



Seat Pleasant, MD

Redevelopment Opportunities

Appendix A-E

Appendix A





Where Lifestyle is Wellness!

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May 18, 2021

University of Maryland College Park

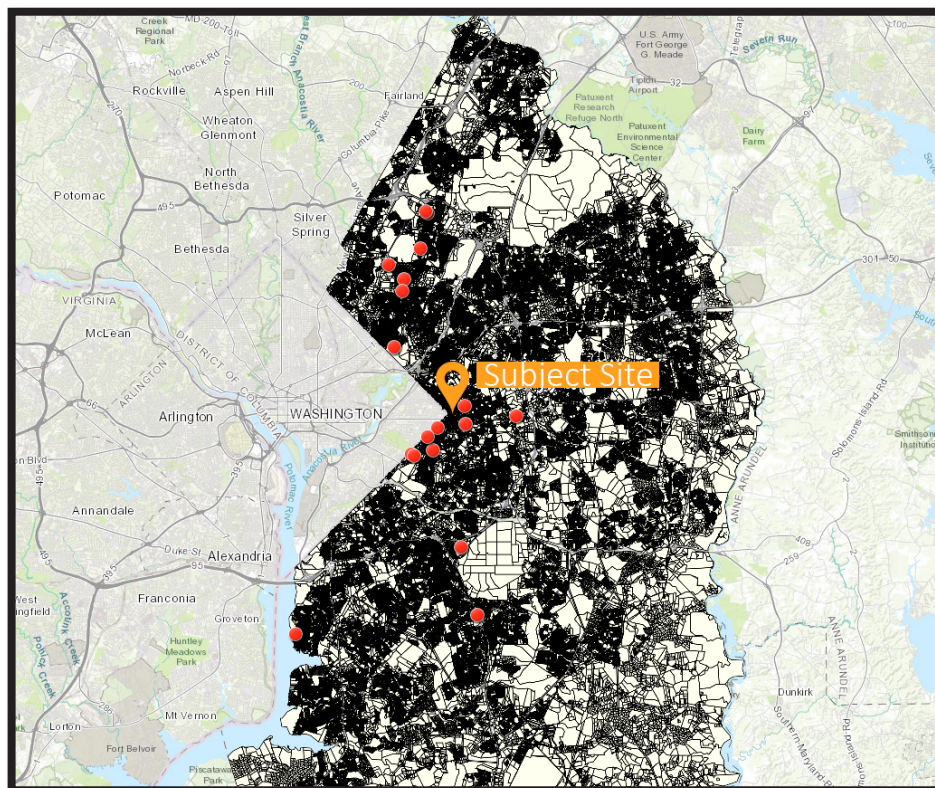
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I. Executive Summary

The subject site located in Seat Pleasant, Maryland which is a part of Prince George's county. Even though Prince George's County is known for having some of the wealthiest African American communities in the nation, history shows that Prince George's County was one of the last places in Maryland that an African American would want to live or visit. In 1860, there were more than 12,000 slaves in Prince George's County. The William-Berry estate which we know today as Seat Pleasant held 53 slaves. Mr. Berry was the seventh largest slave holder in the country and the second wealthiest landowner in Prince George's County. Based on history, we tend to believe slavery was officially abolished by the 13th amendment on December 18th, 1865. However, it was not until the 14th amendment that gave equal protection and due process of rights to all Americans. Unfortunately, the 14th amendment has been tested through discriminating practices such as redlining.

Redlining is a discriminatory practice that puts services out of reach for residents of certain areas based on race or ethnicity. Notably, the policy of redlining is felt the most by residents of minority neighborhoods. Unfortunately, Seat Pleasant has fallen victim to redlining in the past. Below shows a map of redlining in Prince George's County from 1890 - 1940.



