746,548 |
| | | | | | | | | | | | | | Manual Input (refer to Cash Flow) | | - | - |
| | | | | | | | | | | | | | TOTAL | | 20,685,240 | 23,191,648 |

9100

## Other Income

| Code | Stage | Description | Land Use Code | Units | Base Rate / Units | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Income | Total Escalated Income |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 9101 | - | . | - | - | - | 0 | - | - | | - | - |
| 9102 | - | . | - | - | - | 0 | - | - | | - | - |
| 9103 | - | . | - | - | - | 0 | - | - | | - | - |
| 9104 | - | . | - | - | - | 0 | - | - | | - | - |
| 9110 | - | . | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | TOTAL | - | - |

10000

## Financing
**(Advanced Mode)**

**General Notes:** All Line Fees are paid during period of debt, in arrears
All Profit Share is Paid progressively as project makes a profit.

### Equity

| | Fixed Amount | Percentage | | Opening Balances | | Equity Totals |
|---|---|---|---|---|---|---|
| Developer's Equity Contribution<br>Progressively injected when required. | - | 25.00% | % of Project Costs (net of Interest/Fees) | | Developer's Injections | 4,881,440 |
| 10001 Interest Charged on Equity | 0.00% | per annum Nominal - Capitalised (Compounded) | | - | Interest Charged | - |
| 10002 Interest received on Surplus Cash | 0.00% | per annum received in arrears. | | - | Interest Received | - |
| % of Available Funds to Repay Equity Before Debt | 0.00% | | | | | |
| | | | | | Injections by Enter Land Owner Name | - |

**Equity Notes:** Equity is paying outstanding debt
Equity is repaid when available (do not retain surplus cash).

### Loan 1

| | | | | | Opening Balances | | Loan 1 Totals |
|---|---|---|---|---|---|---|---|
| Description | | Lender Name | | | | | |
| Facility Limit<br>Drawn down in total at loan commencement. | | Fixed Amount | Percentage | % of Project Costs (net of Interest/Fees) | | Drawdown | 14,644,319 |
| Year Commencement | Auto ☑ | 0 | Jan-2010 | | | | |
| Maturity Year | Auto ☑ | 0 | Jan-2017 | Refinanced by Equity | | | |
| 10004 Interest Rate | | 4.50% | per annum Nominal - Capitalised (Compounded) | | - | Interest Charged | 1,562,923 |
| 10005 Fees | | Amount | Percentage | Year Paid | | | |
| Application Fee | | - | 0.00% | 0 | - | Application Fees | - |
| Line Fee | | - | 0.00% | | - | Line Fees | - |
| Profit Split to Lender 1 | | 0.00% | | | | Profit Split | - |

### Loan 2

| | | | | | Opening Balances | | Loan 2 Totals |
|---|---|---|---|---|---|---|---|
| Description | | Lender Name | | | | | |
| Facility Limit<br>Drawn down in total at loan commencement. | | Fixed Amount | Percentage | | | Drawdown | - |
| | | - | 0.00% | Fixed Amount | | | |
| Year Commencement | Auto ☑ | 0 | | | | | |
| Maturity Year | Auto ☑ | 0 | N.A. | Refinanced by Equity | | | |
| 10004 Interest Rate | | 0.00% | per annum Nominal - Capitalised (Compounded) | | - | Interest Charged | - |
| 10005 Fees | | Amount | Percentage | Year Paid | | | |
| Application Fee | | - | 0.00% | 0 | - | Application Fees | - |
| Line Fee | | - | 0.00% | | - | Line Fees | - |
| Profit Split to Lender 2 | | 0.00% | | | | Profit Split | - |

### Loan 3

| | | | | | Opening Balances | | Loan 3 Totals |
|---|---|---|---|---|---|---|---|
| Description | | Lender Name | | | | | |
| Facility Limit<br>Drawn down in total at loan commencement. | | Fixed Amount | Percentage | | | Drawdown | - |
| | | - | 0.00% | Fixed Amount | | | |
| Year Commencement | Auto ☑ | 0 | | | | | |
| Maturity Year | Auto ☑ | 0 | N.A. | Refinanced by Equity | | | |
| 10004 Interest Rate | | 0.00% | per annum Nominal - Capitalised (Compounded) | | - | Interest Charged | - |
| 10005 Fees | | Amount | Percentage | Year Paid | | | |
| Application Fee | | - | 0.00% | 0 | - | Application Fees | - |
| Line Fee | | - | 0.00% | | - | Line Fees | - |
| Profit Split to Lender 3 | | 0.00% | | | | Profit Split | - |

## Loan 4

| | | | |
|---|---|---|---|
| | Description | Lender Name | |
| | No Limit (use as overdraft facility) | - | |
| 10007 | Interest Rate | 0.00% | per annum Nominal - Capitalised (Compounded) |

| | Fees | Amount | Percentage | Year Paid |
|---|---|---|---|---|
| 10008 | Application Fee | - | 0.00% | 0 |
| | Line Fee | - | 0.00% | |

| | | |
|---|---|---|
| Maintain Leverage on Loan 4 | 0.00% | % of unsold Stock (net of selling costs) |

**Senior Loan Notes:** Senior Loan (Loan 4) is being used as an overdraft facility.

| Opening Balances | | Loan 4 Totals |
|---|---|---|
| | Drawdown | - |
| - | Interest Charged | - |
| - | Application Fees | - |
| - | Line Fees | - |
| | Interest Charged to Enter Land Owner Name | - |

| Code | Stage | Financing Costs | No. of Units | Base Rate / Unit | Escalate (E,R,N) | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 10009 | - | . | - | - | - | 0 | - | - | | - | - |
| 10010 | - | . | - | - | - | 0 | - | - | | - | - |
| 10011 | - | . | - | - | - | 0 | - | - | | - | - |
| 10012 | - | . | - | - | - | 0 | - | - | | - | - |
| 10018 | - | . | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | **TOTAL** | - | - |

## Project Hurdle Rates

| | | |
|---|---|---|
| Project Discount Rate (target IRR) | 10.00% | per annum Nominal, on cash flow that includes financing costs but excludes interest and corp tax. |
| | | |
| Nominate an estimate of IRR | 15.00% | per ann. |
| Developer's Target Dev. Margin | 20.00% | on total development costs (inc selling costs). |
| Developer's Target Return on Equity | 0.00% | |

12000

**Rental Income & Capitalised Sales**

| Code | Stage | Description | Land Use Code | Total Area SqFt | Current Rent /SqFt/annum | Outgoings and Vacancies /SqFt/annum | Outgoings and Vacancies + %Rent | Pre-Commit Year | Lease Year Start | Lease Year Span | Cash Flow Period | Escalated Rent at Lease Start /SqFt/annum | Rental Review Escalation Rates by Year (Commence 1 year after Lease Start) Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 + | Letting Fee % of Gross Rent | % paid at PreCommit | Incentives Rent Free Years | Fit out Cost | Year Start | Residual Cap. Rate | Pre-Sale Exchange Year | Settlement Year | Leasing Up Period Years Vacant | Discount Rate | Current Net Annual Rent | Current End Sale Value[2] | Total Net Rental Income less Incentives | Escalated End-Sale Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 12001 | - | Retail / Office | COM | 12,000 | 26 | - | 10.00% | - | 1 | 10 | Jan-11 - Dec-20 | 26 | 0.00% | 0.00% | 0.00% | 0.00% | 15.90% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 10.00% | - | - | - | 0.00% | 276,804 | 2,768,040 | 3,077,742 | 3,304,403 |
| 12002 | - | Restaurant | RET | 4,000 | 26 | - | 0.00% | - | 1 | 10 | Jan-11 - Dec-20 | 26 | 0.00% | 0.00% | 0.00% | 0.00% | 15.90% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 10.00% | - | - | - | 0.00% | 102,520 | 1,025,200 | 1,139,905 | 1,223,853 |
| 12003 | - | Light Industrial | IND | 65,000 | 12 | - | 0.00% | - | 1 | 10 | Jan-11 - Dec-20 | 12 | 0.00% | 0.00% | 0.00% | 0.00% | 15.90% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 10.00% | - | - | - | 0.00% | 772,200 | 7,722,000 | 8,585,976 | 9,218,292 |
| 12004 | - | - | - | - | - | - | 0.00% | - | 0 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 0.00% | - | - | - | 0.00% | - | - | - | - |
| 12010 | - | - | - | - | - | - | 0.00% | - | 0 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 0.00% | - | - | - | 0.00% | - | - | - | - |
| | | TOTAL | | 81,000.00 | | | | | | | | | | | | | | | | | | | | | | - | | | | | | | | 1,151,524 | 11,515,240 | 12,803,623 | 13,746,548 |

[2] End sale value = annual income (net of outgoings) divided by the capitalisation rate

| PROJECT CASH FLOW | TOTAL | 0<br>Jan-10 | 1<br>Jan-11 | 2<br>Jan-12 | 3<br>Jan-13 | 4<br>Jan-14 | 5<br>Jan-15 | 6<br>Jan-16 | 7<br>Jan-17 | 8<br>Jan-18 | 9<br>Jan-19 | 10<br>Jan-20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **SALES SUMMARY** | | | | | | | | | | | | |
| Units Sold | 3.00 | - | - | - | - | - | - | - | - | - | - | 3.00 |
| Cumulative Units Sold | | - | - | - | - | - | - | - | - | - | - | 3.00 |
| % Units Sold | | - | - | - | - | - | - | - | - | - | - | 100.0% |
| SqFt Sold | 40,000.75 | - | 40,000.00 | - | - | - | - | - | - | - | - | 0.75 |
| Cumulative SqFt Sold | | - | 40,000.00 | 40,000.00 | 40,000.00 | 40,000.00 | 40,000.00 | 40,000.00 | 40,000.00 | 40,000.00 | 40,000.00 | 40,000.75 |
| % SqFt Sold | | - | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| USD Sold | 23,191,648 | - | 9,445,100 | - | - | - | - | - | - | - | - | 13,746,548 |
| Cumulative USD Sold | | - | 9,445,100 | 9,445,100 | 9,445,100 | 9,445,100 | 9,445,100 | 9,445,100 | 9,445,100 | 9,445,100 | 9,445,100 | 23,191,648 |
| % USD Sold | | - | 40.7% | 40.7% | 40.7% | 40.7% | 40.7% | 40.7% | 40.7% | 40.7% | 40.7% | 100.0% |
| **HANDOVER SUMMARY** | | | | | | | | | | | | |
| Units Handed Over | 3.00 | - | - | - | - | - | - | - | - | - | - | 3.00 |
| Cumulative Units Handed Over | | - | - | - | - | - | - | - | - | - | - | 3.00 |
| % Units Handed Over | | - | - | - | - | - | - | - | - | - | - | 100.0% |
| SqFt Handed Over | 40,000.75 | - | 40,000.00 | - | - | - | - | - | - | - | - | 0.75 |
| Cumulative SqFt Handed Over | | - | 40,000.00 | 40,000.00 | 40,000.00 | 40,000.00 | 40,000.00 | 40,000.00 | 40,000.00 | 40,000.00 | 40,000.00 | 40,000.75 |
| % SqFt Handed Over | | - | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| USD Handed Over | 23,191,648 | - | 9,445,100 | - | - | - | - | - | - | - | - | 13,746,548 |
| Cumulative USD Handed Over | | - | 9,445,100 | 9,445,100 | 9,445,100 | 9,445,100 | 9,445,100 | 9,445,100 | 9,445,100 | 9,445,100 | 9,445,100 | 23,191,648 |
| % USD Handed Over | | - | 40.7% | 40.7% | 40.7% | 40.7% | 40.7% | 40.7% | 40.7% | 40.7% | 40.7% | 100.0% |
| **PROJECT CASH FLOW** | | | | | | | | | | | | |
| **REVENUE** | | | | | | | | | | | | |
| Gross Sales Revenue | 23,191,648 | - | 9,445,100 | - | - | - | - | - | - | - | - | 13,746,548 |
| Selling Costs | (1,159,582) | - | (1,159,582) | - | - | - | - | - | - | - | - | - |
| Gross Rental Income | 13,145,594 | - | 1,217,748 | 1,217,748 | 1,217,748 | 1,217,748 | 1,217,748 | 1,411,370 | 1,411,370 | 1,411,370 | 1,411,370 | 1,411,370 |
| Leasing Costs | (341,971) | - | (31,679) | (31,679) | (31,679) | (31,679) | (31,679) | (36,716) | (36,716) | (36,716) | (36,716) | (36,716) |
| Other Income | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Received* | - | - | - | - | - | - | - | - | - | - | - | - |
| **TOTAL NET REVENUE** | 34,835,688 | - | 9,471,587 | 1,186,070 | 1,186,070 | 1,186,070 | 1,186,070 | 1,374,655 | 1,374,655 | 1,374,655 | 1,374,655 | 15,121,203 |
| **COSTS** | | | | | | | | | | | | |
| Land and Acquisition | - | - | - | - | - | - | - | - | - | - | - | - |
| Professional Fees | 1,806,655 | 1,806,655 | - | - | - | - | - | - | - | - | - | - |
| Construction Costs (inc Contingency) | 14,453,240 | 14,453,240 | - | - | - | - | - | - | - | - | - | - |
| Statutory Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure Costs | 374,566 | 374,566 | - | - | - | - | - | - | - | - | - | - |
| Parking Construction Costs | 1,961,500 | 1,961,500 | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous Costs 3 | - | - | - | - | - | - | - | - | - | - | - | - |
| Project Contingency (Reserve) | 929,798 | 929,798 | - | - | - | - | - | - | - | - | - | - |
| Land Holding Costs | - | - | - | - | - | - | - | - | - | - | - | - |
| Pre-Sale Commissions | - | - | - | - | - | - | - | - | - | - | - | - |
| Financing Costs (exc Fees) | - | - | - | - | - | - | - | - | - | - | - | - |
| **TOTAL COSTS** | 19,525,759 | 19,525,759 | - | - | - | - | - | - | - | - | - | - |
| **Net Cash Flow (before Interest & Corporate Tax)** | 15,309,930 | (19,525,759) | 9,471,587 | 1,186,070 | 1,186,070 | 1,186,070 | 1,186,070 | 1,374,655 | 1,374,655 | 1,374,655 | 1,374,655 | 15,121,203 |
| **Cumulative Cash Flow** | | (19,525,759) | (10,054,171) | (8,868,102) | (7,682,032) | (6,495,962) | (5,309,892) | (3,935,238) | (2,560,583) | (1,185,928) | 188,727 | 15,309,930 |
| **Corporate Tax** | - | - | - | - | - | - | - | - | - | - | - | - |
| **Net Cash Flow (before Interest & after Corporate Tax)** | 15,309,930 | (19,525,759) | 9,471,587 | 1,186,070 | 1,186,070 | 1,186,070 | 1,186,070 | 1,374,655 | 1,374,655 | 1,374,655 | 1,374,655 | 15,121,203 |
| **Cumulative Cash Flow** | | (19,525,759) | (10,054,171) | (8,868,102) | (7,682,032) | (6,495,962) | (5,309,892) | (3,935,238) | (2,560,583) | (1,185,928) | 188,727 | 15,309,930 |
| **FINANCING** | | | | | | | | | | | | |
| **Equity** | | | | | | | | | | | | |
| Manual Adjustments (Inject + / Repay -) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Injections | 4,881,440 | 4,881,440 | - | - | - | - | - | - | - | - | - | - |
| Interest Charged | - | - | - | - | - | - | - | - | - | - | - | - |
| Equity Repayment | 18,628,447 | - | - | - | - | - | - | - | 757,934 | 1,374,655 | 1,374,655 | 15,121,203 |
| Less Profit Share | - | - | - | - | - | - | - | - | - | - | - | - |
| Equity Balance | 13,747,007 | (4,881,440) | (4,881,440) | (4,881,440) | (4,881,440) | (4,881,440) | (4,881,440) | (4,881,440) | (4,123,506) | (2,748,851) | (1,374,196) | 13,747,007 |
| Equity Cash Flow*** | 13,747,007 | (4,881,440) | - | - | - | - | - | - | 757,934 | 1,374,655 | 1,374,655 | 15,121,203 |
| **Project Cash Account** | | | | | | | | | | | | |
| Surplus Cash Injection | 14,644,319 | 14,644,319 | - | - | - | - | - | - | - | - | - | - |
| Cash Reserve Drawdown | (14,644,319) | (14,644,319) | - | - | - | - | - | - | - | - | - | - |
| Interest on Surplus Cash | - | - | - | - | - | - | - | - | - | - | - | - |
| Surplus Cash Balance | | - | - | - | - | - | - | - | - | - | - | - |
| **Loan 1 - Lender Name** | | | | | | | | | | | | |
| Manual Adjustments (Drawdown - / Repay +) | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Drawdown | (14,644,319) | (14,644,319) | - | - | - | - | - | - | - | - | - | - |
| Loan Interest Rate (%/ann) | | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% |
| Interest Charged | (1,562,923) | - | (658,994) | (262,428) | (220,864) | (177,430) | (132,041) | (84,609) | (26,557) | - | - | - |
| Application and Line Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Paid by Equity | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Repayment | 16,207,242 | - | 9,471,587 | 1,186,070 | 1,186,070 | 1,186,070 | 1,186,070 | 1,374,655 | 616,721 | - | - | - |
| Interest and Fees | 1,562,923 | - | 658,994 | 262,428 | 220,864 | 177,430 | 132,041 | 84,609 | 26,557 | - | - | - |
| Principal | 14,644,319 | - | 8,812,593 | 923,642 | 965,206 | 1,008,640 | 1,054,029 | 1,290,045 | 590,163 | - | - | - |
| Loan Balance | - | (14,644,319) | (5,831,726) | (4,908,084) | (3,942,878) | (2,934,238) | (1,880,209) | (590,163) | - | - | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| Profit Share | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan 1 Cash Flow | 1,562,923 | (14,644,319) | 9,471,587 | 1,186,070 | 1,186,070 | 1,186,070 | 1,186,070 | 1,374,655 | 616,721 | - | - | - |

| PROJECT CASH FLOW | TOTAL | 0<br>Jan-10 | 1<br>Jan-11 | 2<br>Jan-12 | 3<br>Jan-13 | 4<br>Jan-14 | 5<br>Jan-15 | 6<br>Jan-16 | 7<br>Jan-17 | 8<br>Jan-18 | 9<br>Jan-19 | 10<br>Jan-20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Loan 2 - Lender Name** | | | | | | | | | | | | |
| Manual Adjustments (Drawdown - / Repay +) | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Drawdown | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Interest Rate (%/ann) | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Interest Charged | - | - | - | - | - | - | - | - | - | - | - | - |
| Application and Line Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Paid by Equity | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Repayment | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest and Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Balance | - | - | - | - | - | - | - | - | - | - | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| Profit Share | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan 2 Cash Flow | - | - | - | - | - | - | - | - | - | - | - | - |
| **Loan 3 - Lender Name** | | | | | | | | | | | | |
| Manual Adjustments (Drawdown - / Repay +) | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Drawdown | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Interest Rate (%/ann) | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Interest Charged | - | - | - | - | - | - | - | - | - | - | - | - |
| Application and Line Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Paid by Equity | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Repayment | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest and Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Balance | - | - | - | - | - | - | - | - | - | - | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| Profit Share | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan 3 Cash Flow | - | - | - | - | - | - | - | - | - | - | - | - |
| **Loan 4 - Lender Name** | | | | | | | | | | | | |
| Drawdown | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Interest Rate (%/ann) | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Interest Charged | - | - | - | - | - | - | - | - | - | - | - | - |
| Application and Line Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Paid by Equity | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Repayment | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest and Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Balance | - | - | - | - | - | - | - | - | - | - | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| Loan 4 Cash Flow | - | - | - | - | - | - | - | - | - | - | - | - |
| Project Overdraft | | (14,644,319) | (5,831,726) | (4,908,084) | (3,942,878) | (2,934,238) | (1,880,209) | (590,163) | - | - | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| **Net Cash Flow (after Interest & Corporate Tax)** | 13,747,007 | (19,525,759) | 8,812,593 | 923,642 | 965,206 | 1,008,640 | 1,054,029 | 1,290,045 | 1,348,097 | 1,374,655 | 1,374,655 | 15,121,203 |
| **Cumulative Cash Flow**** | | (19,525,759) | (10,713,166) | (9,789,524) | (8,824,318) | (7,815,677) | (6,761,648) | (5,471,603) | (4,123,506) | (2,748,851) | (1,374,196) | 13,747,007 |
| **PROJECT IRR & NPV** | | | | | | | | | | | | |
| Cash Flow that includes financing costs but excludes interest and corp tax. | | (19,525,759) | 9,471,587 | 1,186,070 | 1,186,070 | 1,186,070 | 1,186,070 | 1,374,655 | 1,374,655 | 1,374,655 | 1,374,655 | 15,121,203 |
| **Static Discount Rate (per ann. nominal)** | 10.00% | | | | | | | | | | | |
| PV for each Year | 1,038,192 | (19,525,759) | 8,610,534 | 980,223 | 891,112 | 810,102 | 736,456 | 775,957 | 705,415 | 641,287 | 582,988 | 5,829,878 |
| NPV of Future Cash Flows | | 1,038,192 | 22,620,346 | 14,463,635 | 14,605,321 | 14,761,177 | 14,932,618 | 15,121,203 | 15,121,203 | 15,121,203 | 15,121,203 | 15,121,203 |
| **Variable Discount Rate (per ann. nominal)** | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% |
| NPV (using weighted avg discount rate) | 1,038,192 | | | | | | | | | | | |

* Includes half interest from deposit for land acquisition plus Interest received from pre-sale deposits

** Cumulative Cash Flow After Interest is revenue less costs (including interest on overdraft)

*** Includes equity injection, interest expense, loan re-payments and share of profit as outflows. Revenue and money borrowed as inflows.

