

**SITE 4: MERCADO/PUBLIC PLAZA
CITY OF LONGMONT
MAIN STREET REDEVELOPMENT PLAN
CATALYST PROJECT ECONOMIC ANALYSIS**

Development Program			Assumption Factors	
	<i>Units/Spaces</i>	<i>Square Feet</i>		
Office		0		
Retail		5,000		
Residential (Rental)	0	0	1,000	SF/Unit
Residential (For-Sale)	0	0	1,800	SF/Unit
Gross Floor Area		5,000		
Project Land Area		17,424	0.4	Acres
Floor Area Ratio		0.3		
Surface Parking	20	6,500	325	SF/Space
Structured Parking	0	0	325	SF/Space
Estimated Project Value (Stabilized Yr)				
Total Office Rentable SF		0	90%	Bldg. Efficiency Ratio
Rent/SF*		\$16.00		
Total Retail Rentable SF		4,500	90%	Bldg. Efficiency Ratio
Rent/SF*		\$15.00		
Total Residential Rentable SF		0	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		\$67,500		
Occupancy		95%		
Effective Gross Income		\$64,125		
Operating Costs		\$2,500	\$0.50	\$/SF (Wtd. Avg. All Uses)
Net Operating Income		\$61,625		
Capitalization Rate		10%		
Project Value -- Office/Retail/Rental Hsg		\$616,250		
Total Housing Units		0		
Sales Price/Unit		\$200,000		
Gross Revenue		\$0		
Less Marketing Costs		\$0	7%	% of Sales
Net Sale Proceeds		\$0		
Project Value -- For-Sale Housing		\$0		
Total Project Value		\$616,250		
* Office and retail lease rates based on triple net lease; tenant pays portion of taxes, insurance and utilities.				
Development Cost Estimate				
Property Purchase (Acquisition/Demolition)		\$261,360	\$15.00	\$/SF
On-Site Improvements (Surface Parking)		\$50,000	\$2,500	\$/Space
On-Site Improvements (Structured Parking)		\$0	\$10,000	\$/Space
Site Development/Public Improvements		\$87,120	\$5.00	\$/SF
Building Construction (Hard Costs)		\$297,500	\$60	\$/SF (Wtd. Avg. All Uses)
Construction Contingency		\$43,462	10%	% of Construction Costs
Soft Costs (% of Hard Costs)		\$86,924	20%	% of Hard Costs
Developer Profit		\$0	0%	% of Total Costs
Total Project Cost		\$826,366	\$165.27	\$/SF
Total Project Value		\$616,250		
Project Margin/"Gap"		(\$210,116)		
% Project Margin/"Gap"		-25%		

Source: Leland Consulting Group.