Source: Esri.com

Seat Pleasant did not receive its name Seat Pleasant until 1906. Before 1906 Seat Pleasant was called Chesapeake Junction. The Town of Seat Pleasant was incorporated in 1931 and the first Metrorail station in Seat Pleasant opened in 1980. In 2017, began emerging as the nation's first authentic small Smart City. This was accomplished by implementing technological solutions via the city's Smart technology Platform. This platform accesses and analyzes data from shared-service hubs that provide data-driven decisions aimed at empowering citizens and improving government operational efficiency. The city has been a leader in providing technology that improves outcomes, optimizes service delivery, strengthens security and safety, and promotes the resilience and stimulation of our local economy. A key outcome has been the incorporation of citizen-centric government with key components of connectivity, inclusion, and social justice. The City of Seat Pleasant works to engage, educate, and empower their residents to learn what they consider neighborhood revitalization objectives that foster their better quality of life. Along with this Smart transformation, the city's economic and community development visions are being guided by the Seat Pleasant Master Plan, developed by Skidmore, Owings & Merrill, LLP in 2018. This plan provides a long-rand development vision and outlines the key projects and investments needed for the City of Seat Pleasant to grow and evolve.

In February 2021, the community of Seat Pleasant requested an analysis from different real estate developers to propose potential developments in the existing shopping districts along a main traffic artery, Martin Luther King, Jr. Highway. Related Development, Inc.'s proposed development plans to enable the City of Seat Pleasant to pursue funding sources to bring the concept from development to reality. The property is located on the redeveloping Martin Luther King, Jr. Highway corridor of Seat Pleasant, Maryland. It is positioned between Martin Luther King, Jr. Highway at the North, Seat Pleasant Drive at the south and Addison Road on the westside with all streets coming to a point creating the site into a triangle. The surrounding community includes a mix of educational facilities, large to small retail businesses, and a neighboring residential community. Approximately 112,904 square feet in size and located within a qualified census tract and opportunity zone.

Related Development attended the Seat Pleasant's Charrette in February 2021. Residents communicated a clear preference for the future look and feel of wanting to become a destination and not a drive through city. A general theme derived was more locations with dense, mixed-use development with shops along the sidewalks, safer pedestrian walkways along Martin Luther King, Jr. Highway, healthier food options, and generally modern-looking buildings to match their smart city of excellence persona.

II. Subject Site Neighborhood

The subject site is located within Census Tract 24033802901, which is a Qualified Census Tract and Opportunity Zone. The subject site is in Washington-Arlington-Alexandria Metropolitan Statistical Area (MSA). The subject site is generally level and approximately 2.57 acres or 112,904 square feet in size. The site is currently a Got Rice food takeout restaurant, Shell gas station, Little Caesars Pizza, and a Best One Food convenience store to be demolished and has frontage along the northeast side of Martin Luther King Highway and Seat Pleasant Drive. The subject site is zoned Mixed-Use Infill (M-U-I), which promotes smart growth principles by creating a mixed-use of residential, commercial, recreational, open space, employment, and institutional uses. Surrounding land uses include commercial/retail uses, public transportation, educational institutions, and single-family housing in average to good condition. Residential neighboring streets are Addison Road and 69th Place southeast of the subject site.

Transportation

Highway: Maryland Route 704 (Martin Luther King Highway) and Maryland Route 214 (Central Avenue) are two main state highways that run through Seat Pleasant. The subject has frontage along Martin Luther King Highway. Martin Luther King Hwy is a six-lane road that provides access through Prince George's County. Overall, access and traffic flow to the subject site are considered excellent.

Air: The subject is located approximately 11.7 miles from Ronald Reagan National Airport (DCA). This airport serves approximately 20 million passengers annually. Approximately 35.1 miles west of the subject site sits Washington Dulles International Airport (IAD). Another nearby airport is Baltimore/Washington International Thurgood Marshall Airport (BWI) is 28.6 miles from the subject area. All three airports host international and domestic flights.

Public Transportation

The Washington Metropolitan Area Transit Authority (WMATA) provides bus, rail, and paratransit service for the Washington, D.C. region. Metrobus, the region's bus service, provides more than 400,000 trips each weekday serving 11,500 bus stops in the District of Columbia, Maryland, and Virginia. Regular fares for Metrobus are \$1.75 for adults and \$0.85 for seniors and people with disabilities. Bus fares can be purchased by cash or a SmarTrip Card, which are reloadable transit debit cards that can be purchased at a variety of retail centers in the area. A bus stop located in front of the subject site along Martin Luther King Jr Hwy. Public transportation uses are considered excellent.