# Summary of Project Returns

ESTATEMASTER PROPERTY SOFTWARE
Development Feasibility

## Tarzana Crossing

### Cash Flow - Option 1

Former Uni-Lab Site - Base Case

| | | | |
|---|---|---|---|
| **Time Span:** | Jan-10 to Jan-20 | **Project Size:** | 3.7 Acres<br>1 per 43,596.73 SqFt of Site Area |
| **Type:** | Mixed Use | | |
| **Status:** | Under Review | **Project Size:** | 121,000. GFA<br>1 per 1.32 SqFt of Site Area |
| **Site Area:** | 160,000. SqFt | | |
| **FSR:** | 0:1 | **Equated GFA:** | 0.0 |

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## COSTS & REVENUES

| | Quantity | SqFt | USD/SqFt | USD Total | USD Per Acre | USD Per GFA |
|---|---|---|---|---|---|---|
| **REVENUE** | | | | | | |
| | Quantity | SqFt | USD/SqFt | USD | | |
| **Total Sales Revenue** | - | 40,000.0 | 579.8 | 23,191,648 | 6,319,250 | 192 |
| Residential - 1 Bedroom Units | - | 40,000.0 | 236.1 | 9,445,100 | | |
| Commerical Office | - | - | - | 3,304,403 | | |
| Retail Shops | - | - | - | 1,223,853 | | |
| Industrial Units | - | - | - | 9,218,292 | | |
| Less Selling Costs | | | | (1,159,582) | 315,963 | 10 |
| NET SALE PROCEEDS | | | | 22,032,066 | 6,003,288 | 182 |
| | Average Yield | SqFt | USD/SqFt/annum | USD | | |
| **Rental Income** | 10.0% | 81,000.0 | 14.6 | 13,145,594 | 3,581,906 | 109 |
| Commerical Office | 10.0% | 12,000.0 | 25.6 | 3,419,714 | | |
| Retail Shops | 10.0% | 4,000.0 | 25.6 | 1,139,905 | | |
| Industrial Units | 10.0% | 65,000.0 | 11.9 | 8,585,976 | | |
| Less Outgoings & Vacancies | | | | (341,971) | 93,180 | 3 |
| Less Letting Fees | | | | - | - | - |
| Less Incentives (Rent Free and Fit-out Costs) | | | | - | - | - |
| Less Other Leasing Costs | | | | - | - | - |
| NET RENTAL INCOME | | | | 12,803,623 | 3,488,726 | 106 |
| Interest Received | | | | - | - | - |
| Other Income | | | | - | - | - |
| **TOTAL REVENUE** | | | | **34,835,688** | **9,492,013** | **288** |
| **COSTS** | | | | | | |
| Land Purchase Cost | | | | - | - | - |
| Land Transaction Costs | | | | - | - | - |
| **Construction (inc. Construct. Contingency)** | | | | 14,453,240 | 3,938,213 | 119 |
| Other Construction Costs | | | | 14,453,240 | | |
| Professional Fees | | | | 1,806,655 | 492,277 | 15 |
| Statutory Fees | | | | - | - | - |
| Infrastructure Costs | | | | 374,566 | 102,061 | 3 |
| Parking Construction Costs | | | | 1,961,500 | 534,469 | 16 |
| Miscellaneous Costs 3 | | | | - | - | - |
| Project Contingency (Project Reserve) | | | | 929,798 | 253,351 | 8 |
| Land Holding Costs | | | | - | - | - |
| Pre-Sale Commissions | | | | - | - | - |
| Finance Charges (inc. Fees) | | | | - | - | - |
| Interest Expense | | | | 1,562,923 | 425,865 | 13 |
| Plus Corporate Tax | | | | - | - | - |
| **TOTAL COSTS** | | | | **21,088,681** | **5,746,235** | **174** |

## PERFORMANCE INDICATORS

| | | |
|---|---|---|
| **Net Development Profit** [1] | **13,747,007** | |
| **Development Margin (or Profit/Risk Margin)** [3] | **61.79%** | on total development costs (inc selling costs). |
| Residual Land Value (Target Margin) [4] | 5,684,922 | (at 20% target development margin) |
| **Net Present Value** [5] | **1,038,192** | (at 10% per ann. discount rate, nominal) |
| Benefit Cost Ratio [6] | 1.0532 | (at 10% per ann. discount rate, nominal) |
| **Project Internal Rate of Return (IRR)** [7] | **11.22%** | (per ann. nominal) |
| Residual Land Value (based on NPV) [8] | 1,038,192 | |
| Equity IRR | 14.95% | (per ann. nominal) |
| Equity Contribution | 4,881,440 | |
| Peak Debt Exposure | 14,644,319 | |
| Equity to Debt Ratio | 33.33% | |
| Weighted Average Cost of Capital (WACC) [9] | 3.37% | |
| Breakeven Date for Cumulative Cash Flow [10] | Jan-2020 | (Year 10) |
| Rent Cover [11] | 11 Yrs, 11 Mths | |
| Profit Erosion [12] | 0 Yrs, 0 Mths | |

**Footnotes:**

1. Development Profit: is total revenue less total cost including interest paid and received
2. Note: No redistribution of Developer's Gross Profit
3. Development Margin: is profit divided by total development costs (inc selling costs).
4. Residual Land Value: is the maximum purchase price for the land whilst achieving the target development margin.
5. Net Present Value: is the project's cash flow stream discounted to present value. It includes financing costs but excludes interest and corp tax.
6. Benefit:Cost Ratio: is the ratio of discounted incomes to discounted costs and includes financing costs but excludes interest and corp tax.
7. Internal Rate of Return: is the discount rate where the NPV above equals Zero.
8. Residual Land Value (based on NPV): is the purchase price for the land to achieve a zero NPV.
9. The Weighted Average Cost of Capital (WACC) is the rate that a company is expected to pay to finance its assets.
10. Breakeven date for Cumulative Cash Flow: is the last date when total debt and equity is repaid (ie when profit is realised).
11. The total net development profit divided by the current net annual rental expressed as a a number of years/months.
12. The period of time post practical completion that it can remain unsold (but leased out) until finance and land holding costs erodes the profit for the development to zero.

# Summary of Project Returns

ESTATEMASTER
PROPERTY SOFTWARE
Development Feasibility

## Tarzana Crossing

### Cash Flow - Option 1

Former Uni-Lab Site - Base Case

| | | | |
|---|---|---|---|
| **Time Span:** | Jan-10 to Jan-20 | **Project Size:** | 3.7 Acres<br>1 per 43,596.73 SqFt of Site Area |
| **Type:** | Mixed Use | | |
| **Status:** | Under Review | **Project Size:** | 121,000. GFA<br>1 per 1.32 SqFt of Site Area |
| **Site Area:** | 160,000. SqFt | | |
| **FSR:** | 0:1 | **Equated GFA:** | 0.0 |

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| RETURNS ON FUNDS INVESTED | Equity | Loan 1 | | | | Total Debt |
|---|---|---|---|---|---|---|
| | | Lender Name | | | | |
| Funds Invested (Cash Outlay) [1] | 4,881,440 | 14,644,319 | | | | 14,644,319 |
| % of Total Funds Invested | 25.00% | 75.00% | | | | 75.00% |
| Peak Exposure [2] | 4,881,440 | 14,644,319 | | | | 14,644,319 |
| Date of Peak Exposure | Jan-10 | Jan-10 | | | | Jan-10 |
| Year of Peak Exposure | Year 0 | Year 0 | | | | Year 0 |
| Weighted Average Interest Rate | N.A. | 4.50% | | | | 4.50% |
| Interest Charged | - | 1,562,923 | | | | 1,562,923 |
| Line Fees Charged | - | - | | | | - |
| Application Fees Charged | - | - | | | | - |
| Profit Share Received | - | - | | | | - |
| Total Profit to Funders [3] | 13,747,007 | 1,562,923 | | | | 1,562,923 |
| Margin on Funds Invested [4] | 281.62% | 10.67% | | | | 10.67% |
| Payback Date [5] | Jan-20 | Jan-17 | | | | Jan-17 |
| Year of Payback | Year 10 | Year 7 | | | | Year 7 |
| IRR on Funds Invested [6] | 14.95% | 4.50% | | | | 4.50% |
| Equity to Debt Ratio [7] | | 33.33% | | | | 33.33% |
| Loan to Value Ratio [8] | 21.05% | 63.14% | | | | 63.14% |
| Loan Ratio [9] | N.A.<br>of Land Purchase Price. | N.A.<br>of Land Purchase Price. | | | | N.A.<br>of Land Purchase Price. |

**Footnotes:**

1. The total amount of funding injected into the project cash flow.
2. The maximum cash flow exposure of that equity/debt facility including capitalised interest.
3. The total repayments less funds invested, including profit share paid or received.
4. Margin is net profit divided by total funds invested (cash outlay).
5. Payback date for the equity/debt facility is the last date when total equity/debt is repaid.
6. IRR on Funds Invested is the IRR of the equity cash flow including the return of equity and realisation of project profits.
7. Equity to Debt Ratio is the amount of equity contributed into the project as a percentage of debt funding.
8. Loan to Value ratio is the Peak Equity/Debt Exposure divided by Total Sales Revenue.
9. Loan Ratio is the total funds invested by the lender (cash outlay) divided by the nominated ratio calculation method. It includes capitalised interest and fees.

## Preliminary

| | | | | | |
|---|---|---|---|---|---|
| Cash Flow Title | **Cash Flow - Option 2** | | Description of Option/Stage | Former Uni-Lab Site - Alternate Case | |
| Date of First Period: | Jan-2010 | | | | |
| Cash Flow Rest Period: | Yearly | | | | |
| Enter Project Size (a) | 3.7 | Acres | | | |
| Enter Project Size (b) | 90,000.0 | GFA | | | |
| Enter Site Area | 160,000.0 | SqFt | Floor Space Ratio | 0 :1 | Equated Gross Floor Area (SqFt) - |

| | |
|---|---|
| Type | Mixed Use |
| Status | Under Review |

## 1000 Land Purchase & Acquisition Costs

| | |
|---|---|
| Land Purchase Price | - |

| Code | Stage | | % of Land Purchase Price % paid | Amount | AND/OR Lump Amount | Year Start | Year Span | Cash Flow Period | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|
| 1002 | - | Deposit in Trust Account [1] | 0.00% | - | - | 0 | - | - | - | - |
| 1003 | - | Payment 1 | 0.00% | - | - | 0 | - | - | - | - |
| 1004 | - | Payment 2 | 0.00% | - | - | 0 | - | - | - | - |
| 1005 | - | Payment 3 | 0.00% | - | - | 0 | - | - | - | - |
| 1006 | - | Payment 4 | 0.00% | - | - | 0 | - | - | - | - |
| 1007 | - | Settlement (Balance) | 100.00% | | - | 0 | 1 | Jan-10 - Dec-10 | - | - |
| | | Interest on Deposit in Trust Account | 0.00% | | Interest from deposit shared between parties | | | | | |
| | | Profit Share to Land Owner | 0.00% | | . Paid progressively as project makes a profit. | | | | | |

| Code | Stage | **Other Acquisition Costs** | % of Land Purchase Price % paid | Amount | AND/OR Lump Amount | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1011 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| 1012 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| 1013 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| 1014 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| 1015 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | **TOTAL** | - | - |

[1] (No VAT credit available for Stamp Duty)

[2] Pro-rata with Land Payments ('L')

## Cost Escalation

| Code | | Escalation Rates (Applied Per Annum) based on Cashflow Period Years commencing Jan-10 | Jan-11 | Jan-12 | Jan-13 | Jan-14 | Jan-15 | Jan-16 | Jan-17 | Jan-18 | Jan-19 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Professional Fees | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Construction Costs (Uncategorised) | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| SUB | Subdivision Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| STG | Stage Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| BUI | Built Form | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| OT1 | Other | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| OT2 | Other | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Statutory Fees | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Infrastructure Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Parking Construction Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Miscellaneous Costs 3 | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Land Holding Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Selling and Leasing Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Finance Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |

## 2000 Project Contingency

| | | | |
|---|---|---|---|
| - | And / Or | 5.00% | of Construction, Professional, Statutory & Misc. Costs |

## 3000 Professional Fees

| Code | Stage | Description | % of Construct. [1] | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | S-Curve | Year Start[2] | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 3001 | - | Architect and Engineering | 5.50% | - | - | E | - | 0 | 1 | Jan-10 - Dec-10 | | 428,670 | 428,670 |
| 3002 | - | Legal and Accounting | 1.00% | - | - | E | - | 0 | 1 | Jan-10 - Dec-10 | | 77,940 | 77,940 |
| 3003 | - | Construction Management Fee | 5.00% | - | - | E | - | 0 | 1 | Jan-10 - Dec-10 | | 389,700 | 389,700 |
| 3004 | - | Building Permit | 1.00% | - | - | E | - | 0 | 1 | Jan-10 - Dec-10 | | 77,940 | 77,940 |
| 3005 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| | | [1] % Based on Net Costs | | | | | [2] Pro-rata with Construction ('C') | | | | | | |
| 3099 | - | Development Management | 0.00% | % of Project Costs (inc land) | | | - | 0 | - | - | | - | - |
| | | | | excludes finance costs and tax (if applicable). | | | [2] Pro-rata with Construction ('C'), Settlements ('S') | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | Project Costs inc Land ('P1') or exc Land ('P2') | | | | **TOTAL** | 974,250 | 974,250 |

## 4000 Construction Costs

| Code | Stage | Description | Cost Type | Sq. Ft. | Base Rate / Sq. Ft. | Escalate (E,R,N)1 | S-Curve | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 4001 | - | Retail / Office | - | - | 162 | E | - | 0 | 1 | Jan-10 - Dec-10 | | - | - |
| 4002 | - | Restaurant | - | - | 162 | E | - | 0 | 1 | Jan-10 - Dec-10 | | - | - |
| 4003 | - | Light Industrial | - | 90,000 | 87 | E | - | 0 | 1 | Jan-10 - Dec-10 | | 7,794,000 | 7,794,000 |
| 4004 | - | Residential | - | - | 156 | E | - | 0 | 1 | Jan-10 - Dec-10 | | - | - |
| 4005 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4006 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4007 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4008 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4009 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4010 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| | | [1] Escalation ('N' = no escalation, 'E' = escalation to start period, 'R' = escalation to start period and through span) | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| 4099 | | **Construction Contingency** | | - | And / Or | | 0.00% | of Construction Costs | | | =D132 | - | - |
| | | | | | | | | | | | **TOTAL** | 7,794,000 | 7,794,000 |

## 5000 Statutory Fees

| Code | Stage | Description | Units | Base Rate / Units | Escalate (E,R,N) | S-Curve | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 5001 | - | . | - | - | - | - | 0 | - | - | | - | - |
| 5002 | - | . | - | - | - | - | 0 | - | - | | - | - |
| 5003 | - | . | - | - | - | - | 0 | - | - | | - | - |
| 5004 | - | . | - | - | - | - | 0 | - | - | | - | - |
| 5005 | - | . | - | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | **TOTAL** | - | - |

## 6000 Infrastructure Costs

| Code | Stage | Description | %of Construction[1] | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | S-Curve | Year Start[2] | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6001 | - | Subsurface Soil Investigation, Surveys & ESA | 0.00% | 1 | 45,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | - Based on relative experience | 45,000 | 45,000 |
| 6002 | - | Infrastructure Designs | 0.00% | 1 | 3,441 | E | - | 0 | 1 | Jan-10 - Dec-10 | - 2.5% of site servicing | 3,441 | 3,441 |
| 6003 | - | Planning Application Fees | 0.00% | 1 | 5,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | - Based on relative experience | 5,000 | 5,000 |
| 6004 | - | Site Servicing Costs | 0.00% | 4 | 37,500 | E | - | 0 | 1 | Jan-10 - Dec-10 | - Assumed average site servici | 137,625 | 137,625 |
| 6005 | - | Landscaping | 0.00% | 4 | 50,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | costs in Los Angeles County | 183,500 | 183,500 |
| 6006 | - | . | 0.00% | - | - | - | - | 0 | - | - | to be 25k - 50k/acre for preserv | - | - |
| 6007 | - | . | 0.00% | - | - | - | - | 0 | - | - | land | - | - |
| 6008 | - | . | 0.00% | - | - | - | - | 0 | - | - | - Assumed average landscapin | - | - |
| 6009 | - | . | 0.00% | - | - | - | - | 0 | - | - | costs to be 50k/acre | - | - |
| 6005 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | [1] Based on net costs. | | | | | [2] Pro-rata with Construction ('C') or Settlements ('S') | | | | **TOTAL** | 374,566 | 374,566 |

6100

## Parking Construction Costs

| Code | Stage | Description | %of Construction[1] | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | S-Curve | Year Start[2] | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6101 | - | Sufrace Parking | 0.00% | 135 | 3,500 | E | - | 0 | 1 | Jan-10 - Dec-10 | Based on relative west coast | 472,500 | 472,500 |
| 6102 | - | Structured Parking | 0.00% | - | 30,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | costing experience - 400 sf | - | - |
| 6103 | - | Below Grade Parking | 0.00% | - | 36,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | per parking space | - | - |
| 6104 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6105 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | | TOTAL | 472,500 | 472,500 |

[1] Based on net costs.

[2] Pro-rata with Construction ('C') or Settlements ('S')

6000

## Miscellaneous Costs 3

| Code | Stage | Description | %of Construction[1] | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | S-Curve | Year Start[2] | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6001 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6002 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6003 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6004 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6005 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | | TOTAL | - | - |

[1] Based on net costs.

