

**SITE 7: FORMER HAJEK CHEVROLET
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		
Restaurant Row		25,000		
Residential (Rental)	0	0	1,000	SF/Unit
Residential (Live/Work)	0	0	1,800	SF/Unit
Gross Floor Area		25,000		
Project Land Area		113,256	2.6	Acres
Floor Area Ratio		0.2		
Surface Parking	100	32,500	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		22,500	90%	Bldg. Efficiency Ratio
Rent/SF*		\$18.00		
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		\$405,000		
Occupancy		95%		
Effective Gross Income		\$384,750		
Operating Costs		\$12,500	\$0.50	\$/SF (Wtd. Avg. All Uses)
Net Operating Income		\$372,250		
Capitalization Rate		10%		
Project Value -- Office/Retail/Rental Hsg		\$3,722,500		
Total Housing Units		0		
Sales Price/Unit		\$250,000		
Gross Revenue		\$0		
Less Marketing Costs		\$0	7%	% of Sales
Net Sale Proceeds		\$0		
Project Value -- For-Sale Housing		\$0		
Total Project Value				\$3,722,500
* 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)		\$1,359,072	\$12.00	\$/SF
On-Site Improvements (Surface Parking)		\$250,000	\$2,500	\$/Space
On-Site Improvements (Structured Parking)		\$0	\$10,000	\$/Space
Site Development/Public Improvements		\$339,768	\$3.00	\$/SF
Building Construction (Hard Costs)		\$1,487,500	\$60	\$/SF (Wtd. Avg. All Uses)
Construction Contingency		\$207,727	10%	% of Construction Costs
Soft Costs (% of Hard Costs)		\$415,454	20%	% of Hard Costs
Developer Profit		\$405,952	10%	% of Total Costs
Total Project Cost				\$178.62
Total Project Value		\$4,465,472		\$/SF
Project Margin/"Gap"		\$3,722,500		
% Project Margin/"Gap"		(\$742,972)		
		-17%		

Source: Leland Consulting Group.