	Drive	Walk	Distance
Capitol Height Station	2 minutes	14 minutes	0.7 miles
Addison Road-Seat Pleasant	5 minutes		1.0 mile
Morgan Boulevard	9 minutes		4.5 miles
Riverdale Commuter Rail (Camden Line)	13 minutes		6.3 miles
New Carrollton Commuter Rail (Penn Line)	14 minutes		7.7 miles

Public Education

The subject located in the Prince George's County public school system. The closest schools to the subject within this district are Seat Pleasant Elementary School, Highland Park Elementary School, and Central High School. Due to renovations, Central High School has moved to the former Forestville High School facility. Seat Pleasant Elementary School is a five-minute walk from the subject site. Highland Park Elementary School is a three-minute drive from the subject site.

Higher Education

Within Prince George's County is the University of Maryland at College Park, which is approximately 8.3 miles north of the subject site (outside of the primary market area). This is the flagship campus of the University of Maryland system, which has an enrollment of approximately 40,21 undergraduate and graduate students. University of Maryland Global Campus (UMGC) was created over 70 years ago for working adults and servicemembers. UMGC is an online state university that offers online academic programs in fields. The Prince George's Community College is located 5.9 miles east of the subject in Largo, outside of the subject's

PMA. This community college has an enrollment of approximately 40,000 full time and part-time students.

Healthcare

The nearest hospital to the subject site is Prince George's Hospital located approximately 4.3 miles north of the site. Prince George's Hospital, is a part of the Dimensions Health System, is the primary current provider of medical services in the Prince George's County and offers a full range of services including behavioral health, cardiac care, critical care, emergency services, maternal & child health, medical imaging, physical rehabilitation, outpatient surgery, family practice, and psychiatric care. University of Maryland Capital Region Medical Center plans to open early June 2021. Located in Largo, Maryland this medical center will provide access to primary and ambulatory care services and serve as a tertiary care center for critically ill patients. This newly built hospital will sit 4.9 miles from the subject site.

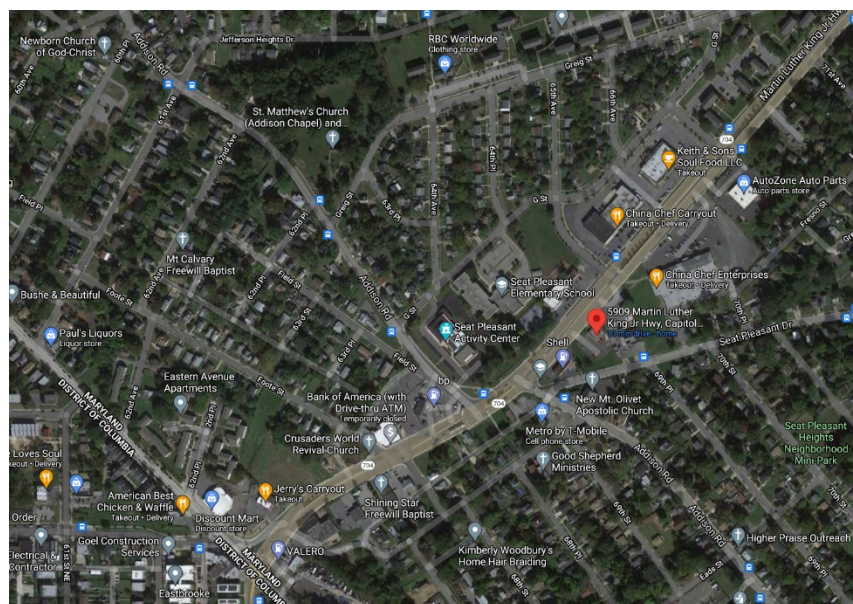
Retail

It appears that the availability of retail/shopping options for tenants at the subject site are adequate. The subject site is located within walking distance of a few local retail options. Currently, there is a CVS anchoring the shopping center across the street.

Adequacy/ Availability of Utilities

All utilities are available in the neighborhood. However, a separate study should be conducted for the utility lines to determine the condition.