[2] Pro-rata with Construction ('C') or Settlements ('S')

7000

## Land Holding Costs

| Code | Stage | Description | No. Units | Base Rate /unit/term | Term [1] | Escalate (E,R,N) | Year Start | Year Span[2] | Cash Flow Period | Remarks | Total Annual Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 7001 | - | . | - | - | M | - | 0 | - | - | | - | - |
| 7002 | - | . | - | - | M | - | 0 | - | - | | - | - |
| 7003 | - | . | - | - | M | - | 0 | - | - | | - | - |
| 7004 | - | . | - | - | M | - | 0 | - | - | | - | - |
| 7005 | - | . | - | - | M | - | 0 | - | - | | - | - |
| | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | TOTAL | - | - |

[1] Y=Yearly, BA=BiAnnualy, Q=Quarterly, BM=BiMonthly, M=Monthly

[2] Diminish proportionally with leasing ('DR') or settlements ('DS')

## Sales and Rental Revenue Escalation

| | | Escalation Rates (Applied Per Annum) based on Cashflow Period Years commencing | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Code | Category | Jan-10 | Jan-11 | Jan-12 | Jan-13 | Jan-14 | Jan-15 | Jan-16 | Jan-17 | Jan-18 | Jan-19 |
| RS1 | Residential - 1 Bedroom Units | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RS2 | Residential - 2 Bedroom Units | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RS3 | Residential - 3 Bedroom Units | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RDD | Detached Dwelllings Lots | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RTH | Townhouse Lots | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| COM | Commerical Office | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RET | Retail Shops | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| IND | Industrial Units | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| STW | Storage & Warehousing | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| OTH | Other | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |

Rental esclation occurs up to lease start date. For rent review escalation during lease period re

8000

## Selling and Leasing Costs

| | | Sales Commission | Sales Comm[1] | % of Comm. Pre-sales[2] | Deposits (% of Price)[3] | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|
| 8001 | RS1 | Residential - 1 Bedroom Units | 0.00% | 0.00% | 0.00% | | - | - |
| 8002 | RS2 | Residential - 2 Bedroom Units | 0.00% | 0.00% | 0.00% | | - | - |
| 8003 | RS3 | Residential - 3 Bedroom Units | 0.00% | 0.00% | 0.00% | | - | - |
| 8004 | RDD | Detached Dwelllings Lots | 0.00% | 0.00% | 0.00% | | - | - |
| 8005 | RTH | Townhouse Lots | 0.00% | 0.00% | 0.00% | | - | - |
| 8006 | COM | Commerical Office | 0.00% | 0.00% | 0.00% | | - | - |
| 8007 | RET | Retail Shops | 0.00% | 0.00% | 0.00% | | - | - |
| 8008 | IND | Industrial Units | 0.00% | 0.00% | 0.00% | | - | - |
| 8009 | STW | Storage & Warehousing | 0.00% | 0.00% | 0.00% | | - | - |
| 8010 | OTH | Other | 0.00% | 0.00% | 0.00% | | - | - |
| | | | | | | TOTAL | - | - |

[1] % of Gross Purchase Price
[2] Percentage of Sales Commission paid at exchange date for pre-sales
[3] Percentage of price deposited on exchange (for pre-sales)

| | |
|---|---|
| Report Pre-sale Commission as Project Cost | ☑ |

| | |
|---|---|
| Interest Rate on Deposits Invested in Trust Account | 0.00% |
| % of Interest retained by Developer upon settlement | 0.00% |

| Code | Stage | Other Selling Costs | % of Gross Sales | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 8101 | - | Marketing | 5.00% | - | - | - | 1 | 1 | Jan-11 - Dec-11 | | 534,600 | 638,189 |
| 8102 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8103 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8104 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8111 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | TOTAL | 534,600 | 638,189 |

Pro-rata with Settlements ('S') or Exchanges ('E')

| Code | Stage | Other Leasing Costs | % of Gross Rent | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 8201 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8202 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8203 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8204 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8211 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | TOTAL | - | - |

Pro-rata with Rental Income ('R')

## Sales Revenue Collection Profile

9000

## Sales

| Code | Stage | Description | No. Units | Total Area SqFt | Current Sale Price | Sales Calc Method | Pre-Sale Exchanges Year Start | Pre-Sale Exchanges Year Span | Settlements Year Start | Settlements Year Span | Settlements Cash Flow Period | Sales Rate Units / SqFt per Year | Land Use Code | | Total Current Sales Revenue | Total Escalated Sales Revenue |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 9001 | - | Residential Sales | - | - | - | Per SqFt | 0 | - | 1 | 1 | Jan-11 - Dec-11 | - | RS1 | | - | - |
| 9002 | - | . | - | - | - | Per Unit | 0 | - | 0 | - | - | - | - | | - | - |
| 9003 | - | . | - | - | - | Per Unit | 0 | - | 0 | - | - | - | - | | - | - |
| 9004 | - | . | - | - | - | Per Unit | 0 | - | 0 | - | - | - | - | | - | - |
| 9020 | - | . | - | - | - | Per Unit | 0 | - | 0 | - | - | - | - | | - | - |
| | | | | | | | | | | | | | Capitalised Sales (refer to Tenants) | | 10,692,000 | 12,763,789 |
| | | | | | | | | | | | | | Manual Input (refer to Cash Flow) | | - | - |
| | | | | | | | | | | | | | TOTAL | | 10,692,000 | 12,763,789 |

9100

## Other Income

| Code | Stage | Description | Land Use Code | Units | Base Rate / Units | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Income | Total Escalated Income |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 9101 | - | . | - | - | - | 0 | - | - | | - | - |
| 9102 | - | . | - | - | - | 0 | - | - | | - | - |
| 9103 | - | . | - | - | - | 0 | - | - | | - | - |
| 9104 | - | . | - | - | - | 0 | - | - | | - | - |
| 9110 | - | . | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | TOTAL | - | - |

10000

# Financing

**(Advanced Mode)**

**General Notes:** All Line Fees are paid during period of debt, in arrears
All Profit Share is Paid progressively as project makes a profit.

## Equity

| | | | | | |
|---|---|---|---|---|---|
| Developer's Equity Contribution | Fixed Amount | Percentage | | Opening Balances | Equity Totals |
| Progressively injected when required. | - | 25.00% | % of Project Costs (net of Interest/Fees) | Developer's Injections | 2,524,020 |
| 10001 Interest Charged on Equity | 0.00% | per annum Nominal - Capitalised (Compounded) | | - Interest Charged | - |
| 10002 Interest received on Surplus Cash | 0.00% | per annum received in arrears. | | - Interest Received | - |
| % of Available Funds to Repay Equity Before Debt | 0.00% | | | | |
| | | | | Injections by Enter Land Owner Name | - |

**Equity Notes:** Equity is paying outstanding debt
Equity is repaid when available (do not retain surplus cash).

## Loan 1

| | | | | | | |
|---|---|---|---|---|---|---|
| Description | Lender Name | | | | Opening Balances | Loan 1 Totals |
| Facility Limit | | Fixed Amount | Percentage | | | |
| Drawn down in total at loan commencement. | | | 75.00% | % of Project Costs (net of Interest/Fees) | Drawdown | 7,572,061 |
| Year Commencement | Auto ☑ | 0 | Jan-2010 | | | |
| Maturity Year | Auto ☑ | 0 | Jan-2019 | Refinanced by Equity | | |
| 10004 Interest Rate | | 4.50% | per annum Nominal - Capitalised (Compounded) | | - Interest Charged | 1,916,785 |
| 10005 Fees | | Amount | Percentage | Year Paid | | |
| Application Fee | | - | 0.00% | 0 | - Application Fees | - |
| Line Fee | | - | 0.00% | | - Line Fees | - |
| Profit Split to Lender 1 | | 0.00% | | | Profit Split | - |

## Loan 2

| | | | | | | |
|---|---|---|---|---|---|---|
| Description | Lender Name | | | | Opening Balances | Loan 2 Totals |
| Facility Limit | | Fixed Amount | Percentage | | | |
| Drawn down in total at loan commencement. | | - | 0.00% | Fixed Amount | Drawdown | - |
| Year Commencement | Auto ☑ | 0 | | | | |
| Maturity Year | Auto ☑ | 0 | N.A. | Refinanced by Equity | | |
| 10004 Interest Rate | | 0.00% | per annum Nominal - Capitalised (Compounded) | | - Interest Charged | - |
| 10005 Fees | | Amount | Percentage | Year Paid | | |
| Application Fee | | - | 0.00% | 0 | - Application Fees | - |
| Line Fee | | - | 0.00% | | - Line Fees | - |
| Profit Split to Lender 2 | | 0.00% | | | Profit Split | - |

## Loan 3

| | | | | | | |
|---|---|---|---|---|---|---|
| Description | Lender Name | | | | Opening Balances | Loan 3 Totals |
| Facility Limit | | Fixed Amount | Percentage | | | |
| Drawn down in total at loan commencement. | | - | 0.00% | Fixed Amount | Drawdown | - |
| Year Commencement | Auto ☑ | 0 | | | | |
| Maturity Year | Auto ☑ | 0 | N.A. | Refinanced by Equity | | |
| 10004 Interest Rate | | 0.00% | per annum Nominal - Capitalised (Compounded) | | - Interest Charged | - |
| 10005 Fees | | Amount | Percentage | Year Paid | | |
| Application Fee | | - | 0.00% | 0 | - Application Fees | - |
| Line Fee | | - | 0.00% | | - Line Fees | - |
| Profit Split to Lender 3 | | 0.00% | | | Profit Split | - |

## Loan 4

| | | | |
|---|---|---|---|
| | Description | Lender Name | |
| | No Limit (use as overdraft facility) | - | |
| 10007 | Interest Rate | 0.00% | per annum Nominal - Capitalised (Compounded) |

| | Fees | Amount | Percentage | Year Paid |
|---|---|---|---|---|
| 10008 | Application Fee | - | 0.00% | 0 |
| | Line Fee | - | 0.00% | |

| | | |
|---|---|---|
| Maintain Leverage on Loan 4 | 0.00% | % of unsold Stock (net of selling costs) |

**Senior Loan Notes:** Senior Loan (Loan 4) is being used as an overdraft facility.

| Opening Balances | | Loan 4 Totals |
|---|---|---|
| | Drawdown | - |
| - | Interest Charged | - |
| - | Application Fees | - |
| - | Line Fees | - |
| | Interest Charged to Enter Land Owner Name | - |

| Code | Stage | Financing Costs | No. of Units | Base Rate / Unit | Escalate (E,R,N) | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 10009 | - | . | - | - | - | 0 | - | - | | - | - |
| 10010 | - | . | - | - | - | 0 | - | - | | - | - |
| 10011 | - | . | - | - | - | 0 | - | - | | - | - |
| 10012 | - | . | - | - | - | 0 | - | - | | - | - |
| 10018 | - | . | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | **TOTAL** | - | - |

## Project Hurdle Rates

| | | |
|---|---|---|
| Project Discount Rate (target IRR) | 10.00% | per annum Nominal, on cash flow that includes financing costs but excludes interest and corp tax. |
| | | |
| Nominate an estimate of IRR | 15.00% | per ann. |
| Developer's Target Dev. Margin | 20.00% | on total development costs (inc selling costs). |
| Developer's Target Return on Equity | 0.00% | |

12000 **Rental Income & Capitalised Sales**

| Code | Stage | Description | Land Use Code | Total Area SqFt | Current Rent /SqFt/annum | Outgoings and Vacancies /SqFt/annum | Outgoings and Vacancies + %Rent | Pre-Commit Year | Lease Year Start | Lease Year Span | Cash Flow Period | Escalated Rent at Lease Start /SqFt/annum | Rental Review Escalation Rates by Year (Commence 1 year after Lease Start) Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 + | Letting Fee % of Gross Rent | % paid at PreCommit | Incentives Rent Free Years | Fit out Cost | Year Start | Residual Cap. Rate | Pre-Sale Exchange Year | Settlement Year | Leasing Up Period Years Vacant | Discount Rate | Current Net Annual Rent | Current End Sale Value[2] | Total Net Rental Income less Incentives | Escalated End-Sale Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 12001 | - | Retail / Office | COM | - | 26 | - | 10.00% | - | 1 | 10 | Jan-11 - Dec-20 | - | 0.00% | 0.00% | 0.00% | 0.00% | 15.90% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 10.00% | - | - | - | 0.00% | - | - | - | - |
| 12002 | - | Restaurant | RET | - | 26 | - | 0.00% | - | 1 | 10 | Jan-11 - Dec-20 | - | 0.00% | 0.00% | 0.00% | 0.00% | 15.90% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 10.00% | - | - | - | 0.00% | - | - | - | - |
| 12003 | - | Light Industrial | IND | 90,000 | 12 | - | 0.00% | - | 1 | 10 | Jan-11 - Dec-20 | 12 | 0.00% | 0.00% | 0.00% | 0.00% | 15.90% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 10.00% | - | - | - | 0.00% | 1,069,200 | 10,692,000 | 11,888,274 | 12,763,789 |
| 12004 | - | - | - | - | - | - | 0.00% | - | 0 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 0.00% | - | - | - | 0.00% | - | - | - | - |
| 12010 | - | - | - | - | - | - | 0.00% | - | 0 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 0.00% | - | - | - | 0.00% | - | - | - | - |
| | | TOTAL | | 90,000.00 | | | | | | | | | | | | | | | | | | | | | | - | | | | | | | 1,069,200 | 10,692,000 | 11,888,274 | 12,763,789 |

[2] End sale value = annual income (net of outgoings) divided by the capitalisation rate

| PROJECT CASH FLOW | TOTAL | 0<br>Jan-10 | 1<br>Jan-11 | 2<br>Jan-12 | 3<br>Jan-13 | 4<br>Jan-14 | 5<br>Jan-15 | 6<br>Jan-16 | 7<br>Jan-17 | 8<br>Jan-18 | 9<br>Jan-19 | 10<br>Jan-20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **SALES SUMMARY** | | | | | | | | | | | | |
| Units Sold | 1.00 | - | - | - | - | - | - | - | - | - | - | 1.00 |
| Cumulative Units Sold | | - | - | - | - | - | - | - | - | - | - | 1.00 |
| % Units Sold | | - | - | - | - | - | - | - | - | - | - | 100.0% |
| SqFt Sold | 0.84 | - | - | - | - | - | - | - | - | - | - | 0.84 |
| Cumulative SqFt Sold | | - | - | - | - | - | - | - | - | - | - | 0.84 |
| % SqFt Sold | | - | - | - | - | - | - | - | - | - | - | 100.0% |
| USD Sold | 12,763,789 | - | - | - | - | - | - | - | - | - | - | 12,763,789 |
| Cumulative USD Sold | | - | - | - | - | - | - | - | - | - | - | 12,763,789 |
| % USD Sold | | - | - | - | - | - | - | - | - | - | - | 100.0% |
| **HANDOVER SUMMARY** | | | | | | | | | | | | |
| Units Handed Over | 1.00 | - | - | - | - | - | - | - | - | - | - | 1.00 |
| Cumulative Units Handed Over | | - | - | - | - | - | - | - | - | - | - | 1.00 |
| % Units Handed Over | | - | - | - | - | - | - | - | - | - | - | 100.0% |
| SqFt Handed Over | 0.84 | - | - | - | - | - | - | - | - | - | - | 0.84 |
| Cumulative SqFt Handed Over | | - | - | - | - | - | - | - | - | - | - | 0.84 |
| % SqFt Handed Over | | - | - | - | - | - | - | - | - | - | - | 100.0% |
| USD Handed Over | 12,763,789 | - | - | - | - | - | - | - | - | - | - | 12,763,789 |
| Cumulative USD Handed Over | | - | - | - | - | - | - | - | - | - | - | 12,763,789 |
| % USD Handed Over | | - | - | - | - | - | - | - | - | - | - | 100.0% |
| **PROJECT CASH FLOW** | | | | | | | | | | | | |
| **REVENUE** | | | | | | | | | | | | |
| Gross Sales Revenue | 12,763,789 | - | - | - | - | - | - | - | - | - | - | 12,763,789 |
| Selling Costs | (638,189) | - | (638,189) | - | - | - | - | - | - | - | - | - |
| Gross Rental Income | 11,888,274 | - | 1,101,276 | 1,101,276 | 1,101,276 | 1,101,276 | 1,101,276 | 1,276,379 | 1,276,379 | 1,276,379 | 1,276,379 | 1,276,379 |
| Leasing Costs | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Income | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Received* | - | - | - | - | - | - | - | - | - | - | - | - |
| **TOTAL NET REVENUE** | 24,013,874 | - | 463,087 | 1,101,276 | 1,101,276 | 1,101,276 | 1,101,276 | 1,276,379 | 1,276,379 | 1,276,379 | 1,276,379 | 14,040,168 |
| **COSTS** | | | | | | | | | | | | |
| Land and Acquisition | - | - | - | - | - | - | - | - | - | - | - | - |
| Professional Fees | 974,250 | 974,250 | - | - | - | - | - | - | - | - | - | - |
| Construction Costs (inc Contingency) | 7,794,000 | 7,794,000 | - | - | - | - | - | - | - | - | - | - |
| Statutory Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure Costs | 374,566 | 374,566 | - | - | - | - | - | - | - | - | - | - |
| Parking Construction Costs | 472,500 | 472,500 | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous Costs 3 | - | - | - | - | - | - | - | - | - | - | - | - |
| Project Contingency (Reserve) | 480,766 | 480,766 | - | - | - | - | - | - | - | - | - | - |
| Land Holding Costs | - | - | - | - | - | - | - | - | - | - | - | - |
| Pre-Sale Commissions | - | - | - | - | - | - | - | - | - | - | - | - |
| Financing Costs (exc Fees) | - | - | - | - | - | - | - | - | - | - | - | - |
| **TOTAL COSTS** | 10,096,081 | 10,096,081 | - | - | - | - | - | - | - | - | - | - |
| **Net Cash Flow (before Interest & Corporate Tax)** | 13,917,792 | (10,096,081) | 463,087 | 1,101,276 | 1,101,276 | 1,101,276 | 1,101,276 | 1,276,379 | 1,276,379 | 1,276,379 | 1,276,379 | 14,040,168 |
| **Cumulative Cash Flow** | | (10,096,081) | (9,632,995) | (8,531,719) | (7,430,443) | (6,329,167) | (5,227,891) | (3,951,512) | (2,675,133) | (1,398,754) | (122,375) | 13,917,792 |
| **Corporate Tax** | - | - | - | - | - | - | - | - | - | - | - | - |
| **Net Cash Flow (before Interest & after Corporate Tax)** | 13,917,792 | (10,096,081) | 463,087 | 1,101,276 | 1,101,276 | 1,101,276 | 1,101,276 | 1,276,379 | 1,276,379 | 1,276,379 | 1,276,379 | 14,040,168 |
| **Cumulative Cash Flow** | | (10,096,081) | (9,632,995) | (8,531,719) | (7,430,443) | (6,329,167) | (5,227,891) | (3,951,512) | (2,675,133) | (1,398,754) | (122,375) | 13,917,792 |
| **FINANCING** | | | | | | | | | | | | |
| **Equity** | | | | | | | | | | | | |
| Manual Adjustments (Inject + / Repay -) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Injections | 2,524,020 | 2,524,020 | - | - | - | - | - | - | - | - | - | - |
| Interest Charged | - | - | - | - | - | - | - | - | - | - | - | - |
| Equity Repayment | 14,525,028 | - | - | - | - | - | - | - | - | - | 484,860 | 14,040,168 |
| Less Profit Share | - | - | - | - | - | - | - | - | - | - | - | - |
| Equity Balance | 12,001,007 | (2,524,020) | (2,524,020) | (2,524,020) | (2,524,020) | (2,524,020) | (2,524,020) | (2,524,020) | (2,524,020) | (2,524,020) | (2,039,160) | 12,001,007 |
| Equity Cash Flow*** | 12,001,007 | (2,524,020) | - | - | - | - | - | - | - | - | 484,860 | 14,040,168 |
| **Project Cash Account** | | | | | | | | | | | | |
| Surplus Cash Injection | 7,572,061 | 7,572,061 | - | - | - | - | - | - | - | - | - | - |
| Cash Reserve Drawdown | (7,572,061) | (7,572,061) | - | - | - | - | - | - | - | - | - | - |
| Interest on Surplus Cash | - | - | - | - | - | - | - | - | - | - | - | - |
| Surplus Cash Balance | | - | - | - | - | - | - | - | - | - | - | - |
| **Loan 1 - Lender Name** | | | | | | | | | | | | |
| Manual Adjustments (Drawdown - / Repay +) | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Drawdown | (7,572,061) | (7,572,061) | - | - | - | - | - | - | - | - | - | - |
| Loan Interest Rate (%/ann) | | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% |
| Interest Charged | (1,916,785) | - | (340,743) | (335,237) | (300,766) | (264,743) | (227,099) | (187,761) | (138,773) | (87,580) | (34,085) | - |
| Application and Line Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Paid by Equity | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Repayment | 9,488,846 | - | 463,087 | 1,101,276 | 1,101,276 | 1,101,276 | 1,101,276 | 1,276,379 | 1,276,379 | 1,276,379 | 791,519 | - |
| Interest and Fees | 1,916,785 | - | 340,743 | 335,237 | 300,766 | 264,743 | 227,099 | 187,761 | 138,773 | 87,580 | 34,085 | - |
| Principal | 7,572,061 | - | 122,344 | 766,039 | 800,510 | 836,533 | 874,177 | 1,088,618 | 1,137,606 | 1,188,798 | 757,434 | - |
| Loan Balance | - | (7,572,061) | (7,449,717) | (6,683,679) | (5,883,168) | (5,046,635) | (4,172,457) | (3,083,839) | (1,946,233) | (757,434) | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| Profit Share | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan 1 Cash Flow | 1,916,785 | (7,572,061) | 463,087 | 1,101,276 | 1,101,276 | 1,101,276 | 1,101,276 | 1,276,379 | 1,276,379 | 1,276,379 | 791,519 | - |

