

OLD TOWN ALEXANDRIA DEVELOPMENT
Projected Return for Class B Investors for Five Years

	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL
Cash Inflows						
Class B Member Capital	\$1,235,000	\$0	\$0	\$0	\$0	\$1,235,000
LP Capital	\$15,580,440	\$0	\$0	\$0	\$0	\$15,580,440
Construction Loan	\$12,748,348	\$11,846,728	\$275,583	\$0	\$0	\$24,870,659
Rent - Apartments	\$0	\$1,436,213	\$2,551,228	\$2,627,765	\$2,706,598	\$9,321,804
Rent- Amenity Premiums	\$0	\$37,492	\$67,399	\$69,421	\$71,503	\$73,648
Rent - Recurring Charges	\$0	\$508,246	\$902,827	\$929,912	\$957,809	\$3,298,794
Rent - Commercial	\$0	\$29,068	\$318,619	\$326,948	\$335,528	\$1,010,163
Sales Proceeds	\$0	\$0	\$0	\$0	\$59,562,492	\$59,562,492
Total Inflows	\$29,563,788	\$13,857,747	\$4,115,656	\$3,954,046	\$63,633,930	\$115,125,167
Cash Outflows						
Purchase Price	(\$8,800,000)	\$0	\$0	\$0	\$0	(\$8,800,000)
Acquisition Costs	(\$355,040)	\$0	\$0	\$0	\$0	(\$355,040)
Ad Valorem Taxes	(\$78,063)	(\$16,257)	\$0	\$0	\$0	(\$94,320)
Architectural & Engineering	(\$215,000)	(\$135,000)	\$0	\$0	\$0	(\$350,000)
Construction Interest	(\$216,670)	(\$760,389)	\$0	\$0	\$0	(\$977,059)
Financing	(\$432,511)	(\$13,500)	\$0	\$0	\$0	(\$446,011)
Furniture, Fixtures & Equipment	(\$25,000)	(\$75,000)	\$0	\$0	\$0	(\$100,000)
Insurance	(\$264,760)	\$0	\$0	\$0	\$0	(\$264,760)
Marketing	\$0	(\$100,000)	\$0	\$0	\$0	(\$100,000)
Operating Deficits	\$0	(\$66,436)	\$0	\$0	\$0	(\$66,436)
Overhead & Administration Fees	(\$1,123,409)	(\$842,557)	\$0	\$0	\$0	(\$1,965,966)
Permits & Fees	(\$399,929)	\$0	\$0	\$0	\$0	(\$399,929)
Soft Cost Contingency (3.0%)	(\$119,841)	(\$65,413)	\$0	\$0	\$0	(\$185,254)
Hard Costs	(\$17,127,292)	(\$9,348,658)	\$0	\$0	\$0	(\$26,475,950)
Hard Cost Contingency (1.0%)	(\$171,273)	(\$93,487)	\$0	\$0	\$0	(\$264,760)
Commercial (TI, Legal & Commissions)	\$0	(\$330,031)	(\$275,583)	\$0	\$0	(\$605,614)
Loss to Lease	\$0	(\$18,220)	(\$50,747)	(\$52,031)	(\$53,340)	(\$174,338)
Rental Vacancy & Collection Loss	\$0	(\$190,011)	(\$121,475)	(\$125,127)	(\$128,890)	(\$565,503)
Rental - Lease Up - Concessions	\$0	(\$155,732)	\$0	\$0	\$0	(\$155,732)
Rental Operating Expenses	\$0	(\$564,460)	(\$797,338)	(\$827,542)	(\$3,036,868)	(\$5,226,208)
Asset Management Fee	\$0	\$0	(\$125,390)	(\$136,789)	(\$136,789)	(\$398,968)
Development Fee	(\$1,123,409)	(\$842,557)	\$0	\$0	\$0	(\$1,965,966)
Debt Service	(\$216,670)	(\$1,756,293)	(\$2,111,078)	(\$2,114,006)	(\$2,114,006)	(\$8,312,053)
Project Sale Closing Costs	\$0	\$0	\$0	\$0	(\$653,931)	(\$653,931)
Project Sale Debt Retirement	\$0	\$0	\$0	\$0	(\$24,870,660)	(\$24,870,660)
Total Cash Outflows	(\$30,668,867)	(\$15,374,001)	(\$3,481,611)	(\$3,255,495)	(\$30,994,484)	(\$83,774,458)
Net Cash Flow	(\$1,105,079)	(\$1,516,254)	\$634,045	\$698,551	\$32,639,446	\$31,350,709
Investor Capital	\$1,235,000	\$1,346,150	\$1,467,304	\$1,599,361	\$1,743,303	
Preferred Return	\$111,150	\$121,154	\$132,057	\$143,942	\$156,897	\$665,201
Total Inflows	\$1,346,150	\$1,467,304	\$1,599,361	\$1,743,303	\$1,900,201	\$665,201
Class B Beginning Balance						\$1,235,000
9% Preferred Return to Investor Members						\$665,201
Net Sales Proceeds to Investor Members						\$1,549,000
Total Preferred Return and Proceeds						\$2,214,201
Total Investment, Preferred Return, and Proceeds						\$3,449,201
Potential Cash Return to \$50,000 Investors						\$139,644
Potential Equity Multiple for \$50,000 Investors						2.79X
Potential Cash Return to \$20,000 Investors						\$55,857
Potential Equity Multiple for \$20,000 Investors						2.79X
Potential Cash Return to \$10,000 Investors						\$27,929
Potential Equity Multiple for \$10,000 Investors						2.79X
Potential Cash Return to \$5,000 Investors						\$13,964
Potential Equity Multiple for \$5,000 Investors						2.79X

Multiple Equation

Original Investment Returned =	\$50,000	1.00X	\$20,000	1.00X	\$10,000	1.00X
Investment Return =	\$89,644	2.09X	\$41,752	2.09X	\$20,876	2.09X
Total Investment Return =	\$139,644	3.09X	\$61,752	3.09X	\$30,876	3.09X