Proximity to Local Services



The subject site offers access to services including schools, employment, and recreational activities. The following are distances of various services from the subject site. A map depicting the location of services in relation to the subject site is shown above.

Crime Statistics

The table below shows data of crime statistics for the primary market area and the Washington-Arlington-Alexandria, DC-VA-MD-WV MSA as compared.

CRIME INDEX	
15	
(100 is safest)	
Safer than 15% of U.S. Cities	

SEAT PLEASANT ANNUAL CRIMES			
	VIOLENT	PROPERTY	TOTAL
Number of Crimes	36	106	142
Crime Rate (per 1,000 residents)	7.60	22.37	29.97

Source: Neighborhood Scout

III. Challenges

As we look at the challenges in Seat Pleasant, MD we can tell just how much of an impact redlining has had on the Seat Pleasant community's overall health even still today. Challenges in Seat Pleasant is comprised of several community indicators:

Political Challenges

Mayor Eugene W. Grant has been mayor of the City of Seat Pleasant, MD since 2004. The mayor's office of Seat Pleasant has been pushing the objective, "A Smart City of Excellence" by using innovative methods to improve community efficiency, increase government transparency, conserve time, and rebuild trust in publicly funded systems. However, controversial news stories from surrounding news outlets have made residents question their local government. There may also be some tension from residents due to the lack of progress made by the local government. Skidmore, Owings, & Merrill (SOM) created a master plan for the City of Seat Pleasant in 2018. However, there has been little development to implement the master plan into reality.

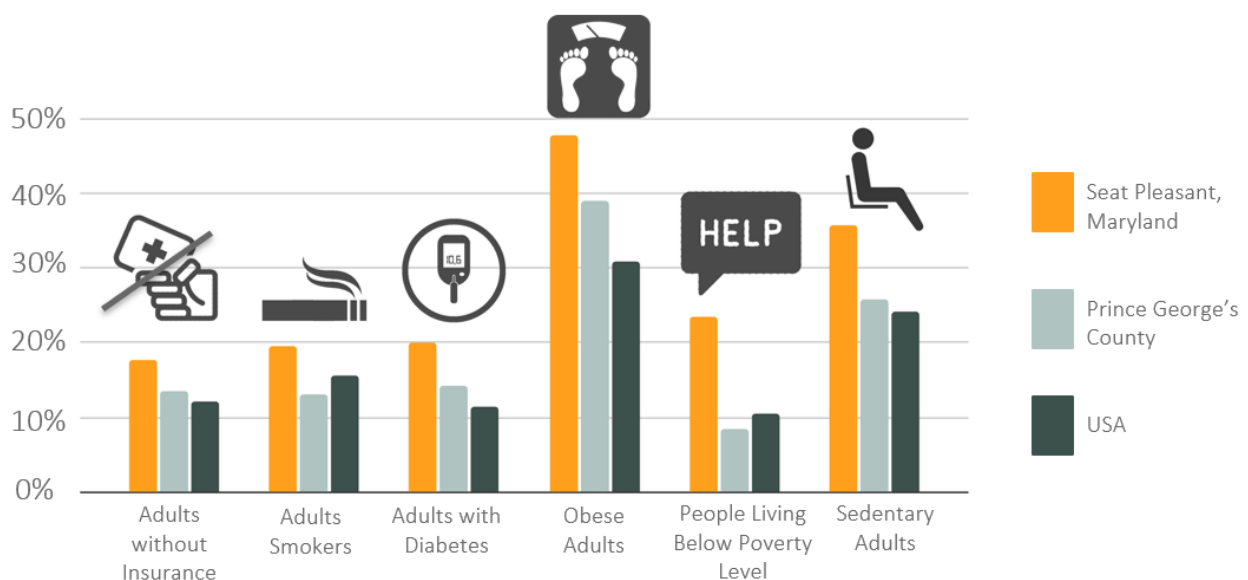
Social and Demographic Challenges

The City of Seat Pleasant is a small, predominately African American city. The two largest ethnic groups in Seat Pleasant are 85.1% African American and 18.3% Hispanic. In the past

decades, Seat Pleasant's population has decreased. Today, only 9.2% of residents have at least a bachelor's degree which has decreased from previous years. In 2018, 16% of residents had at least a bachelor's degree or higher. The large quantity of families in the community creates a need for family-friendly environments. However, many residents feel that there are not enough family amenities in the community.