| PROJECT CASH FLOW | TOTAL | 0<br>Jan-10 | 1<br>Jan-11 | 2<br>Jan-12 | 3<br>Jan-13 | 4<br>Jan-14 | 5<br>Jan-15 | 6<br>Jan-16 | 7<br>Jan-17 | 8<br>Jan-18 | 9<br>Jan-19 | 10<br>Jan-20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Loan 2 - Lender Name** | | | | | | | | | | | | |
| Manual Adjustments (Drawdown - / Repay +) | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Drawdown | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Interest Rate (%/ann) | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Interest Charged | - | - | - | - | - | - | - | - | - | - | - | - |
| Application and Line Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Paid by Equity | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Repayment | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest and Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Balance | - | - | - | - | - | - | - | - | - | - | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| Profit Share | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan 2 Cash Flow | - | - | - | - | - | - | - | - | - | - | - | - |
| **Loan 3 - Lender Name** | | | | | | | | | | | | |
| Manual Adjustments (Drawdown - / Repay +) | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Drawdown | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Interest Rate (%/ann) | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Interest Charged | - | - | - | - | - | - | - | - | - | - | - | - |
| Application and Line Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Paid by Equity | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Repayment | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest and Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Balance | - | - | - | - | - | - | - | - | - | - | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| Profit Share | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan 3 Cash Flow | - | - | - | - | - | - | - | - | - | - | - | - |
| **Loan 4 - Lender Name** | | | | | | | | | | | | |
| Drawdown | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Interest Rate (%/ann) | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Interest Charged | - | - | - | - | - | - | - | - | - | - | - | - |
| Application and Line Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Paid by Equity | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Repayment | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest and Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Balance | - | - | - | - | - | - | - | - | - | - | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| Loan 4 Cash Flow | - | - | - | - | - | - | - | - | - | - | - | - |
| Project Overdraft | | (7,572,061) | (7,449,717) | (6,683,679) | (5,883,168) | (5,046,635) | (4,172,457) | (3,083,839) | (1,946,233) | (757,434) | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| **Net Cash Flow (after Interest & Corporate Tax)** | 12,001,007 | (10,096,081) | 122,344 | 766,039 | 800,510 | 836,533 | 874,177 | 1,088,618 | 1,137,606 | 1,188,798 | 1,242,294 | 14,040,168 |
| **Cumulative Cash Flow**** | | (10,096,081) | (9,973,738) | (9,207,699) | (8,407,188) | (7,570,655) | (6,696,478) | (5,607,859) | (4,470,253) | (3,281,455) | (2,039,160) | 12,001,007 |
| **PROJECT IRR & NPV** | | | | | | | | | | | | |
| Cash Flow that includes financing costs but excludes interest and corp tax. | | (10,096,081) | 463,087 | 1,101,276 | 1,101,276 | 1,101,276 | 1,101,276 | 1,276,379 | 1,276,379 | 1,276,379 | 1,276,379 | 14,040,168 |
| **Static Discount Rate (per ann. nominal)** | 10.00% | | | | | | | | | | | |
| PV for each Year | 1,423,758 | (10,096,081) | 420,988 | 910,145 | 827,405 | 752,186 | 683,806 | 720,483 | 654,984 | 595,440 | 541,309 | 5,413,092 |
| NPV of Future Cash Flows | | 1,423,758 | 12,671,823 | 13,429,610 | 13,561,167 | 13,705,880 | 13,865,065 | 14,040,168 | 14,040,168 | 14,040,168 | 14,040,168 | 14,040,168 |
| **Variable Discount Rate (per ann. nominal)** | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% |
| NPV (using weighted avg discount rate) | 1,423,758 | | | | | | | | | | | |

* Includes half interest from deposit for land acquisition plus Interest received from pre-sale deposits

** Cumulative Cash Flow After Interest is revenue less costs (including interest on overdraft)

*** Includes equity injection, interest expense, loan re-payments and share of profit as outflows. Revenue and money borrowed as inflows.

# Summary of Project Returns

ESTATEMASTER PROPERTY SOFTWARE

Development Feasibility

## Tarzana Crossing

### Cash Flow - Option 2

Former Uni-Lab Site - Alternate Case

| | | | |
|---|---|---|---|
| **Time Span:** | Jan-10 to Jan-20 | **Project Size:** | 3.7 Acres<br>1 per 43,596.73 SqFt of Site Area |
| **Type:** | Mixed Use | | |
| **Status:** | Under Review | **Project Size:** | 90,000. GFA<br>1 per 1.78 SqFt of Site Area |
| **Site Area:** | 160,000. SqFt | | |
| **FSR:** | 0:1 | **Equated GFA:** | 0.0 |

Estate Master for Excel Licensed to: IBI GROUP

## COSTS & REVENUES

| | Quantity | SqFt | USD/SqFt | USD Total | USD Per Acre | USD Per GFA |
|---|---|---|---|---|---|---|
| **REVENUE** | | | | | | |
| | Quantity | SqFt | USD/SqFt | USD | | |
| **Total Sales Revenue** | - | - | - | 12,763,789 | 3,477,872 | 142 |
| Industrial Units | - | - | - | 12,763,789 | | |
| Less Selling Costs | | | | (638,189) | 173,894 | 7 |
| NET SALE PROCEEDS | | | | 12,125,599 | 3,303,978 | 135 |
| | Average Yield | SqFt | USD/SqFt/annum | USD | | |
| **Rental Income** | 10.0% | 90,000.0 | 11.9 | 11,888,274 | 3,239,312 | 132 |
| Industrial Units | 10.0% | 90,000.0 | 11.9 | 11,888,274 | | |
| Less Outgoings & Vacancies | | | | - | - | - |
| Less Letting Fees | | | | - | - | - |
| Less Incentives (Rent Free and Fit-out Costs) | | | | - | - | - |
| Less Other Leasing Costs | | | | - | - | - |
| NET RENTAL INCOME | | | | 11,888,274 | 3,239,312 | 132 |
| Interest Received | | | | - | - | - |
| Other Income | | | | - | - | - |
| **TOTAL REVENUE** | | | | **24,013,874** | **6,543,290** | **267** |
| **COSTS** | | | | | | |
| Land Purchase Cost | | | | - | - | - |
| Land Transaction Costs | | | | - | - | - |
| **Construction (inc. Construct. Contingency)** | | | | 7,794,000 | 2,123,706 | 87 |
| Other Construction Costs | | | | 7,794,000 | | |
| Professional Fees | | | | 974,250 | 265,463 | 11 |
| Statutory Fees | | | | - | - | - |
| Infrastructure Costs | | | | 374,566 | 102,061 | 4 |
| Parking Construction Costs | | | | 472,500 | 128,747 | 5 |
| Miscellaneous Costs 3 | | | | - | - | - |
| Project Contingency (Project Reserve) | | | | 480,766 | 130,999 | 5 |
| Land Holding Costs | | | | - | - | - |
| Pre-Sale Commissions | | | | - | - | - |
| Finance Charges (inc. Fees) | | | | - | - | - |
| Interest Expense | | | | 1,916,785 | 522,285 | 21 |
| Plus Corporate Tax | | | | - | - | - |
| **TOTAL COSTS** | | | | **12,012,866** | **3,273,261** | **133** |

## PERFORMANCE INDICATORS

| | | |
|---|---|---|
| **Net Development Profit** [1] | **12,001,007** | |
| **Development Margin (or Profit/Risk Margin)** [3] | **94.86%** | on total development costs (inc selling costs). |
| Residual Land Value (Target Margin) [4] | 5,594,218 | (at 20% target development margin) |
| **Net Present Value** [5] | **1,423,758** | (at 10% per ann. discount rate, nominal) |
| Benefit Cost Ratio [6] | 1.1410 | (at 10% per ann. discount rate, nominal) |
| **Project Internal Rate of Return (IRR)** [7] | **12.04%** | (per ann. nominal) |
| Residual Land Value (based on NPV) [8] | 1,423,757 | |
| Equity IRR | 19.20% | (per ann. nominal) |
| Equity Contribution | 2,524,020 | |
| Peak Debt Exposure | 7,572,061 | |
| Equity to Debt Ratio | 33.33% | |
| Weighted Average Cost of Capital (WACC) [9] | 3.38% | |
| Breakeven Date for Cumulative Cash Flow [10] | Jan-2020 | (Year 10) |
| Rent Cover [11] | 11 Yrs, 3 Mths | |
| Profit Erosion [12] | 0 Yrs, 0 Mths | |

**Footnotes:**

1. Development Profit: is total revenue less total cost including interest paid and received
2. Note: No redistribution of Developer's Gross Profit
3. Development Margin: is profit divided by total development costs (inc selling costs).
4. Residual Land Value: is the maximum purchase price for the land whilst achieving the target development margin.
5. Net Present Value: is the project's cash flow stream discounted to present value. It includes financing costs but excludes interest and corp tax.
6. Benefit:Cost Ratio: is the ratio of discounted incomes to discounted costs and includes financing costs but excludes interest and corp tax.
7. Internal Rate of Return: is the discount rate where the NPV above equals Zero.
8. Residual Land Value (based on NPV): is the purchase price for the land to achieve a zero NPV.
9. The Weighted Average Cost of Capital (WACC) is the rate that a company is expected to pay to finance its assets.
10. Breakeven date for Cumulative Cash Flow: is the last date when total debt and equity is repaid (ie when profit is realised).
11. The total net development profit divided by the current net annual rental expressed as a a number of years/months.
12. The period of time post practical completion that it can remain unsold (but leased out) until finance and land holding costs erodes the profit for the development to zero.

# Summary of Project Returns

ESTATEMASTER
PROPERTY SOFTWARE
Development Feasibility

## Tarzana Crossing

### Cash Flow - Option 2

Former Uni-Lab Site - Alternate Case

| | | | |
|---|---|---|---|
| **Time Span:** | Jan-10 to Jan-20 | **Project Size:** | 3.7 Acres<br>1 per 43,596.73 SqFt of Site Area |
| **Type:** | Mixed Use | | |
| **Status:** | Under Review | **Project Size:** | 90,000. GFA<br>1 per 1.78 SqFt of Site Area |
| **Site Area:** | 160,000. SqFt | | |
| **FSR:** | 0:1 | **Equated GFA:** | 0.0 |

Estate Master for Excel Licensed to: IBI GROUP

| RETURNS ON FUNDS INVESTED | Equity | Loan 1 | | | | Total Debt |
|---|---|---|---|---|---|---|
| | | Lender Name | | | | |
| Funds Invested (Cash Outlay) [1] | 2,524,020 | 7,572,061 | | | | 7,572,061 |
| % of Total Funds Invested | 25.00% | 75.00% | | | | 75.00% |
| Peak Exposure [2] | 2,524,020 | 7,572,061 | | | | 7,572,061 |
| Date of Peak Exposure | Jan-10 | Jan-10 | | | | Jan-10 |
| Year of Peak Exposure | Year 0 | Year 0 | | | | Year 0 |
| Weighted Average Interest Rate | N.A. | 4.50% | | | | 4.50% |
| Interest Charged | - | 1,916,785 | | | | 1,916,785 |
| Line Fees Charged | - | - | | | | - |
| Application Fees Charged | - | - | | | | - |
| Profit Share Received | - | - | | | | - |
| Total Profit to Funders [3] | 12,001,007 | 1,916,785 | | | | 1,916,785 |
| Margin on Funds Invested [4] | 475.47% | 25.31% | | | | 25.31% |
| Payback Date [5] | Jan-20 | Jan-19 | | | | Jan-19 |
| Year of Payback | Year 10 | Year 9 | | | | Year 9 |
| IRR on Funds Invested [6] | 19.20% | 4.50% | | | | 4.50% |
| Equity to Debt Ratio [7] | | 33.33% | | | | 33.33% |
| Loan to Value Ratio [8] | 19.77% | 59.32% | | | | 59.32% |
| Loan Ratio [9] | N.A.<br>of Land Purchase Price. | N.A.<br>of Land Purchase Price. | | | | N.A.<br>of Land Purchase Price. |

**Footnotes:**

1. The total amount of funding injected into the project cash flow.
2. The maximum cash flow exposure of that equity/debt facility including capitalised interest.
3. The total repayments less funds invested, including profit share paid or received.
4. Margin is net profit divided by total funds invested (cash outlay).
5. Payback date for the equity/debt facility is the last date when total equity/debt is repaid.
6. IRR on Funds Invested is the IRR of the equity cash flow including the return of equity and realisation of project profits.
7. Equity to Debt Ratio is the amount of equity contributed into the project as a percentage of debt funding.
8. Loan to Value ratio is the Peak Equity/Debt Exposure divided by Total Sales Revenue.
9. Loan Ratio is the total funds invested by the lender (cash outlay) divided by the nominated ratio calculation method. It includes capitalised interest and fees.

## Preliminary

| | | | | | |
|---|---|---|---|---|---|
| Cash Flow Title | **Cash Flow - Option 3** | | Description of Option/Stage | SE Corner Oxnard / Reseda Site - Base Case | |
| Date of First Period: | Jan-2010 | | | | |
| Cash Flow Rest Period: | Yearly | | | | |
| Enter Project Size (a) | 2.8 | Acres | | | |
| Enter Project Size (b) | 161,000.0 | GFA | | | |
| Enter Site Area | 120,600.0 | SqFt | Floor Space Ratio | 0 :1 | Equated Gross Floor Area (SqFt) - |

| | |
|---|---|
| Type | Mixed Use |
| Status | Under Review |

## 1000 Land Purchase & Acquisition Costs

| | |
|---|---|
| Land Purchase Price | - |

| Code | Stage | | % of Land Purchase Price % paid | Amount | AND/OR Lump Amount | Year Start | Year Span | Cash Flow Period | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|
| 1002 | - | Deposit in Trust Account [1] | 0.00% | - | - | 0 | - | - | - | - |
| 1003 | - | Payment 1 | 0.00% | - | - | 0 | - | - | - | - |
| 1004 | - | Payment 2 | 0.00% | - | - | 0 | - | - | - | - |
| 1005 | - | Payment 3 | 0.00% | - | - | 0 | - | - | - | - |
| 1006 | - | Payment 4 | 0.00% | - | - | 0 | - | - | - | - |
| 1007 | - | Settlement (Balance) | 100.00% | | - | 0 | 1 | Jan-10 - Dec-10 | - | - |
| | | Interest on Deposit in Trust Account | 0.00% | | Interest from deposit shared between parties | | | | | |
| | | Profit Share to Land Owner | 0.00% | | . Paid progressively as project makes a profit. | | | | | |

| Code | Stage | **Other Acquisition Costs** | % of Land Purchase Price % paid | Amount | AND/OR Lump Amount | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1011 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| 1012 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| 1013 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| 1014 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| 1015 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | **TOTAL** | - | - |

[1] (No VAT credit available for Stamp Duty)

[2] Pro-rata with Land Payments ('L')

## Cost Escalation

| Code | | Escalation Rates (Applied Per Annum) based on Cashflow Period Years commencing Jan-10 | Jan-11 | Jan-12 | Jan-13 | Jan-14 | Jan-15 | Jan-16 | Jan-17 | Jan-18 | Jan-19 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Professional Fees | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Construction Costs (Uncategorised) | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| SUB | Subdivision Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| STG | Stage Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| BUI | Built Form | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| OT1 | Other | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| OT2 | Other | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Statutory Fees | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Infrastructure Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Parking Construction Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Miscellaneous Costs 3 | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Land Holding Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Selling and Leasing Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Finance Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |

## 2000 Project Contingency

| | | | |
|---|---|---|---|
| - | And / Or | 5.00% | of Construction, Professional, Statutory & Misc. Costs |

## 3000 Professional Fees

| Code | Stage | Description | % of Construct. [1] | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | S-Curve | Year Start[2] | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 3001 | - | Architect and Engineering | 5.50% | - | - | E | - | 0 | 1 | Jan-10 - Dec-10 | | 1,318,860 | 1,318,860 |
| 3002 | - | Legal and Accounting | 1.00% | - | - | E | - | 0 | 1 | Jan-10 - Dec-10 | | 239,793 | 239,793 |
| 3003 | - | Construction Management Fee | 5.00% | - | - | E | - | 0 | 1 | Jan-10 - Dec-10 | | 1,198,964 | 1,198,964 |
| 3004 | - | Building Permit | 1.00% | - | - | E | - | 0 | 1 | Jan-10 - Dec-10 | | 239,793 | 239,793 |
| 3005 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| | | | [1] % Based on Net Costs | | | | [2] Pro-rata with Construction ('C') | | | | | | |
| 3099 | - | Development Management | 0.00% | % of Project Costs (inc land) | | | - | 0 | - | - | | - | - |
| | | | | excludes finance costs and tax (if applicable). | | | [2] Pro-rata with Construction ('C'), Settlements ('S') | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | Project Costs inc Land ('P1') or exc Land ('P2') | | | | TOTAL | 2,997,409 | 2,997,409 |

## 4000 Construction Costs

| Code | Stage | Description | Cost Type | Sq. Ft. | Base Rate / Sq. Ft. | Escalate (E,R,N)1 | S-Curve | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 4001 | - | Retail / Office | - | 19,000 | 162 | E | - | 0 | 1 | Jan-10 - Dec-10 | | 3,079,710 | 3,079,710 |
| 4002 | - | Restaurant | - | 4,000 | 162 | E | - | 0 | 1 | Jan-10 - Dec-10 | | 648,360 | 648,360 |
| 4003 | - | Light Industrial | - | 18,000 | 87 | E | - | 0 | 1 | Jan-10 - Dec-10 | | 1,558,800 | 1,558,800 |
| 4004 | - | Residential | - | 120,000 | 156 | E | - | 0 | 1 | Jan-10 - Dec-10 | | 18,692,400 | 18,692,400 |
| 4005 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4006 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4007 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4008 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4009 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4010 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| | | [1] Escalation ('N' = no escalation, 'E' = escalation to start period, 'R' = escalation to start period and through span) | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| 4099 | | **Construction Contingency** | | - | And / Or | | 0.00% | of Construction Costs | | | =D132 | - | - |
| | | | | | | | | | | | TOTAL | 23,979,270 | 23,979,270 |

## 5000 Statutory Fees

| Code | Stage | Description | Units | Base Rate / Units | Escalate (E,R,N) | S-Curve | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 5001 | - | . | - | - | - | - | 0 | - | - | | - | - |
| 5002 | - | . | - | - | - | - | 0 | - | - | | - | - |
| 5003 | - | . | - | - | - | - | 0 | - | - | | - | - |
| 5004 | - | . | - | - | - | - | 0 | - | - | | - | - |
| 5005 | - | . | - | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | TOTAL | - | - |

## 6000 Infrastructure Costs

| Code | Stage | Description | %of Construction[1] | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | S-Curve | Year Start[2] | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6001 | - | Subsurface Soil Investigation, Surveys & ESA | 0.00% | 1 | 45,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | - Based on relative experience | 45,000 | 45,000 |
| 6002 | - | Infrastructure Designs | 0.00% | 1 | 3,441 | E | - | 0 | 1 | Jan-10 - Dec-10 | - 2.5% of site servicing | 3,441 | 3,441 |
| 6003 | - | Planning Application Fees | 0.00% | 1 | 5,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | - Based on relative experience | 5,000 | 5,000 |
| 6004 | - | Site Servicing Costs | 0.00% | 4 | 37,500 | E | - | 0 | 1 | Jan-10 - Dec-10 | - Assumed average site | 137,625 | 137,625 |
| 6005 | - | Landscaping | 0.00% | 3 | 50,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | servicing costs in Los Angeles | 137,500 | 137,500 |
| 6006 | - | . | 0.00% | - | - | - | - | 0 | - | - | County to be 25k - 50k/acre | - | - |
| 6007 | - | . | 0.00% | - | - | - | - | 0 | - | - | for preserviced land | - | - |
| 6008 | - | . | 0.00% | - | - | - | - | 0 | - | - | - Assumed average landscapin | - | - |
| 6009 | - | . | 0.00% | - | - | - | - | 0 | - | - | costs to be 50k/acre | - | - |
| 6005 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | [1] Based on net costs. | | | | [2] Pro-rata with Construction ('C') or Settlements ('S') | | | | TOTAL | 328,566 | 328,566 |

