

**SITE 3: ARMORY/SERVICE STATION  
CITY OF LONGMONT  
MAIN STREET REDEVELOPMENT PLAN  
CATALYST PROJECT ECONOMIC ANALYSIS**

<b>Development Program</b>			<b>Assumption Factors</b>	
	<i>Units/Spaces</i>	<i>Square Feet</i>		
Office		30,000		
Retail		20,000		
Residential (Rental)	30	30,000	1,000	SF/Unit
Residential (For-Sale)	0	0	1,800	SF/Unit
Gross Floor Area		80,000		
Project Land Area		196,020	4.5	Acres
Floor Area Ratio		0.4		
Surface Parking	245	79,625	325	SF/Space
Structured Parking	0	0	325	SF/Space
<b>Estimated Project Value (Stabilized Yr)</b>				
Total Office Rentable SF		27,000	90%	Bldg. Efficiency Ratio
Rent/SF*		\$16.00		
Total Retail Rentable SF		18,000	90%	Bldg. Efficiency Ratio
Rent/SF*		\$18.00		
Total Residential Rentable SF		24,000	80%	Bldg. Efficiency Ratio
Rent/SF		\$15.00	\$1.25	Monthly Rent/SF
Total Parking Spaces (Structured)		0		
Rent/Space		\$0	\$50	Monthly Income/Space
Gross Income		\$1,116,000		
Occupancy		95%		
Effective Gross Income		\$1,060,200		
Operating Costs		\$152,000	\$1.90	\$/SF (Wtd. Avg. All Uses)
Net Operating Income		\$908,200		
Capitalization Rate		10%		
<b>Project Value -- Office/Retail/Rental Hsg</b>		<b>\$9,082,000</b>		
Total Housing Units		0		
Sales Price/Unit		\$200,000		
Gross Revenue		\$0		
Less Marketing Costs		\$0	7%	% of Sales
Net Sale Proceeds		\$0		
<b>Project Value -- For-Sale Housing</b>		<b>\$0</b>		
<b>Total Project Value</b>		<b>\$9,082,000</b>		
* Office and retail lease rates based on triple net lease; tenant pays portion of taxes, insurance and utilities.				
<b>Development Cost Estimate</b>				
Property Purchase (Acquisition/Demolition)		\$2,352,240	\$12.00	\$/SF
On-Site Improvements (Surface Parking)		\$612,500	\$2,500	\$/Space
On-Site Improvements (Structured Parking)		\$0	\$10,000	\$/Space
Site Development/Public Improvements		\$588,060	\$3.00	\$/SF
Building Construction (Hard Costs)		\$4,632,480	\$58	\$/SF (Wtd. Avg. All Uses)
Construction Contingency		\$583,304	10%	% of Construction Costs
Soft Costs (% of Hard Costs)		\$1,166,608	20%	% of Hard Costs
Developer Profit		\$993,519	10%	% of Total Costs
<b>Total Project Cost</b>		<b>\$10,928,711</b>	<b>\$136.61</b>	<b>\$/SF</b>
<b>Total Project Value</b>		<b>\$9,082,000</b>		
<b>Project Margin/"Gap"</b>		<b>(\$1,846,711)</b>		
<b>% Project Margin/"Gap"</b>		<b>-17%</b>		

Source: Leland Consulting Group.