Health Challenges

The City of Seat Pleasant tends to struggle with high rates of diabetes, adult obesity, and alcoholism. These health issues seem to stem from liquor stores within one mile of each other, a wide range of unhealthy fast-food options, and limited healthcare options. Healthcare coverage for Seat Pleasant's residents vary. Residents that have employer coverage only make up 37.3%. Those with Medicaid cover 24.7% and those with Medicare cover 9.73%. Residents with Non-group cover 16.5%. In addition, 8.48% of residents are uninsured. In the chart below, Related Development, Inc. compared Seat Pleasant's health stats to Prince George's County and the United States of America. Seat Pleasant, Maryland was the highest in adults without insurance, adult smokers, adults with diabetes, obese adults, people living below poverty level, and the number of adults that are sedentary in their jobs.



Access Challenges

Addison Road-Seat Pleasant Metro gives the residents of Seat Pleasant access around the Washington DC metropolitan area. However, due to the lack of jobs and community amenities in the immediate area most residents are vehicle dependent. The most common methods of

travel are vehicle, public transit, and carpool. The average commute time is 36 minutes compared to the average US worker's commute time of 25 minutes.

Economic Challenges

The city of Seat Pleasant's median household earnings has increased over the years to \$55,370. In 2018, 65.3% of residents owned their homes. This percentage grew from 59% in 2017 and ranks higher than the national average of 63.9%. The poverty rate is currently at 17.8%. The most common jobs held by residents are office and administrative support occupations, sales and related occupations, and construction and extraction occupations. The highest paid jobs held by residents in Seat Pleasant are computer & mathematical occupations, computer, engineering, & science occupations, and business financial operations occupations. Seat Pleasant's economy is dependent on larger employers and attracting outside capital.

Retail Challenges

Today, Seat Pleasant still struggles to gain a variety of commerce. During the Charrette, many residents stated that they usually do not work or shop in Seat Pleasant. The retail base does not meet the resident's shopping or employment needs. The largest businesses in Seat Pleasant include CVS, AutoZone, Metro T-Mobile, McDonald's, Save-a-Lot, Dollar Tree, Family Dollar, and Popeyes. Spending is low in Seat Pleasant because the current retail is not catering to the existing customer's needs. According to the Census Bureau, Seat Pleasant made a total of \$65,157 in retail sales. As a result, the community is continuing to have economic leakage.

Security Challenges

At the Charrette, many residents voiced the concern for a sense of safety as a day-to-day challenge. The crime rate for Seat Pleasant in 2019 was 328, which was 1.2 times greater than the U.S. average. However, the crime rate fell 26% compared to 2018. According to areavibes.com, Seat Pleasant scored a 54 for liability. Like the past, a sense of safety still seems to be a major concern for Seat Pleasant.

IV. Proposed Development

Related Development, Inc. would like to bring Elysian to Seat Pleasant, Maryland. Elysian brings Seat Pleasant the best in lifestyle design, paired with a relaxed vibe, convenient retail, exceptional amenities, all while providing residents a well-balanced and healthy standard of living. Throughout the carefully curated private and public spaces at Elysian, are industrial influences with a modern flair that distinguish this community from any other in Seat Pleasant, MD. Every detail of Elysian has been carefully considered to embody the eight points of wellness - Social, Environmental, Occupational, Spiritual, Financial, Emotional, Intellectual, and Physical. Stay connected with nature through our link to "Maker Alley" trail. When you feel like socializing, Elysian's rooftop gathering spaces perfectly balance elegance and practicality with whimsy and imagination. Practice yoga in the courtyard for self-discovery and spiritual growth. Stay fit by joining onsite fitness classes or "Walk with Seat Pleasant" to reminisce its history. Work from Elysian in our flexible workspaces. Enjoy fresh produce from the Farmer's Market and Farm-to-Table restaurant. Invite your family to stay in the guest apartment for the weekend. Living at Elysian should be exceptional because the community makes its resident's wellness the top priority.