## 6100 Parking Construction Costs

| Code | Stage | Description | %of Construction[1] | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | S-Curve | Year Start[2] | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6101 | - | Sufrace Parking | 0.00% | - | 3,500 | E | - | 0 | 1 | Jan-10 - Dec-10 | Based on relative west coast | - | - |
| 6102 | - | Structured Parking | 0.00% | 99 | 30,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | costing experience - 400 sf | 2,970,000 | 2,970,000 |
| 6103 | - | Below Grade Parking | 0.00% | 120 | 36,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | per parking space | 4,320,000 | 4,320,000 |
| 6104 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6105 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | | TOTAL | 7,290,000 | 7,290,000 |

[1] Based on net costs. [2] Pro-rata with Construction ('C') or Settlements ('S')

## 6000 Miscellaneous Costs 3

| Code | Stage | Description | %of Construction[1] | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | S-Curve | Year Start[2] | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6001 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6002 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6003 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6004 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6005 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | | TOTAL | - | - |

[1] Based on net costs. [2] Pro-rata with Construction ('C') or Settlements ('S')

## 7000 Land Holding Costs

| Code | Stage | Description | No. Units | Base Rate /unit/term | Term [1] | Escalate (E,R,N) | Year Start | Year Span[2] | Cash Flow Period | Remarks | Total Annual Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 7001 | - | . | - | - | M | - | 0 | - | - | | - | - |
| 7002 | - | . | - | - | M | - | 0 | - | - | | - | - |
| 7003 | - | . | - | - | M | - | 0 | - | - | | - | - |
| 7004 | - | . | - | - | M | - | 0 | - | - | | - | - |
| 7005 | - | . | - | - | M | - | 0 | - | - | | - | - |
| | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | TOTAL | - | - |

[1] Y=Yearly, BA=BiAnnualy, Q=Quarterly, BM=BiMonthly, M=Monthly [2] Diminish proportionally with leasing ('DR') or settlements ('DS')

## Sales and Rental Revenue Escalation

| | | Escalation Rates (Applied Per Annum) based on Cashflow Period Years commencing | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Code | Category | Jan-10 | Jan-11 | Jan-12 | Jan-13 | Jan-14 | Jan-15 | Jan-16 | Jan-17 | Jan-18 | Jan-19 |
| RS1 | Residential - 1 Bedroom Units | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RS2 | Residential - 2 Bedroom Units | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RS3 | Residential - 3 Bedroom Units | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RDD | Detached Dwelllings Lots | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RTH | Townhouse Lots | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| COM | Commerical Office | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RET | Retail Shops | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| IND | Industrial Units | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| STW | Storage & Warehousing | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| OTH | Other | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |

Rental esclation occurs up to lease start date. For rent review escalation during lease period re

8000

## Selling and Leasing Costs

| | | Sales Commission | Sales Comm[1] | % of Comm. Pre-sales[2] | Deposits (% of Price)[3] | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|
| 8001 | RS1 | Residential - 1 Bedroom Units | 0.00% | 0.00% | 0.00% | | - | - |
| 8002 | RS2 | Residential - 2 Bedroom Units | 0.00% | 0.00% | 0.00% | | - | - |
| 8003 | RS3 | Residential - 3 Bedroom Units | 0.00% | 0.00% | 0.00% | | - | - |
| 8004 | RDD | Detached Dwelllings Lots | 0.00% | 0.00% | 0.00% | | - | - |
| 8005 | RTH | Townhouse Lots | 0.00% | 0.00% | 0.00% | | - | - |
| 8006 | COM | Commerical Office | 0.00% | 0.00% | 0.00% | | - | - |
| 8007 | RET | Retail Shops | 0.00% | 0.00% | 0.00% | | - | - |
| 8008 | IND | Industrial Units | 0.00% | 0.00% | 0.00% | | - | - |
| 8009 | STW | Storage & Warehousing | 0.00% | 0.00% | 0.00% | | - | - |
| 8010 | OTH | Other | 0.00% | 0.00% | 0.00% | | - | - |
| | | | | | | TOTAL | - | - |

[1] % of Gross Purchase Price
[2] Percentage of Sales Commission paid at exchange date for pre-sales
[3] Percentage of price deposited on exchange (for pre-sales)

| | |
|---|---|
| Report Pre-sale Commission as Project Cost | ☑ |

| | |
|---|---|
| Interest Rate on Deposits Invested in Trust Account | 0.00% |
| % of Interest retained by Developer upon settlement | 0.00% |

| Code | Stage | Other Selling Costs | % of Gross Sales | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 8101 | - | Marketing | 5.00% | - | - | - | 1 | 1 | Jan-11 - Dec-11 | | 1,752,817 | 1,867,194 |
| 8102 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8103 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8104 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8111 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | TOTAL | 1,752,817 | 1,867,194 |

Pro-rata with Settlements ('S') or Exchanges ('E')

| Code | Stage | Other Leasing Costs | % of Gross Rent | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 8201 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8202 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8203 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8204 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8211 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | TOTAL | - | - |

Pro-rata with Rental Income ('R')

## Sales Revenue Collection Profile

9000

## Sales

| Code | Stage | Description | No. Units | Total Area SqFt | Current Sale Price | Sales Calc Method | Pre-Sale Exchanges Year Start | Pre-Sale Exchanges Year Span | Settlements Year Start | Settlements Year Span | Settlements Cash Flow Period | Sales Rate Units / SqFt per Year | Land Use Code | | Total Current Sales Revenue | Total Escalated Sales Revenue |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 9001 | - | Residential Sales | - | 120,000 | 229 | Per SqFt | 0 | - | 1 | 1 | Jan-11 - Dec-11 | 120,000.00 | RS1 | | 27,510,000 | 28,335,300 |
| 9002 | - | . | - | - | - | Per Unit | 0 | - | 0 | - | - | - | - | | - | - |
| 9003 | - | . | - | - | - | Per Unit | 0 | - | 0 | - | - | - | - | | - | - |
| 9004 | - | . | - | - | - | Per Unit | 0 | - | 0 | - | - | - | - | | - | - |
| 9020 | - | . | - | - | - | Per Unit | 0 | - | 0 | - | - | - | - | | - | - |
| | | | | | | | | | | | | | Capitalised Sales (refer to Tenants) | | 7,546,330 | 9,008,582 |
| | | | | | | | | | | | | | Manual Input (refer to Cash Flow) | | - | - |
| | | | | | | | | | | | | | TOTAL | | 35,056,330 | 37,343,882 |

9100

## Other Income

| Code | Stage | Description | Land Use Code | Units | Base Rate / Units | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Income | Total Escalated Income |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 9101 | - | . | - | - | - | 0 | - | - | | - | - |
| 9102 | - | . | - | - | - | 0 | - | - | | - | - |
| 9103 | - | . | - | - | - | 0 | - | - | | - | - |
| 9104 | - | . | - | - | - | 0 | - | - | | - | - |
| 9110 | - | . | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | TOTAL | - | - |

10000

## Financing
**(Advanced Mode)**

**General Notes:** All Line Fees are paid during period of debt, in arrears
All Profit Share is Paid progressively as project makes a profit.

### Equity

| | Fixed Amount | Percentage | | Opening Balances | | Equity Totals |
|---|---|---|---|---|---|---|
| Developer's Equity Contribution<br>Progressively injected when required. | - | 25.00% | % of Project Costs (net of Interest/Fees) | | Developer's Injections | 9,081,252 |
| 10001 Interest Charged on Equity | 0.00% | per annum Nominal - Capitalised (Compounded) | | - | Interest Charged | - |
| 10002 Interest received on Surplus Cash | 0.00% | per annum received in arrears. | | - | Interest Received | - |
| % of Available Funds to Repay Equity Before Debt | 0.00% | | | | | |
| | | | | | Injections by Enter Land Owner Name | - |

**Equity Notes:** Equity is paying outstanding debt
Equity is repaid when available (do not retain surplus cash).

### Loan 1

| | | | | | Opening Balances | | Loan 1 Totals |
|---|---|---|---|---|---|---|---|
| Description | | Lender Name | | | | | |
| Facility Limit<br>Drawn down in total at loan commencement. | | Fixed Amount | Percentage | % of Project Costs (net of Interest/Fees) | | Drawdown | 27,243,755 |
| Year Commencement | Auto ☑ | 0 | Jan-2010 | | | | |
| Maturity Year | Auto ☑ | 0 | Jan-2013 | Refinanced by Equity | | | |
| 10004 Interest Rate | | 4.50% | per annum Nominal - Capitalised (Compounded) | | - | Interest Charged | 1,303,662 |
| 10005 Fees | | Amount | Percentage | Year Paid | | | |
| Application Fee | | - | 0.00% | 0 | - | Application Fees | - |
| Line Fee | | - | 0.00% | | - | Line Fees | - |
| Profit Split to Lender 1 | | 0.00% | | | | Profit Split | - |

### Loan 2

| | | | | | Opening Balances | | Loan 2 Totals |
|---|---|---|---|---|---|---|---|
| Description | | Lender Name | | | | | |
| Facility Limit<br>Drawn down in total at loan commencement. | | Fixed Amount | Percentage | | | Drawdown | - |
| | | - | 0.00% | Fixed Amount | | | |
| Year Commencement | Auto ☑ | 0 | | | | | |
| Maturity Year | Auto ☑ | 0 | N.A. | Refinanced by Equity | | | |
| 10004 Interest Rate | | 0.00% | per annum Nominal - Capitalised (Compounded) | | - | Interest Charged | - |
| 10005 Fees | | Amount | Percentage | Year Paid | | | |
| Application Fee | | - | 0.00% | 0 | - | Application Fees | - |
| Line Fee | | - | 0.00% | | - | Line Fees | - |
| Profit Split to Lender 2 | | 0.00% | | | | Profit Split | - |

### Loan 3

| | | | | | Opening Balances | | Loan 3 Totals |
|---|---|---|---|---|---|---|---|
| Description | | Lender Name | | | | | |
| Facility Limit<br>Drawn down in total at loan commencement. | | Fixed Amount | Percentage | | | Drawdown | - |
| | | - | 0.00% | Fixed Amount | | | |
| Year Commencement | Auto ☑ | 0 | | | | | |
| Maturity Year | Auto ☑ | 0 | N.A. | Refinanced by Equity | | | |
| 10004 Interest Rate | | 0.00% | per annum Nominal - Capitalised (Compounded) | | - | Interest Charged | - |
| 10005 Fees | | Amount | Percentage | Year Paid | | | |
| Application Fee | | - | 0.00% | 0 | - | Application Fees | - |
| Line Fee | | - | 0.00% | | - | Line Fees | - |
| Profit Split to Lender 3 | | 0.00% | | | | Profit Split | - |

## Loan 4

| | | | |
|---|---|---|---|
| | Description | Lender Name | |
| | No Limit (use as overdraft facility) | - | |
| 10007 | Interest Rate | 0.00% | per annum Nominal - Capitalised (Compounded) |

| | Fees | Amount | Percentage | Year Paid |
|---|---|---|---|---|
| 10008 | Application Fee | - | 0.00% | 0 |
| | Line Fee | - | 0.00% | |

| | | |
|---|---|---|
| Maintain Leverage on Loan 4 | 0.00% | % of unsold Stock (net of selling costs) |

**Senior Loan Notes:** Senior Loan (Loan 4) is being used as an overdraft facility.

| Opening Balances | | Loan 4 Totals |
|---|---|---|
| | Drawdown | - |
| - | Interest Charged | - |
| - | Application Fees | - |
| - | Line Fees | - |
| | Interest Charged to Enter Land Owner Name | - |

| Code | Stage | Financing Costs | No. of Units | Base Rate / Unit | Escalate (E,R,N) | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 10009 | - | . | - | - | - | 0 | - | - | | - | - |
| 10010 | - | . | - | - | - | 0 | - | - | | - | - |
| 10011 | - | . | - | - | - | 0 | - | - | | - | - |
| 10012 | - | . | - | - | - | 0 | - | - | | - | - |
| 10018 | - | . | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | **TOTAL** | - | - |

## Project Hurdle Rates

| | | |
|---|---|---|
| Project Discount Rate (target IRR) | 10.00% | per annum Nominal, on cash flow that includes financing costs but excludes interest and corp tax. |
| | | |
| Nominate an estimate of IRR | 15.00% | per ann. |
| Developer's Target Dev. Margin | 20.00% | on total development costs (inc selling costs). |
| Developer's Target Return on Equity | 0.00% | |

12000

**Rental Income & Capitalised Sales**

| Code | Stage | Description | Land Use Code | Total Area SqFt | Current Rent /SqFt/annum | Outgoings and Vacancies /SqFt/annum | Outgoings and Vacancies + %Rent | Pre-Commit Year | Lease Year Start | Lease Year Span | Cash Flow Period | Escalated Rent at Lease Start /SqFt/annum | Rental Review Escalation Rates by Year (Commence 1 year after Lease Start) Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 + | Letting Fee % of Gross Rent | % paid at PreCommit | Incentives Rent Free Years | Fit out Cost | Year Start | Residual Cap. Rate | Pre-Sale Exchange Year | Settlement Year | Leasing Up Period Years Vacant | Discount Rate | Current Net Annual Rent | Current End Sale Value[2] | Total Net Rental Income less Incentives | Escalated End-Sale Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 12001 | - | Retail / Office | COM | 19,000 | 26 | - | 10.00% | - | 1 | 10 | Jan-11 - Dec-20 | 26 | 0.00% | 0.00% | 0.00% | 0.00% | 15.90% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 10.00% | - | - | - | 0.00% | 438,273 | 4,382,730 | 4,873,092 | 5,231,972 |
| 12002 | - | Restaurant | RET | 4,000 | 26 | - | 0.00% | - | 1 | 10 | Jan-11 - Dec-20 | 26 | 0.00% | 0.00% | 0.00% | 0.00% | 15.90% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 10.00% | - | - | - | 0.00% | 102,520 | 1,025,200 | 1,139,905 | 1,223,853 |
| 12003 | - | Light Industrial | IND | 18,000 | 12 | - | 0.00% | - | 1 | 10 | Jan-11 - Dec-20 | 12 | 0.00% | 0.00% | 0.00% | 0.00% | 15.90% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 10.00% | - | - | - | 0.00% | 213,840 | 2,138,400 | 2,377,655 | 2,552,758 |
| 12004 | - | - | - | - | - | - | 0.00% | - | 0 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 0.00% | - | - | - | 0.00% | - | - | - | - |
| 12010 | - | - | - | - | - | - | 0.00% | - | 0 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 0.00% | - | - | - | 0.00% | - | - | - | - |
| | | TOTAL | | 41,000.00 | | | | | | | | | | | | | | | | | | | | | | - | | | | | | | 754,633 | 7,546,330 | 8,390,651 | 9,008,582 |

[2] End sale value = annual income (net of outgoings) divided by the capitalisation rate

| PROJECT CASH FLOW | TOTAL | 0<br>Jan-10 | 1<br>Jan-11 | 2<br>Jan-12 | 3<br>Jan-13 | 4<br>Jan-14 | 5<br>Jan-15 | 6<br>Jan-16 | 7<br>Jan-17 | 8<br>Jan-18 | 9<br>Jan-19 | 10<br>Jan-20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **SALES SUMMARY** | | | | | | | | | | | | |
| Units Sold | 3.00 | - | - | - | - | - | - | - | - | - | - | 3.00 |
| Cumulative Units Sold | | - | - | - | - | - | - | - | - | - | - | 3.00 |
| % Units Sold | | - | - | - | - | - | - | - | - | - | - | 100.0% |
| SqFt Sold | 120,000.38 | - | 120,000.00 | - | - | - | - | - | - | - | - | 0.38 |
| Cumulative SqFt Sold | | - | 120,000.00 | 120,000.00 | 120,000.00 | 120,000.00 | 120,000.00 | 120,000.00 | 120,000.00 | 120,000.00 | 120,000.00 | 120,000.38 |
| % SqFt Sold | | - | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| USD Sold | 37,343,882 | - | 28,335,300 | - | - | - | - | - | - | - | - | 9,008,582 |
| Cumulative USD Sold | | - | 28,335,300 | 28,335,300 | 28,335,300 | 28,335,300 | 28,335,300 | 28,335,300 | 28,335,300 | 28,335,300 | 28,335,300 | 37,343,882 |
| % USD Sold | | - | 75.9% | 75.9% | 75.9% | 75.9% | 75.9% | 75.9% | 75.9% | 75.9% | 75.9% | 100.0% |
| **HANDOVER SUMMARY** | | | | | | | | | | | | |
| Units Handed Over | 3.00 | - | - | - | - | - | - | - | - | - | - | 3.00 |
| Cumulative Units Handed Over | | - | - | - | - | - | - | - | - | - | - | 3.00 |
| % Units Handed Over | | - | - | - | - | - | - | - | - | - | - | 100.0% |
| SqFt Handed Over | 120,000.38 | - | 120,000.00 | - | - | - | - | - | - | - | - | 0.38 |
| Cumulative SqFt Handed Over | | - | 120,000.00 | 120,000.00 | 120,000.00 | 120,000.00 | 120,000.00 | 120,000.00 | 120,000.00 | 120,000.00 | 120,000.00 | 120,000.38 |
| % SqFt Handed Over | | - | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| USD Handed Over | 37,343,882 | - | 28,335,300 | - | - | - | - | - | - | - | - | 9,008,582 |
| Cumulative USD Handed Over | | - | 28,335,300 | 28,335,300 | 28,335,300 | 28,335,300 | 28,335,300 | 28,335,300 | 28,335,300 | 28,335,300 | 28,335,300 | 37,343,882 |
| % USD Handed Over | | - | 75.9% | 75.9% | 75.9% | 75.9% | 75.9% | 75.9% | 75.9% | 75.9% | 75.9% | 100.0% |
| **PROJECT CASH FLOW** | | | | | | | | | | | | |
| **REVENUE** | | | | | | | | | | | | |
| Gross Sales Revenue | 37,343,882 | - | 28,335,300 | - | - | - | - | - | - | - | - | 9,008,582 |
| Selling Costs | (1,867,194) | - | (1,867,194) | - | - | - | - | - | - | - | - | - |
| Gross Rental Income | 8,932,106 | - | 827,430 | 827,430 | 827,430 | 827,430 | 827,430 | 958,991 | 958,991 | 958,991 | 958,991 | 958,991 |
| Leasing Costs | (541,455) | - | (50,158) | (50,158) | (50,158) | (50,158) | (50,158) | (58,133) | (58,133) | (58,133) | (58,133) | (58,133) |
| Other Income | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Received* | - | - | - | - | - | - | - | - | - | - | - | - |
| **TOTAL NET REVENUE** | 43,867,339 | - | 27,245,378 | 777,272 | 777,272 | 777,272 | 777,272 | 900,858 | 900,858 | 900,858 | 900,858 | 9,909,441 |
| **COSTS** | | | | | | | | | | | | |
| Land and Acquisition | - | - | - | - | - | - | - | - | - | - | - | - |
| Professional Fees | 2,997,409 | 2,997,409 | - | - | - | - | - | - | - | - | - | - |
| Construction Costs (inc Contingency) | 23,979,270 | 23,979,270 | - | - | - | - | - | - | - | - | - | - |
| Statutory Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure Costs | 328,566 | 328,566 | - | - | - | - | - | - | - | - | - | - |
| Parking Construction Costs | 7,290,000 | 7,290,000 | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous Costs 3 | - | - | - | - | - | - | - | - | - | - | - | - |
| Project Contingency (Reserve) | 1,729,762 | 1,729,762 | - | - | - | - | - | - | - | - | - | - |
| Land Holding Costs | - | - | - | - | - | - | - | - | - | - | - | - |
| Pre-Sale Commissions | - | - | - | - | - | - | - | - | - | - | - | - |
| Financing Costs (exc Fees) | - | - | - | - | - | - | - | - | - | - | - | - |
| **TOTAL COSTS** | 36,325,007 | 36,325,007 | - | - | - | - | - | - | - | - | - | - |
| **Net Cash Flow (before Interest & Corporate Tax)** | 7,542,333 | (36,325,007) | 27,245,378 | 777,272 | 777,272 | 777,272 | 777,272 | 900,858 | 900,858 | 900,858 | 900,858 | 9,909,441 |
| **Cumulative Cash Flow** | | (36,325,007) | (9,079,629) | (8,302,357) | (7,525,085) | (6,747,813) | (5,970,541) | (5,069,683) | (4,168,824) | (3,267,966) | (2,367,108) | 7,542,333 |
| **Corporate Tax** | - | - | - | - | - | - | - | - | - | - | - | - |
| **Net Cash Flow (before Interest & after Corporate Tax)** | 7,542,333 | (36,325,007) | 27,245,378 | 777,272 | 777,272 | 777,272 | 777,272 | 900,858 | 900,858 | 900,858 | 900,858 | 9,909,441 |
| **Cumulative Cash Flow** | | (36,325,007) | (9,079,629) | (8,302,357) | (7,525,085) | (6,747,813) | (5,970,541) | (5,069,683) | (4,168,824) | (3,267,966) | (2,367,108) | 7,542,333 |
| **FINANCING** | | | | | | | | | | | | |
| **Equity** | | | | | | | | | | | | |
| Manual Adjustments (Inject + / Repay -) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Injections | 9,081,252 | 9,081,252 | - | - | - | - | - | - | - | - | - | - |
| Interest Charged | - | - | - | - | - | - | - | - | - | - | - | - |
| Equity Repayment | 15,319,922 | - | - | - | 252,505 | 777,272 | 777,272 | 900,858 | 900,858 | 900,858 | 900,858 | 9,909,441 |
| Less Profit Share | - | - | - | - | - | - | - | - | - | - | - | - |
| Equity Balance | 6,238,671 | (9,081,252) | (9,081,252) | (9,081,252) | (8,828,747) | (8,051,475) | (7,274,203) | (6,373,345) | (5,472,486) | (4,571,628) | (3,670,770) | 6,238,671 |
| Equity Cash Flow*** | 6,238,671 | (9,081,252) | - | - | 252,505 | 777,272 | 777,272 | 900,858 | 900,858 | 900,858 | 900,858 | 9,909,441 |
| **Project Cash Account** | | | | | | | | | | | | |
| Surplus Cash Injection | 27,243,755 | 27,243,755 | - | - | - | - | - | - | - | - | - | - |
| Cash Reserve Drawdown | (27,243,755) | (27,243,755) | - | - | - | - | - | - | - | - | - | - |
| Interest on Surplus Cash | - | - | - | - | - | - | - | - | - | - | - | - |
| Surplus Cash Balance | | - | - | - | - | - | - | - | - | - | - | - |
| **Loan 1 - Lender Name** | | | | | | | | | | | | |
| Manual Adjustments (Drawdown - / Repay +) | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Drawdown | (27,243,755) | (27,243,755) | - | - | - | - | - | - | - | - | - | - |
| Loan Interest Rate (%/ann) | | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% |
| Interest Charged | (1,303,662) | - | (1,225,969) | (55,096) | (22,598) | - | - | - | - | - | - | - |
| Application and Line Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Paid by Equity | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Repayment | 28,547,417 | - | 27,245,378 | 777,272 | 524,767 | - | - | - | - | - | - | - |
| Interest and Fees | 1,303,662 | - | 1,225,969 | 55,096 | 22,598 | - | - | - | - | - | - | - |
| Principal | 27,243,755 | - | 26,019,409 | 722,176 | 502,170 | - | - | - | - | - | - | - |
| Loan Balance | - | (27,243,755) | (1,224,346) | (502,170) | - | - | - | - | - | - | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| Profit Share | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan 1 Cash Flow | 1,303,662 | (27,243,755) | 27,245,378 | 777,272 | 524,767 | - | - | - | - | - | - | - |

| PROJECT CASH FLOW | TOTAL | 0<br>Jan-10 | 1<br>Jan-11 | 2<br>Jan-12 | 3<br>Jan-13 | 4<br>Jan-14 | 5<br>Jan-15 | 6<br>Jan-16 | 7<br>Jan-17 | 8<br>Jan-18 | 9<br>Jan-19 | 10<br>Jan-20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Loan 2 - Lender Name** | | | | | | | | | | | | |
| Manual Adjustments (Drawdown - / Repay +) | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Drawdown | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Interest Rate (%/ann) | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Interest Charged | - | - | - | - | - | - | - | - | - | - | - | - |
| Application and Line Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Paid by Equity | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Repayment | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest and Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Balance | - | - | - | - | - | - | - | - | - | - | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| Profit Share | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan 2 Cash Flow | - | - | - | - | - | - | - | - | - | - | - | - |
| **Loan 3 - Lender Name** | | | | | | | | | | | | |
| Manual Adjustments (Drawdown - / Repay +) | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Drawdown | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Interest Rate (%/ann) | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Interest Charged | - | - | - | - | - | - | - | - | - | - | - | - |
| Application and Line Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Paid by Equity | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Repayment | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest and Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Balance | - | - | - | - | - | - | - | - | - | - | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| Profit Share | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan 3 Cash Flow | - | - | - | - | - | - | - | - | - | - | - | - |
| **Loan 4 - Lender Name** | | | | | | | | | | | | |
| Drawdown | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Interest Rate (%/ann) | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Interest Charged | - | - | - | - | - | - | - | - | - | - | - | - |
| Application and Line Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Paid by Equity | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Repayment | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest and Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Balance | - | - | - | - | - | - | - | - | - | - | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| Loan 4 Cash Flow | - | - | - | - | - | - | - | - | - | - | - | - |
| Project Overdraft | | (27,243,755) | (1,224,346) | (502,170) | - | - | - | - | - | - | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| **Net Cash Flow (after Interest & Corporate Tax)** | 6,238,671 | (36,325,007) | 26,019,409 | 722,176 | 754,674 | 777,272 | 777,272 | 900,858 | 900,858 | 900,858 | 900,858 | 9,909,441 |
| **Cumulative Cash Flow**** | | (36,325,007) | (10,305,598) | (9,583,421) | (8,828,747) | (8,051,475) | (7,274,203) | (6,373,345) | (5,472,486) | (4,571,628) | (3,670,770) | 6,238,671 |
| **PROJECT IRR & NPV** | | | | | | | | | | | | |
| Cash Flow that includes financing costs but excludes interest and corp tax. | | (36,325,007) | 27,245,378 | 777,272 | 777,272 | 777,272 | 777,272 | 900,858 | 900,858 | 900,858 | 900,858 | 9,909,441 |
| **Static Discount Rate (per ann. nominal)** | 10.00% | | | | | | | | | | | |
| PV for each Year | (3,722,999) | (36,325,007) | 24,768,525 | 642,374 | 583,976 | 530,887 | 482,625 | 508,511 | 462,283 | 420,257 | 382,052 | 3,820,518 |
| NPV of Future Cash Flows | | (3,722,999) | 35,862,208 | 9,478,514 | 9,571,366 | 9,673,503 | 9,785,854 | 9,909,441 | 9,909,441 | 9,909,441 | 9,909,441 | 9,909,441 |
| **Variable Discount Rate (per ann. nominal)** | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% |
| NPV (using weighted avg discount rate) | (3,722,999) | | | | | | | | | | | |

* Includes half interest from deposit for land acquisition plus Interest received from pre-sale deposits

** Cumulative Cash Flow After Interest is revenue less costs (including interest on overdraft)

*** Includes equity injection, interest expense, loan re-payments and share of profit as outflows. Revenue and money borrowed as inflows.

# Summary of Project Returns

ESTATEMASTER PROPERTY SOFTWARE
Development Feasibility

## Tarzana Crossing

### Cash Flow - Option 3

SE Corner Oxnard / Reseda Site - Base Case

| | | | |
|---|---|---|---|
| **Time Span:** | Jan-10 to Jan-20 | **Project Size:** | 2.8 Acres<br>1 per 43,854.55 SqFt of Site Area |
| **Type:** | Mixed Use | | |
| **Status:** | Under Review | **Project Size:** | 161,000. GFA<br>1 per 0.75 SqFt of Site Area |
| **Site Area:** | 120,600. SqFt | | |
| **FSR:** | 0:1 | **Equated GFA:** | 0.0 |

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## COSTS & REVENUES

| | Quantity | SqFt | USD/SqFt | USD Total | USD Per Acre | USD Per GFA |
|---|---|---|---|---|---|---|
| **REVENUE** | | | | | | |
| | Quantity | SqFt | USD/SqFt | USD | | |
| **Total Sales Revenue** | - | 120,000.0 | 311.2 | 37,343,882 | 13,579,594 | 232 |
| Residential - 1 Bedroom Units | - | 120,000.0 | 236.1 | 28,335,300 | | |
| Commerical Office | - | - | - | 5,231,972 | | |
| Retail Shops | - | - | - | 1,223,853 | | |
| Industrial Units | - | - | - | 2,552,758 | | |
| Less Selling Costs | | | | (1,867,194) | 678,980 | 12 |
| NET SALE PROCEEDS | | | | 35,476,688 | 12,900,614 | 220 |
| | Average Yield | SqFt | USD/SqFt/annum | USD | | |
| **Rental Income** | 10.0% | 41,000.0 | 19.6 | 8,932,106 | 3,248,038 | 55 |
| Commerical Office | 10.0% | 19,000.0 | 25.6 | 5,414,546 | | |
| Retail Shops | 10.0% | 4,000.0 | 25.6 | 1,139,905 | | |
| Industrial Units | 10.0% | 18,000.0 | 11.9 | 2,377,655 | | |
| Less Outgoings & Vacancies | | | | (541,455) | 196,893 | 3 |
| Less Letting Fees | | | | - | - | - |
| Less Incentives (Rent Free and Fit-out Costs) | | | | - | - | - |
| Less Other Leasing Costs | | | | - | - | - |
| NET RENTAL INCOME | | | | 8,390,651 | 3,051,146 | 52 |
| Interest Received | | | | - | - | - |
| Other Income | | | | - | - | - |
| **TOTAL REVENUE** | | | | **43,867,339** | **15,951,760** | **272** |
| **COSTS** | | | | | | |
| Land Purchase Cost | | | | - | - | - |
| Land Transaction Costs | | | | - | - | - |
| **Construction (inc. Construct. Contingency)** | | | | 23,979,270 | 8,719,735 | 149 |
| Other Construction Costs | | | | 23,979,270 | | |
| Professional Fees | | | | 2,997,409 | 1,089,967 | 19 |
| Statutory Fees | | | | - | - | - |
| Infrastructure Costs | | | | 328,566 | 119,478 | 2 |
| Parking Construction Costs | | | | 7,290,000 | 2,650,909 | 45 |
| Miscellaneous Costs 3 | | | | - | - | - |
| Project Contingency (Project Reserve) | | | | 1,729,762 | 629,004 | 11 |
| Land Holding Costs | | | | - | - | - |
| Pre-Sale Commissions | | | | - | - | - |
| Finance Charges (inc. Fees) | | | | - | - | - |
| Interest Expense | | | | 1,303,662 | 474,059 | 8 |
| Plus Corporate Tax | | | | - | - | - |
| **TOTAL COSTS** | | | | **37,628,669** | **13,683,152** | **234** |

## PERFORMANCE INDICATORS

| | | |
|---|---|---|
| **Net Development Profit** [1] | **6,238,671** | |
| **Development Margin (or Profit/Risk Margin)** [3] | **15.80%** | on total development costs (inc selling costs). |
| Residual Land Value (Target Margin) [4] | (1,273,812) | (at 20% target development margin) |
| **Net Present Value** [5] | **(3,722,999)** | (at 10% per ann. discount rate, nominal) |
| Benefit Cost Ratio [6] | 0.8975 | (at 10% per ann. discount rate, nominal) |
| **Project Internal Rate of Return (IRR)** [7] | **5.79%** | (per ann. nominal) |
| Residual Land Value (based on NPV) [8] | (3,722,998) | |
| Equity IRR | 6.26% | (per ann. nominal) |
| Equity Contribution | 9,081,252 | |
| Peak Debt Exposure | 27,243,755 | |
| Equity to Debt Ratio | 33.33% | |
| Weighted Average Cost of Capital (WACC) [9] | 3.37% | |
| Breakeven Date for Cumulative Cash Flow [10] | Jan-2020 | (Year 10) |
| Rent Cover [11] | 8 Yrs, 3 Mths | |
| Profit Erosion [12] | 0 Yrs, 0 Mths | |

**Footnotes:**

1. Development Profit: is total revenue less total cost including interest paid and received
2. Note: No redistribution of Developer's Gross Profit
3. Development Margin: is profit divided by total development costs (inc selling costs).
4. Residual Land Value: is the maximum purchase price for the land whilst achieving the target development margin.
5. Net Present Value: is the project's cash flow stream discounted to present value. It includes financing costs but excludes interest and corp tax.
6. Benefit:Cost Ratio: is the ratio of discounted incomes to discounted costs and includes financing costs but excludes interest and corp tax.
7. Internal Rate of Return: is the discount rate where the NPV above equals Zero.
8. Residual Land Value (based on NPV): is the purchase price for the land to achieve a zero NPV.
9. The Weighted Average Cost of Capital (WACC) is the rate that a company is expected to pay to finance its assets.
10. Breakeven date for Cumulative Cash Flow: is the last date when total debt and equity is repaid (ie when profit is realised).
11. The total net development profit divided by the current net annual rental expressed as a a number of years/months.
12. The period of time post practical completion that it can remain unsold (but leased out) until finance and land holding costs erodes the profit for the development to zero.

# Summary of Project Returns

ESTATEMASTER
PROPERTY SOFTWARE
Development Feasibility

## Tarzana Crossing

### Cash Flow - Option 3

SE Corner Oxnard / Reseda Site - Base Case

| | | | |
|---|---|---|---|
| **Time Span:** | Jan-10 to Jan-20 | **Project Size:** | 2.8 Acres<br>1 per 43,854.55 SqFt of Site Area |
| **Type:** | Mixed Use | | |
| **Status:** | Under Review | **Project Size:** | 161,000. GFA<br>1 per 0.75 SqFt of Site Area |
| **Site Area:** | 120,600. SqFt | | |
| **FSR:** | 0:1 | **Equated GFA:** | 0.0 |

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| RETURNS ON FUNDS INVESTED | Equity | Loan 1 | | | | Total Debt |
|---|---|---|---|---|---|---|
| | | Lender Name | | | | |
| Funds Invested (Cash Outlay) [1] | 9,081,252 | 27,243,755 | | | | 27,243,755 |
| % of Total Funds Invested | 25.00% | 75.00% | | | | 75.00% |
| Peak Exposure [2] | 9,081,252 | 27,243,755 | | | | 27,243,755 |
| Date of Peak Exposure | Jan-10 | Jan-10 | | | | Jan-10 |
| Year of Peak Exposure | Year 0 | Year 0 | | | | Year 0 |
| Weighted Average Interest Rate | N.A. | 4.50% | | | | 4.50% |
| Interest Charged | - | 1,303,662 | | | | 1,303,662 |
| Line Fees Charged | - | - | | | | - |
| Application Fees Charged | - | - | | | | - |
| Profit Share Received | - | - | | | | - |
| Total Profit to Funders [3] | 6,238,671 | 1,303,662 | | | | 1,303,662 |
| Margin on Funds Invested [4] | 68.70% | 4.79% | | | | 4.79% |
| Payback Date [5] | Jan-20 | Jan-13 | | | | Jan-13 |
| Year of Payback | Year 10 | Year 3 | | | | Year 3 |
| IRR on Funds Invested [6] | 6.26% | 4.50% | | | | 4.50% |
| Equity to Debt Ratio [7] | | 33.33% | | | | 33.33% |
| Loan to Value Ratio [8] | 24.32% | 72.95% | | | | 72.95% |
| Loan Ratio [9] | N.A.<br>of Land Purchase Price. | N.A.<br>of Land Purchase Price. | | | | N.A.<br>of Land Purchase Price. |

**Footnotes:**

1. The total amount of funding injected into the project cash flow.
2. The maximum cash flow exposure of that equity/debt facility including capitalised interest.
3. The total repayments less funds invested, including profit share paid or received.
4. Margin is net profit divided by total funds invested (cash outlay).
5. Payback date for the equity/debt facility is the last date when total equity/debt is repaid.
6. IRR on Funds Invested is the IRR of the equity cash flow including the return of equity and realisation of project profits.
7. Equity to Debt Ratio is the amount of equity contributed into the project as a percentage of debt funding.
8. Loan to Value ratio is the Peak Equity/Debt Exposure divided by Total Sales Revenue.
9. Loan Ratio is the total funds invested by the lender (cash outlay) divided by the nominated ratio calculation method. It includes capitalised interest and fees.

## Preliminary

| | | | | | |
|---|---|---|---|---|---|
| Cash Flow Title | **Cash Flow - Option 4** | | Description of Option/Stage | SE Corner Oxnard / Reseda Site - Alternate Case | |
| Date of First Period: | Jan-2010 | | | | |
| Cash Flow Rest Period: | Yearly | | | | |
| Enter Project Size (a) | 2.8 | Acres | | | |
| Enter Project Size (b) | 45,000.0 | GFA | | | |
| Enter Site Area | 120,600.0 | SqFt | Floor Space Ratio | 0 :1 | Equated Gross Floor Area (SqFt) - |

| | |
|---|---|
| Type | Mixed Use |
| Status | Under Review |

## 1000 Land Purchase & Acquisition Costs

| | |
|---|---|
| Land Purchase Price | - |

| Code | Stage | | % of Land Purchase Price % paid | Amount | AND/OR Lump Amount | Year Start | Year Span | Cash Flow Period | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|
| 1002 | - | Deposit in Trust Account [1] | 0.00% | - | - | 0 | - | - | - | - |
| 1003 | - | Payment 1 | 0.00% | - | - | 0 | - | - | - | - |
| 1004 | - | Payment 2 | 0.00% | - | - | 0 | - | - | - | - |
| 1005 | - | Payment 3 | 0.00% | - | - | 0 | - | - | - | - |
| 1006 | - | Payment 4 | 0.00% | - | - | 0 | - | - | - | - |
| 1007 | - | Settlement (Balance) | 100.00% | | - | 0 | 1 | Jan-10 - Dec-10 | - | - |
| | | Interest on Deposit in Trust Account | 0.00% | | Interest from deposit shared between parties | | | | | |
| | | Profit Share to Land Owner | 0.00% | | . Paid progressively as project makes a profit. | | | | | |

| Code | Stage | **Other Acquisition Costs** | % of Land Purchase Price % paid | Amount | AND/OR Lump Amount | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1011 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| 1012 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| 1013 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| 1014 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| 1015 | - | . | 0.00% | - | - | 0 | - | - | | - | - |
| | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | **TOTAL** | - | - |

[1] (No VAT credit available for Stamp Duty)

[2] Pro-rata with Land Payments ('L')

## Cost Escalation

| Code | | Escalation Rates (Applied Per Annum) based on Cashflow Period Years commencing Jan-10 | Jan-11 | Jan-12 | Jan-13 | Jan-14 | Jan-15 | Jan-16 | Jan-17 | Jan-18 | Jan-19 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Professional Fees | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Construction Costs (Uncategorised) | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| SUB | Subdivision Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| STG | Stage Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| BUI | Built Form | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| OT1 | Other | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| OT2 | Other | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Statutory Fees | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Infrastructure Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Parking Construction Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Miscellaneous Costs 3 | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Land Holding Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Selling and Leasing Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| | Finance Costs | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |

## 2000 Project Contingency

| | | | |
|---|---|---|---|
| - | And / Or | 5.00% | of Construction, Professional, Statutory & Misc. Costs |