Amenities and Services

The subject's amenities will include drapes/blinds, central heating and air conditioning, coat closets, ceiling fans, quartz countertops, private desk nooks, and private washer/dryers. Appliances will be stainless steel and will include a refrigerator, range/oven, dishwasher, and microwave. Select residences will have balconies. Common area amenities at the subject site will include an exercise facility with private studio, on-site management, 24-hour concierge service, rooftop deck/conservatory space, pet wash station, secure bicycle storage, EV charging

stations, co-working spaces, and garage parking spaces. The subject's building will hold a LEED Gold certification. The community will also be pet friendly. The subject will offer 80 below grade parking spaces and 80 surface level parking spaces. LIHTC tenants will be able to park on the property at no additional cost to the LIHTC tenants. The market-rate residential and commercial tenants for \$75 per month, which is within the range of comparable and appears reasonable. In terms of security, the subject will offer an intercom system, controlled access, and keyless entry apartment doors.

Elysian, is a holistic mixed-use development to include 96 market-rate residential units, 64 affordable residential units at 60% of the area median income, farmers market, farm-to-table restaurant, smoothie bar, and 160 parking spaces. The building will be made of wood framing on top of a podium and underground garage. Elysian's floor plans accommodate different size families from one to three bedrooms with one to two bathrooms.

The subject will contain a total of 66 one-bedroom units, 78 two-bedroom units, and 16 three-bedroom residential units. 64 of the subject units will be restricted to households with incomes levels at 60 percent of the AMI or below. The remaining 96 units will be market rate units. The table below details the subject's proposed unit sizes and asking rents.

	Units	Unit SF	Rent	
Residential				
Market-Rate				
1BR/1BA	14	750	\$	1,692
1BR/1BA Den	32	850	\$	1,817
2BR/2BA	42	1252	\$	2,620
3BR/2BA	8	1447	\$	2,645
Affordable				
1BR/1BA	20	750	\$	1,417
2BR/2BA	36	1252	\$	1,701
3BR/2BA	8	1447	\$	1,965
Total	160	101,860		
Retail				
		40,000	\$25.33 psf	

Rent Restrictions

HUD determines maximum income guidelines for tax credit properties, based on the AMI. For Prince George's County, the 2021 AMI is \$117,200 for a four-person household. Minimum income levels for the LIHTC units are calculated based on the assumption that lower-income households should pay no more than 35 percent of their income on rent. Minimum income requirements generally range from 2.5 to 3.0 times the monthly rent annualized. As such, we have estimated the minimum income limits for the market rate units at 3.0 times the monthly

rent annualized. There will be no maximum income limit for the market rate units. However, we believe a maximum income of 100 percent of AMI is reasonable given the subject’s majority of affordable units. The minimum and maximum income limits for the subject’s units are as follows.

60% of Area or State median Median Household income Prince George's		126,000	
		Income Household Limit	Max Gross Rent
1-Person Household		52,920	1,323
2-Person Household		60,480	1,512
3-Person Household		68,040	1,701
4-Person Household		75,600	1,890

Source: HUD

Utility Policy

Tenants living in the market rate units will be responsible for general electric, air conditioning, electric heating, water heating, and cooking. Low-income units will not be responsible for general electric, air conditioning, electric heating, water heating, and cooking. The landlord will be responsible for water, sewer, and trash expenses in addition to all common area utilities.

V. Design & Environmental Analysis

The subject site sits partly on a brownfield due to the gas station on the corner of the site. Removal of underground storage tanks reduces risks and increases property value.



Positive aspects of the site include adequate nearby parks, curb appeal, and good access and traffic flow. The parks nearby include Seat Pleasant Heights Neighborhood Mini-Park at 0.80 acreages, Seat Pleasant Neighborhood Park at 15.09 acreages, and Seat Pleasant Neighborhood Park/School at 0.89 acreages. The lot is in the shape of a triangle with the top of the triangle

lining Martin Luther King. The curb appeal to the property makes it highly visible from the road. This allows for great business for retail and customers can easily find the property. Seat Pleasant drone program was established in 2017 to help monitor vehicle traffic flow patterns, spotting roadways needing repairs, gathering data for accident reconstruction, identifying locations and enforcement efforts should be utilized.