## 3000 Professional Fees

| Code | Stage | Description | % of Construct. [1] | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | S-Curve | Year Start[2] | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 3001 | - | Architect and Engineering | 5.50% | - | - | E | - | 0 | 1 | Jan-10 - Dec-10 | | 401,173 | 401,173 |
| 3002 | - | Legal and Accounting | 1.00% | - | - | E | - | 0 | 1 | Jan-10 - Dec-10 | | 72,941 | 72,941 |
| 3003 | - | Construction Management Fee | 5.00% | - | - | E | - | 0 | 1 | Jan-10 - Dec-10 | | 364,703 | 364,703 |
| 3004 | - | Building Permit | 1.00% | - | - | E | - | 0 | 1 | Jan-10 - Dec-10 | | 72,941 | 72,941 |
| 3005 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| | | [1] % Based on Net Costs | | | | | [2] Pro-rata with Construction ('C') | | | | | | |
| 3099 | - | Development Management | 0.00% | % of Project Costs (inc land) | | | - | 0 | - | - | | - | - |
| | | | | excludes finance costs and tax (if applicable). | | | [2] Pro-rata with Construction ('C'), Settlements ('S') | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | Project Costs inc Land ('P1') or exc Land ('P2') | | | | TOTAL | 911,756 | 911,756 |

## 4000 Construction Costs

| Code | Stage | Description | Cost Type | Sq. Ft. | Base Rate / Sq. Ft. | Escalate (E,R,N)1 | S-Curve | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 4001 | - | Retail / Office | - | 45,000 | 162 | E | - | 0 | 1 | Jan-10 - Dec-10 | | 7,294,050 | 7,294,050 |
| 4002 | - | Restaurant | - | - | 162 | E | - | 0 | 1 | Jan-10 - Dec-10 | | - | - |
| 4003 | - | Light Industrial | - | - | 87 | E | - | 0 | 1 | Jan-10 - Dec-10 | | - | - |
| 4004 | - | Residential | - | - | 156 | E | - | 0 | 1 | Jan-10 - Dec-10 | | - | - |
| 4005 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4006 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4007 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4008 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4009 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| 4010 | - | . | - | - | - | - | - | 0 | - | - | | - | - |
| | | [1] Escalation ('N' = no escalation, 'E' = escalation to start period, 'R' = escalation to start period and through span) | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| 4099 | | **Construction Contingency** | | - | And / Or | | 0.00% | of Construction Costs | | | =D132 | - | - |
| | | | | | | | | | | | TOTAL | 7,294,050 | 7,294,050 |

## 5000 Statutory Fees

| Code | Stage | Description | Units | Base Rate / Units | Escalate (E,R,N) | S-Curve | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 5001 | - | . | - | - | - | - | 0 | - | - | | - | - |
| 5002 | - | . | - | - | - | - | 0 | - | - | | - | - |
| 5003 | - | . | - | - | - | - | 0 | - | - | | - | - |
| 5004 | - | . | - | - | - | - | 0 | - | - | | - | - |
| 5005 | - | . | - | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | TOTAL | - | - |

## 6000 Infrastructure Costs

| Code | Stage | Description | %of Construction[1] | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | S-Curve | Year Start[2] | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6001 | - | Subsurface Soil Investigation, Surveys & ESA | 0.00% | 1 | 45,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | - Based on relative experience | 45,000 | 45,000 |
| 6002 | - | Infrastructure Designs | 0.00% | 1 | 2,578 | E | - | 0 | 1 | Jan-10 - Dec-10 | - 2.5% of site servicing | 2,578 | 2,578 |
| 6003 | - | Planning Application Fees | 0.00% | 1 | 5,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | - Based on relative experience | 5,000 | 5,000 |
| 6004 | - | Site Servicing Costs | 0.00% | 3 | 37,500 | E | - | 0 | 1 | Jan-10 - Dec-10 | - Assumed average site | 103,125 | 103,125 |
| 6005 | - | Landscaping | 0.00% | 3 | 50,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | servicing costs in Los Angeles | 137,500 | 137,500 |
| 6006 | - | . | 0.00% | - | - | - | - | 0 | - | - | County to be 25k - 50k/acre | - | - |
| 6007 | - | . | 0.00% | - | - | - | - | 0 | - | - | for preserviced land | - | - |
| 6008 | - | . | 0.00% | - | - | - | - | 0 | - | - | - Assumed average landscapin | - | - |
| 6009 | - | . | 0.00% | - | - | - | - | 0 | - | - | costs to be 50k/acre | - | - |
| 6005 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | [1] Based on net costs. | | | | | [2] Pro-rata with Construction ('C') or Settlements ('S') | | | | TOTAL | 293,203 | 293,203 |

6100

## Parking Construction Costs

| Code | Stage | Description | %of Construction¹ | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | S-Curve | Year Start² | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6101 | - | Sufrace Parking | 0.00% | 135 | 3,500 | E | - | 0 | 1 | Jan-10 - Dec-10 | Based on relative west coast | 472,500 | 472,500 |
| 6102 | - | Structured Parking | 0.00% | - | 30,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | costing experience - 400 sf | - | - |
| 6103 | - | Below Grade Parking | 0.00% | - | 36,000 | E | - | 0 | 1 | Jan-10 - Dec-10 | per parking space | - | - |
| 6104 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6105 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | | **TOTAL** | 472,500 | 472,500 |

¹ Based on net costs.

² Pro-rata with Construction ('C') or Settlements ('S')

6000

## Miscellaneous Costs 3

| Code | Stage | Description | %of Construction¹ | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | S-Curve | Year Start² | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6001 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6002 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6003 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6004 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| 6005 | - | . | 0.00% | - | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | | **TOTAL** | - | - |

¹ Based on net costs.

² Pro-rata with Construction ('C') or Settlements ('S')

7000

## Land Holding Costs

| Code | Stage | Description | No. Units | Base Rate /unit/term | Term ¹ | Escalate (E,R,N) | Year Start | Year Span² | Cash Flow Period | Remarks | Total Annual Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 7001 | - | . | - | - | M | - | 0 | - | - | | - | - |
| 7002 | - | . | - | - | M | - | 0 | - | - | | - | - |
| 7003 | - | . | - | - | M | - | 0 | - | - | | - | - |
| 7004 | - | . | - | - | M | - | 0 | - | - | | - | - |
| 7005 | - | . | - | - | M | - | 0 | - | - | | - | - |
| | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | **TOTAL** | - | - |

¹ Y=Yearly, BA=BiAnnualy, Q=Quarterly, BM=BiMonthly, M=Monthly

² Diminish proportionally with leasing ('DR') or settlements ('DS')

## Sales and Rental Revenue Escalation

| | | Escalation Rates (Applied Per Annum) based on Cashflow Period Years commencing | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Code | Category | Jan-10 | Jan-11 | Jan-12 | Jan-13 | Jan-14 | Jan-15 | Jan-16 | Jan-17 | Jan-18 | Jan-19 |
| RS1 | Residential - 1 Bedroom Units | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RS2 | Residential - 2 Bedroom Units | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RS3 | Residential - 3 Bedroom Units | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RDD | Detached Dwelllings Lots | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RTH | Townhouse Lots | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| COM | Commerical Office | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| RET | Retail Shops | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| IND | Industrial Units | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| STW | Storage & Warehousing | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| OTH | Other | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |

Rental esclation occurs up to lease start date. For rent review escalation during lease period re

8000

## Selling and Leasing Costs

| | | Sales Commission | Sales Comm[1] | % of Comm. Pre-sales[2] | Deposits (% of Price)[3] | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|
| 8001 | RS1 | Residential - 1 Bedroom Units | 0.00% | 0.00% | 0.00% | | - | - |
| 8002 | RS2 | Residential - 2 Bedroom Units | 0.00% | 0.00% | 0.00% | | - | - |
| 8003 | RS3 | Residential - 3 Bedroom Units | 0.00% | 0.00% | 0.00% | | - | - |
| 8004 | RDD | Detached Dwelllings Lots | 0.00% | 0.00% | 0.00% | | - | - |
| 8005 | RTH | Townhouse Lots | 0.00% | 0.00% | 0.00% | | - | - |
| 8006 | COM | Commerical Office | 0.00% | 0.00% | 0.00% | | - | - |
| 8007 | RET | Retail Shops | 0.00% | 0.00% | 0.00% | | - | - |
| 8008 | IND | Industrial Units | 0.00% | 0.00% | 0.00% | | - | - |
| 8009 | STW | Storage & Warehousing | 0.00% | 0.00% | 0.00% | | - | - |
| 8010 | OTH | Other | 0.00% | 0.00% | 0.00% | | - | - |
| | | | | | | TOTAL | - | - |

[1] % of Gross Purchase Price
[2] Percentage of Sales Commission paid at exchange date for pre-sales
[3] Percentage of price deposited on exchange (for pre-sales)

| | |
|---|---|
| Report Pre-sale Commission as Project Cost | ☑ |

| | |
|---|---|
| Interest Rate on Deposits Invested in Trust Account | 0.00% |
| % of Interest retained by Developer upon settlement | 0.00% |

| Code | Stage | Other Selling Costs | % of Gross Sales | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 8101 | - | Marketing | 5.00% | - | - | - | 1 | 1 | Jan-11 - Dec-11 | | 519,008 | 619,576 |
| 8102 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8103 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8104 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8111 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | TOTAL | 519,008 | 619,576 |

Pro-rata with Settlements ('S') or Exchanges ('E')

| Code | Stage | Other Leasing Costs | % of Gross Rent | AND / OR No. Units | Base Rate / Unit | Escalate (E,R,N) | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 8201 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8202 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8203 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8204 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| 8211 | - | . | 0.00% | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | | TOTAL | - | - |

Pro-rata with Rental Income ('R')

## Sales Revenue Collection Profile

9000

## Sales

| Code | Stage | Description | No. Units | Total Area SqFt | Current Sale Price | Sales Calc Method | Pre-Sale Exchanges Year Start | Pre-Sale Exchanges Year Span | Settlements Year Start | Settlements Year Span | Settlements Cash Flow Period | Sales Rate Units / SqFt per Year | Land Use Code | | Total Current Sales Revenue | Total Escalated Sales Revenue |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 9001 | - | Residential Sales | - | - | - | Per SqFt | 0 | - | 1 | 1 | Jan-11 - Dec-11 | - | RS1 | | - | - |
| 9002 | - | . | - | - | - | Per Unit | 0 | - | 0 | - | - | - | - | | - | - |
| 9003 | - | . | - | - | - | Per Unit | 0 | - | 0 | - | - | - | - | | - | - |
| 9004 | - | . | - | - | - | Per Unit | 0 | - | 0 | - | - | - | - | | - | - |
| 9020 | - | . | - | - | - | Per Unit | 0 | - | 0 | - | - | - | - | | - | - |
| | | | | | | | | | | | | | Capitalised Sales (refer to Tenants) | | 10,380,150 | 12,391,512 |
| | | | | | | | | | | | | | Manual Input (refer to Cash Flow) | | - | - |
| | | | | | | | | | | | | | TOTAL | | 10,380,150 | 12,391,512 |

9100

## Other Income

| Code | Stage | Description | Land Use Code | Units | Base Rate / Units | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Income | Total Escalated Income |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 9101 | - | . | - | - | - | 0 | - | - | | - | - |
| 9102 | - | . | - | - | - | 0 | - | - | | - | - |
| 9103 | - | . | - | - | - | 0 | - | - | | - | - |
| 9104 | - | . | - | - | - | 0 | - | - | | - | - |
| 9110 | - | . | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | TOTAL | - | - |

10000

# Financing

**(Advanced Mode)**

**General Notes:** All Line Fees are paid during period of debt, in arrears
All Profit Share is Paid progressively as project makes a profit.

## Equity

| | | | | | |
|---|---|---|---|---|---|
| Developer's Equity Contribution | Fixed Amount | Percentage | | Opening Balances | Equity Totals |
| Progressively injected when required. | - | 25.00% | % of Project Costs (net of Interest/Fees) | Developer's Injections | 2,355,021 |
| 10001 Interest Charged on Equity | 0.00% | per annum Nominal - Capitalised (Compounded) | | - Interest Charged | - |
| 10002 Interest received on Surplus Cash | 0.00% | per annum received in arrears. | | - Interest Received | - |
| % of Available Funds to Repay Equity Before Debt | 0.00% | | | | |
| | | | | Injections by Enter Land Owner Name | - |

**Equity Notes:** Equity is paying outstanding debt
Equity is repaid when available (do not retain surplus cash).

## Loan 1

| | | | | | |
|---|---|---|---|---|---|
| Description | Lender Name | | | Opening Balances | Loan 1 Totals |
| Facility Limit | Fixed Amount | Percentage | | | |
| Drawn down in total at loan commencement. | | 75.00% | % of Project Costs (net of Interest/Fees) | Drawdown | 7,065,064 |
| Year Commencement Auto ☑ | 0 | Jan-2010 | | | |
| Maturity Year Auto ☑ | 0 | Jan-2019 | Refinanced by Equity | | |
| 10004 Interest Rate | 4.50% | per annum Nominal - Capitalised (Compounded) | | - Interest Charged | 1,721,785 |
| 10005 Fees | Amount | Percentage | Year Paid | | |
| Application Fee | - | 0.00% | 0 | - Application Fees | - |
| Line Fee | - | 0.00% | | - Line Fees | - |
| Profit Split to Lender 1 | 0.00% | | | Profit Split | - |

## Loan 2

| | | | | | |
|---|---|---|---|---|---|
| Description | Lender Name | | | Opening Balances | Loan 2 Totals |
| Facility Limit | Fixed Amount | Percentage | | | |
| Drawn down in total at loan commencement. | - | 0.00% | Fixed Amount | Drawdown | - |
| Year Commencement Auto ☑ | 0 | | | | |
| Maturity Year Auto ☑ | 0 | N.A. | Refinanced by Equity | | |
| 10004 Interest Rate | 0.00% | per annum Nominal - Capitalised (Compounded) | | - Interest Charged | - |
| 10005 Fees | Amount | Percentage | Year Paid | | |
| Application Fee | - | 0.00% | 0 | - Application Fees | - |
| Line Fee | - | 0.00% | | - Line Fees | - |
| Profit Split to Lender 2 | 0.00% | | | Profit Split | - |

## Loan 3

| | | | | | |
|---|---|---|---|---|---|
| Description | Lender Name | | | Opening Balances | Loan 3 Totals |
| Facility Limit | Fixed Amount | Percentage | | | |
| Drawn down in total at loan commencement. | - | 0.00% | Fixed Amount | Drawdown | - |
| Year Commencement Auto ☑ | 0 | | | | |
| Maturity Year Auto ☑ | 0 | N.A. | Refinanced by Equity | | |
| 10004 Interest Rate | 0.00% | per annum Nominal - Capitalised (Compounded) | | - Interest Charged | - |
| 10005 Fees | Amount | Percentage | Year Paid | | |
| Application Fee | - | 0.00% | 0 | - Application Fees | - |
| Line Fee | - | 0.00% | | - Line Fees | - |
| Profit Split to Lender 3 | 0.00% | | | Profit Split | - |

## Loan 4

| | | | |
|---|---|---|---|
| | Description | Lender Name | |
| | No Limit (use as overdraft facility) | - | |
| 10007 | Interest Rate | 0.00% | per annum Nominal - Capitalised (Compounded) |

| | Fees | Amount | Percentage | Year Paid |
|---|---|---|---|---|
| 10008 | Application Fee | - | 0.00% | 0 |
| | Line Fee | - | 0.00% | |

| | | |
|---|---|---|
| Maintain Leverage on Loan 4 | 0.00% | % of unsold Stock (net of selling costs) |

**Senior Loan Notes:** Senior Loan (Loan 4) is being used as an overdraft facility.

| Opening Balances | | Loan 4 Totals |
|---|---|---|
| | Drawdown | - |
| - | Interest Charged | - |
| - | Application Fees | - |
| - | Line Fees | - |
| | Interest Charged to Enter Land Owner Name | - |

| Code | Stage | Financing Costs | No. of Units | Base Rate / Unit | Escalate (E,R,N) | Year Start | Year Span | Cash Flow Period | Remarks | Total Current Costs | Total Escalated Cost |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 10009 | - | . | - | - | - | 0 | - | - | | - | - |
| 10010 | - | . | - | - | - | 0 | - | - | | - | - |
| 10011 | - | . | - | - | - | 0 | - | - | | - | - |
| 10012 | - | . | - | - | - | 0 | - | - | | - | - |
| 10018 | - | . | - | - | - | 0 | - | - | | - | - |
| | | | | | | | | | Manual Input (refer to Cash Flow) | - | - |
| | | | | | | | | | **TOTAL** | - | - |

## Project Hurdle Rates

| | | |
|---|---|---|
| Project Discount Rate (target IRR) | 10.00% | per annum Nominal, on cash flow that includes financing costs but excludes interest and corp tax. |
| | | |
| Nominate an estimate of IRR | 15.00% | per ann. |
| Developer's Target Dev. Margin | 20.00% | on total development costs (inc selling costs). |
| Developer's Target Return on Equity | 0.00% | |

12000 **Rental Income & Capitalised Sales**

| Code | Stage | Description | Land Use Code | Total Area SqFt | Current Rent /SqFt/annum | Outgoings and Vacancies /SqFt/annum | Outgoings and Vacancies + %Rent | Pre-Commit Year | Lease Year Start | Lease Year Span | Cash Flow Period | Escalated Rent at Lease Start /SqFt/annum | Rental Review Escalation Rates by Year (Commence 1 year after Lease Start) Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 + | Letting Fee % of Gross Rent | % paid at PreCommit | Incentives Rent Free Years | Fit out Cost | Year Start | Residual Cap. Rate | Pre-Sale Exchange Year | Settlement Year | Leasing Up Period Years Vacant | Discount Rate | Current Net Annual Rent | Current End Sale Value[2] | Total Net Rental Income less Incentives | Escalated End-Sale Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 12001 | - | Retail / Office | COM | 45,000 | 26 | - | 10.00% | - | 1 | 10 | Jan-11 - Dec-20 | 26 | 0.00% | 0.00% | 0.00% | 0.00% | 15.90% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 10.00% | - | - | - | 0.00% | 1,038,015 | 10,380,150 | 11,541,533 | 12,391,512 |
| 12002 | - | Restaurant | RET | - | 26 | - | 0.00% | - | 1 | 10 | Jan-11 - Dec-20 | - | 0.00% | 0.00% | 0.00% | 0.00% | 15.90% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 10.00% | - | - | - | 0.00% | - | - | - | - |
| 12003 | - | Light Industrial | IND | - | 12 | - | 0.00% | - | 1 | 10 | Jan-11 - Dec-20 | - | 0.00% | 0.00% | 0.00% | 0.00% | 15.90% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 10.00% | - | - | - | 0.00% | - | - | - | - |
| 12004 | - | - | - | - | - | - | 0.00% | - | 0 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 0.00% | - | - | - | 0.00% | - | - | - | - |
| 12010 | - | | - | - | - | - | 0.00% | - | 0 | - | - | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | - | - | - | 0.00% | - | - | - | 0.00% | - | - | - | - |
| | | TOTAL | | 45,000.00 | | | | | | | | | | | | | | | | | | | | | | - | | | | | | | 1,038,015 | 10,380,150 | 11,541,533 | 12,391,512 |

[2] End sale value = annual income (net of outgoings) divided by the capitalisation rate

| PROJECT CASH FLOW | TOTAL | 0<br>Jan-10 | 1<br>Jan-11 | 2<br>Jan-12 | 3<br>Jan-13 | 4<br>Jan-14 | 5<br>Jan-15 | 6<br>Jan-16 | 7<br>Jan-17 | 8<br>Jan-18 | 9<br>Jan-19 | 10<br>Jan-20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **SALES SUMMARY** | | | | | | | | | | | | |
| Units Sold | 1.00 | - | - | - | - | - | - | - | - | - | - | 1.00 |
| Cumulative Units Sold | | - | - | - | - | - | - | - | - | - | - | 1.00 |
| % Units Sold | | - | - | - | - | - | - | - | - | - | - | 100.0% |
| SqFt Sold | 0.42 | - | - | - | - | - | - | - | - | - | - | 0.42 |
| Cumulative SqFt Sold | | - | - | - | - | - | - | - | - | - | - | 0.42 |
| % SqFt Sold | | - | - | - | - | - | - | - | - | - | - | 100.0% |
| USD Sold | 12,391,512 | - | - | - | - | - | - | - | - | - | - | 12,391,512 |
| Cumulative USD Sold | | - | - | - | - | - | - | - | - | - | - | 12,391,512 |
| % USD Sold | | - | - | - | - | - | - | - | - | - | - | 100.0% |
| **HANDOVER SUMMARY** | | | | | | | | | | | | |
| Units Handed Over | 1.00 | - | - | - | - | - | - | - | - | - | - | 1.00 |
| Cumulative Units Handed Over | | - | - | - | - | - | - | - | - | - | - | 1.00 |
| % Units Handed Over | | - | - | - | - | - | - | - | - | - | - | 100.0% |
| SqFt Handed Over | 0.42 | - | - | - | - | - | - | - | - | - | - | 0.42 |
| Cumulative SqFt Handed Over | | - | - | - | - | - | - | - | - | - | - | 0.42 |
| % SqFt Handed Over | | - | - | - | - | - | - | - | - | - | - | 100.0% |
| USD Handed Over | 12,391,512 | - | - | - | - | - | - | - | - | - | - | 12,391,512 |
| Cumulative USD Handed Over | | - | - | - | - | - | - | - | - | - | - | 12,391,512 |
| % USD Handed Over | | - | - | - | - | - | - | - | - | - | - | 100.0% |
| **PROJECT CASH FLOW** | | | | | | | | | | | | |
| **REVENUE** | | | | | | | | | | | | |
| Gross Sales Revenue | 12,391,512 | - | - | - | - | - | - | - | - | - | - | 12,391,512 |
| Selling Costs | (619,576) | - | (619,576) | - | - | - | - | - | - | - | - | - |
| Gross Rental Income | 12,823,926 | - | 1,187,951 | 1,187,951 | 1,187,951 | 1,187,951 | 1,187,951 | 1,376,835 | 1,376,835 | 1,376,835 | 1,376,835 | 1,376,835 |
| Leasing Costs | (1,282,393) | - | (118,795) | (118,795) | (118,795) | (118,795) | (118,795) | (137,683) | (137,683) | (137,683) | (137,683) | (137,683) |
| Other Income | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Received* | - | - | - | - | - | - | - | - | - | - | - | - |
| **TOTAL NET REVENUE** | 23,313,469 | - | 449,580 | 1,069,155 | 1,069,155 | 1,069,155 | 1,069,155 | 1,239,151 | 1,239,151 | 1,239,151 | 1,239,151 | 13,630,663 |
| **COSTS** | | | | | | | | | | | | |
| Land and Acquisition | - | - | - | - | - | - | - | - | - | - | - | - |
| Professional Fees | 911,756 | 911,756 | - | - | - | - | - | - | - | - | - | - |
| Construction Costs (inc Contingency) | 7,294,050 | 7,294,050 | - | - | - | - | - | - | - | - | - | - |
| Statutory Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure Costs | 293,203 | 293,203 | - | - | - | - | - | - | - | - | - | - |
| Parking Construction Costs | 472,500 | 472,500 | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous Costs 3 | - | - | - | - | - | - | - | - | - | - | - | - |
| Project Contingency (Reserve) | 448,575 | 448,575 | - | - | - | - | - | - | - | - | - | - |
| Land Holding Costs | - | - | - | - | - | - | - | - | - | - | - | - |
| Pre-Sale Commissions | - | - | - | - | - | - | - | - | - | - | - | - |
| Financing Costs (exc Fees) | - | - | - | - | - | - | - | - | - | - | - | - |
| **TOTAL COSTS** | 9,420,085 | 9,420,085 | - | - | - | - | - | - | - | - | - | - |
| **Net Cash Flow (before Interest & Corporate Tax)** | 13,893,384 | (9,420,085) | 449,580 | 1,069,155 | 1,069,155 | 1,069,155 | 1,069,155 | 1,239,151 | 1,239,151 | 1,239,151 | 1,239,151 | 13,630,663 |
| **Cumulative Cash Flow** | | (9,420,085) | (8,970,505) | (7,901,350) | (6,832,194) | (5,763,039) | (4,693,883) | (3,454,732) | (2,215,581) | (976,430) | 262,721 | 13,893,384 |
| **Corporate Tax** | - | - | - | - | - | - | - | - | - | - | - | - |
| **Net Cash Flow (before Interest & after Corporate Tax)** | 13,893,384 | (9,420,085) | 449,580 | 1,069,155 | 1,069,155 | 1,069,155 | 1,069,155 | 1,239,151 | 1,239,151 | 1,239,151 | 1,239,151 | 13,630,663 |
| **Cumulative Cash Flow** | | (9,420,085) | (8,970,505) | (7,901,350) | (6,832,194) | (5,763,039) | (4,693,883) | (3,454,732) | (2,215,581) | (976,430) | 262,721 | 13,893,384 |
| **FINANCING** | | | | | | | | | | | | |
| **Equity** | | | | | | | | | | | | |
| Manual Adjustments (Inject + / Repay -) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Injections | 2,355,021 | 2,355,021 | - | - | - | - | - | - | - | - | - | - |
| Interest Charged | - | - | - | - | - | - | - | - | - | - | - | - |
| Equity Repayment | 14,526,621 | - | - | - | - | - | - | - | - | - | 895,958 | 13,630,663 |
| Less Profit Share | - | - | - | - | - | - | - | - | - | - | - | - |
| Equity Balance | 12,171,600 | (2,355,021) | (2,355,021) | (2,355,021) | (2,355,021) | (2,355,021) | (2,355,021) | (2,355,021) | (2,355,021) | (2,355,021) | (1,459,063) | 12,171,600 |
| Equity Cash Flow*** | 12,171,600 | (2,355,021) | - | - | - | - | - | - | - | - | 895,958 | 13,630,663 |
| **Project Cash Account** | | | | | | | | | | | | |
| Surplus Cash Injection | 7,065,064 | 7,065,064 | - | - | - | - | - | - | - | - | - | - |
| Cash Reserve Drawdown | (7,065,064) | (7,065,064) | - | - | - | - | - | - | - | - | - | - |
| Interest on Surplus Cash | - | - | - | - | - | - | - | - | - | - | - | - |
| Surplus Cash Balance | | - | - | - | - | - | - | - | - | - | - | - |
| **Loan 1 - Lender Name** | | | | | | | | | | | | |
| Manual Adjustments (Drawdown - / Repay +) | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Drawdown | (7,065,064) | (7,065,064) | - | - | - | - | - | - | - | - | - | - |
| Loan Interest Rate (%/ann) | | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% | 4.50% |
| Interest Charged | (1,721,785) | - | (317,928) | (312,004) | (277,932) | (242,327) | (205,119) | (166,238) | (117,957) | (67,503) | (14,779) | - |
| Application and Line Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Paid by Equity | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Repayment | 8,786,848 | - | 449,580 | 1,069,155 | 1,069,155 | 1,069,155 | 1,069,155 | 1,239,151 | 1,239,151 | 1,239,151 | 343,193 | - |
| Interest and Fees | 1,721,785 | - | 317,928 | 312,004 | 277,932 | 242,327 | 205,119 | 166,238 | 117,957 | 67,503 | 14,779 | - |
| Principal | 7,065,064 | - | 131,652 | 757,152 | 791,224 | 826,829 | 864,036 | 1,072,913 | 1,121,195 | 1,171,648 | 328,415 | - |
| Loan Balance | - | (7,065,064) | (6,933,412) | (6,176,260) | (5,385,036) | (4,558,207) | (3,694,171) | (2,621,257) | (1,500,063) | (328,415) | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| Profit Share | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan 1 Cash Flow | 1,721,785 | (7,065,064) | 449,580 | 1,069,155 | 1,069,155 | 1,069,155 | 1,069,155 | 1,239,151 | 1,239,151 | 1,239,151 | 343,193 | - |

| PROJECT CASH FLOW | TOTAL | 0<br>Jan-10 | 1<br>Jan-11 | 2<br>Jan-12 | 3<br>Jan-13 | 4<br>Jan-14 | 5<br>Jan-15 | 6<br>Jan-16 | 7<br>Jan-17 | 8<br>Jan-18 | 9<br>Jan-19 | 10<br>Jan-20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Loan 2 - Lender Name** | | | | | | | | | | | | |
| Manual Adjustments (Drawdown - / Repay +) | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Drawdown | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Interest Rate (%/ann) | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Interest Charged | - | - | - | - | - | - | - | - | - | - | - | - |
| Application and Line Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Paid by Equity | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Repayment | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest and Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Balance | - | - | - | - | - | - | - | - | - | - | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| Profit Share | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan 2 Cash Flow | - | - | - | - | - | - | - | - | - | - | - | - |
| **Loan 3 - Lender Name** | | | | | | | | | | | | |
| Manual Adjustments (Drawdown - / Repay +) | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Drawdown | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Interest Rate (%/ann) | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Interest Charged | - | - | - | - | - | - | - | - | - | - | - | - |
| Application and Line Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Paid by Equity | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Repayment | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest and Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Balance | - | - | - | - | - | - | - | - | - | - | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| Profit Share | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan 3 Cash Flow | - | - | - | - | - | - | - | - | - | - | - | - |
| **Loan 4 - Lender Name** | | | | | | | | | | | | |
| Drawdown | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Interest Rate (%/ann) | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Interest Charged | - | - | - | - | - | - | - | - | - | - | - | - |
| Application and Line Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest Paid by Equity | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Repayment | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest and Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Balance | - | - | - | - | - | - | - | - | - | - | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| Loan 4 Cash Flow | - | - | - | - | - | - | - | - | - | - | - | - |
| Project Overdraft | | (7,065,064) | (6,933,412) | (6,176,260) | (5,385,036) | (4,558,207) | (3,694,171) | (2,621,257) | (1,500,063) | (328,415) | - | - |
| % of Land Purchase Price. | | | | | | | | | | | | |
| **Net Cash Flow (after Interest & Corporate Tax)** | 12,171,600 | (9,420,085) | 131,652 | 757,152 | 791,224 | 826,829 | 864,036 | 1,072,913 | 1,121,195 | 1,171,648 | 1,224,373 | 13,630,663 |
| **Cumulative Cash Flow**** | | (9,420,085) | (9,288,433) | (8,531,281) | (7,740,057) | (6,913,228) | (6,049,192) | (4,976,279) | (3,855,084) | (2,683,436) | (1,459,063) | 12,171,600 |
| **PROJECT IRR & NPV** | | | | | | | | | | | | |
| Cash Flow that includes financing costs but excludes interest and corp tax. | | (9,420,085) | 449,580 | 1,069,155 | 1,069,155 | 1,069,155 | 1,069,155 | 1,239,151 | 1,239,151 | 1,239,151 | 1,239,151 | 13,630,663 |
| **Static Discount Rate (per ann. nominal)** | 10.00% | | | | | | | | | | | |
| PV for each Year | 1,763,759 | (9,420,085) | 408,709 | 883,600 | 803,272 | 730,248 | 663,861 | 699,469 | 635,880 | 578,073 | 525,521 | 5,255,211 |
| NPV of Future Cash Flows | | 1,763,759 | 12,302,228 | 13,037,913 | 13,165,633 | 13,306,126 | 13,460,667 | 13,630,663 | 13,630,663 | 13,630,663 | 13,630,663 | 13,630,663 |
| **Variable Discount Rate (per ann. nominal)** | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% |
| NPV (using weighted avg discount rate) | 1,763,759 | | | | | | | | | | | |

* Includes half interest from deposit for land acquisition plus Interest received from pre-sale deposits

** Cumulative Cash Flow After Interest is revenue less costs (including interest on overdraft)

*** Includes equity injection, interest expense, loan re-payments and share of profit as outflows. Revenue and money borrowed as inflows.

# Summary of Project Returns

ESTATEMASTER PROPERTY SOFTWARE

Development Feasibility

## Tarzana Crossing

### Cash Flow - Option 4

SE Corner Oxnard / Reseda Site - Alternate Case

| | | | |
|---|---|---|---|
| **Time Span:** | Jan-10 to Jan-20 | **Project Size:** | 2.8 Acres<br>1 per 43,854.55 SqFt of Site Area |
| **Type:** | Mixed Use | | |
| **Status:** | Under Review | **Project Size:** | 45,000. GFA<br>1 per 2.68 SqFt of Site Area |
| **Site Area:** | 120,600. SqFt | | |
| **FSR:** | 0:1 | **Equated GFA:** | 0.0 |

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## COSTS & REVENUES

| | Quantity | SqFt | USD/SqFt | USD Total | USD Per Acre | USD Per GFA |
|---|---|---|---|---|---|---|
| **REVENUE** | | | | | | |
| | Quantity | SqFt | USD/SqFt | USD | | |
| **Total Sales Revenue** | - | - | - | 12,391,512 | 4,506,004 | 275 |
| Commerical Office | - | - | - | 12,391,512 | | |
| Less Selling Costs | | | | (619,576) | 225,300 | 14 |
| NET SALE PROCEEDS | | | | 11,771,936 | 4,280,704 | 262 |
| | Average Yield | SqFt | USD/SqFt/annum | USD | | |
| **Rental Income** | 10.0% | 45,000.0 | 25.6 | 12,823,926 | 4,663,246 | 285 |
| Commerical Office | 10.0% | 45,000.0 | 25.6 | 12,823,926 | | |
| Less Outgoings & Vacancies | | | | (1,282,393) | 466,325 | 28 |
| Less Letting Fees | | | | - | - | - |
| Less Incentives (Rent Free and Fit-out Costs) | | | | - | - | - |
| Less Other Leasing Costs | | | | - | - | - |
| NET RENTAL INCOME | | | | 11,541,533 | 4,196,921 | 256 |
| Interest Received | | | | - | - | - |
| Other Income | | | | - | - | - |
| **TOTAL REVENUE** | | | | **23,313,469** | **8,477,625** | **518** |
| **COSTS** | | | | | | |
| Land Purchase Cost | | | | - | - | - |
| Land Transaction Costs | | | | - | - | - |
| **Construction (inc. Construct. Contingency)** | | | | 7,294,050 | 2,652,382 | 162 |
| Other Construction Costs | | | | 7,294,050 | | |
| Professional Fees | | | | 911,756 | 331,548 | 20 |
| Statutory Fees | | | | - | - | - |
| Infrastructure Costs | | | | 293,203 | 106,619 | 7 |
| Parking Construction Costs | | | | 472,500 | 171,818 | 11 |
| Miscellaneous Costs 3 | | | | - | - | - |
| Project Contingency (Project Reserve) | | | | 448,575 | 163,118 | 10 |
| Land Holding Costs | | | | - | - | - |
| Pre-Sale Commissions | | | | - | - | - |
| Finance Charges (inc. Fees) | | | | - | - | - |
| Interest Expense | | | | 1,721,785 | 626,104 | 38 |
| Plus Corporate Tax | | | | - | - | - |
| **TOTAL COSTS** | | | | **11,141,870** | **4,051,589** | **248** |

## PERFORMANCE INDICATORS

| | | |
|---|---|---|
| **Net Development Profit** [1] | **12,171,600** | |
| **Development Margin (or Profit/Risk Margin)** [3] | **103.49%** | on total development costs (inc selling costs). |
| Residual Land Value (Target Margin) [4] | 5,812,419 | (at 20% target development margin) |
| **Net Present Value** [5] | **1,763,759** | (at 10% per ann. discount rate, nominal) |
| Benefit Cost Ratio [6] | 1.1872 | (at 10% per ann. discount rate, nominal) |
| **Project Internal Rate of Return (IRR)** [7] | **12.67%** | (per ann. nominal) |
| Residual Land Value (based on NPV) [8] | 1,763,758 | |
| Equity IRR | 20.10% | (per ann. nominal) |
| Equity Contribution | 2,355,021 | |
| Peak Debt Exposure | 7,065,064 | |
| Equity to Debt Ratio | 33.33% | |
| Weighted Average Cost of Capital (WACC) [9] | 3.38% | |
| Breakeven Date for Cumulative Cash Flow [10] | Jan-2020 | (Year 10) |
| Rent Cover [11] | 11 Yrs, 9 Mths | |
| Profit Erosion [12] | 0 Yrs, 0 Mths | |

**Footnotes:**

1. Development Profit: is total revenue less total cost including interest paid and received
2. Note: No redistribution of Developer's Gross Profit
3. Development Margin: is profit divided by total development costs (inc selling costs).
4. Residual Land Value: is the maximum purchase price for the land whilst achieving the target development margin.
5. Net Present Value: is the project's cash flow stream discounted to present value. It includes financing costs but excludes interest and corp tax.
6. Benefit:Cost Ratio: is the ratio of discounted incomes to discounted costs and includes financing costs but excludes interest and corp tax.
7. Internal Rate of Return: is the discount rate where the NPV above equals Zero.
8. Residual Land Value (based on NPV): is the purchase price for the land to achieve a zero NPV.
9. The Weighted Average Cost of Capital (WACC) is the rate that a company is expected to pay to finance its assets.
10. Breakeven date for Cumulative Cash Flow: is the last date when total debt and equity is repaid (ie when profit is realised).
11. The total net development profit divided by the current net annual rental expressed as a a number of years/months.
12. The period of time post practical completion that it can remain unsold (but leased out) until finance and land holding costs erodes the profit for the development to zero.

# Summary of Project Returns

ESTATEMASTER
PROPERTY SOFTWARE
Development Feasibility

## Tarzana Crossing

### Cash Flow - Option 4

SE Corner Oxnard / Reseda Site - Alternate Case

| | | | |
|---|---|---|---|
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| **Type:** | Mixed Use | | |
| **Status:** | Under Review | **Project Size:** | 45,000. GFA<br>1 per 2.68 SqFt of Site Area |
| **Site Area:** | 120,600. SqFt | | |
| **FSR:** | 0:1 | **Equated GFA:** | 0.0 |

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| RETURNS ON FUNDS INVESTED | Equity | Loan 1 | | | | Total Debt |
|---|---|---|---|---|---|---|
| | | Lender Name | | | | |
| Funds Invested (Cash Outlay) [1] | 2,355,021 | 7,065,064 | | | | 7,065,064 |
| % of Total Funds Invested | 25.00% | 75.00% | | | | 75.00% |
| Peak Exposure [2] | 2,355,021 | 7,065,064 | | | | 7,065,064 |
| Date of Peak Exposure | Jan-10 | Jan-10 | | | | Jan-10 |
| Year of Peak Exposure | Year 0 | Year 0 | | | | Year 0 |
| Weighted Average Interest Rate | N.A. | 4.50% | | | | 4.50% |
| Interest Charged | - | 1,721,785 | | | | 1,721,785 |
| Line Fees Charged | - | - | | | | - |
| Application Fees Charged | - | - | | | | - |
| Profit Share Received | - | - | | | | - |
| Total Profit to Funders [3] | 12,171,600 | 1,721,785 | | | | 1,721,785 |
| Margin on Funds Invested [4] | 516.84% | 24.37% | | | | 24.37% |
| Payback Date [5] | Jan-20 | Jan-19 | | | | Jan-19 |
| Year of Payback | Year 10 | Year 9 | | | | Year 9 |
| IRR on Funds Invested [6] | 20.10% | 4.50% | | | | 4.50% |
| Equity to Debt Ratio [7] | | 33.33% | | | | 33.33% |
| Loan to Value Ratio [8] | 19.01% | 57.02% | | | | 57.02% |
| Loan Ratio [9] | N.A.<br>of Land Purchase Price. | N.A.<br>of Land Purchase Price. | | | | N.A.<br>of Land Purchase Price. |

**Footnotes:**

1. The total amount of funding injected into the project cash flow.
2. The maximum cash flow exposure of that equity/debt facility including capitalised interest.
3. The total repayments less funds invested, including profit share paid or received.
4. Margin is net profit divided by total funds invested (cash outlay).
5. Payback date for the equity/debt facility is the last date when total equity/debt is repaid.
6. IRR on Funds Invested is the IRR of the equity cash flow including the return of equity and realisation of project profits.
7. Equity to Debt Ratio is the amount of equity contributed into the project as a percentage of debt funding.
8. Loan to Value ratio is the Peak Equity/Debt Exposure divided by Total Sales Revenue.
9. Loan Ratio is the total funds invested by the lender (cash outlay) divided by the nominated ratio calculation method. It includes capitalised interest and fees.