Negatives of the site are the existing gas station located on the site, the Anacostia River watershed has a poor rating due to pollution, and lack of pedestrian friendly streets.

The following process is typical for underground storage tank removal.

1. Notify State and Local Governments
 - a. Notification must be given to remove the underground storage tank at least 30 days before removal.
2. Remove All Product from the Tanks
 - a. All residual materials must be removed from the underground storage tank. Disposal procedures must be followed because the waste can be flammable and/or hazardous.
3. Inert the Tank
 - a. Inerting the tank reduces the risk of an explosion. The oxygen in the tank is displaced with nitrogen or carbon dioxide.
4. Excavation Begin
 - a. The soil around the tank will be removed to gain access to the top of the tank and other associated product lines.
5. Tanks are Cleaned and Removed
 - a. There are protocols for cleaning the tanks and handling the waste. Cleaning the tank can be performed onsite or off-site.
6. Prepare Tank for Disposal
 - a. The tank may be cut up on site or transported intact.
7. Manage Contaminated Soils
 - a. During the removal of the underground storage tanks, it is possible to encounter contaminated soil. The contaminated soil must be handled and disposed in ordinance to the state and federal guidelines.
8. Soil Sampling
 - a. Once the tanks are removed, soil samples are collected from beneath the tank, delivery lines, and dispensers. If there is groundwater in the excavation, then water samples must be collected as well.

Below is pricing listed for the removal of the underground storage tank.

Underground Storage Tank Removal/Closure

(Price includes excavation, cutting, cleaning, removal, and disposal)

550 gallons or less	\$1,500
1000 gallons	\$2,100
1500 gallons	\$2,500
2000 gallons	\$2,600
3000 gallons	\$3,500

Material Disposal

Non-Hazardous Petroleum Contaminated Soil	\$50/ton
Disposal of Petroleum/Oil Contaminated Water	\$0.85/Gallon
Disposal of Gasoline Contaminated Water	\$1.00/Gallon

Back Fill

Recycled Concrete Aggregate	\$15/ton
Fill Material	\$20/ton

Topsoil	\$25/cubic yard
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Vapor Intrusion

Vapor Intrusion Remedial Investigation Work Plan	\$2000
Vapor Intrusion Indoor Air Building Survey	\$670
Vapor Intrusion Indoor Air Building Survey Update	\$250
Sub-slab Sampling	\$1,160
Indoor Air Sampling	\$1,900
Vapor Intrusion Report	\$2,000

Air & Water Quality

The subject site's water supply is the responsibility of the Washington Suburban Sanitary Commission. The water supply is sourced from the upriver of Patuxent River. The Washington Suburban Sanitary Commission monitors and provides treatment of the public drinking water to ensure good drinking quality. The subject site is in the Anacostia River watershed which has a poor rating. The Anacostia River runs through District of Columbia to Prince George's County until the northeast and northwest branches near Bladensburg. The watershed of Anacostia spans 175 square miles in Montgomery and Prince George's County, as well as the District of Columbia. This waterway is important for fish spawning such as alewife herring, blueback herring, hickory shad, white perch, striped bass, yellow perch, American eel, and sea lamprey. These species may live in saltwater but venture to freshwater to spawn.

Wildlife

Subregion 4's habitat includes tracts of woodlands, grasslands, and wetlands that support a diversity of wildlife. Woodlands are important because they help reduce runoff, erosion, and air pollution, and they provide habitats for wildlife.

Wetlands

The nearest wetland area to the subject site is the Suitland Bog. Suitland Bog is in the southeastern portion of Subregion 4 with access to it by Suitland Road. The bog is 60 acres long of wetland habitat. A bog is a wetland area where shrubs, herbs, and sometimes trees grow within peat and moss. The Suitland Bog hosts a variety of carnivorous plants which include pitcher plant, two types of sundews, and 40 plants on the Maryland Natural Heritage's Rare, Threatened, and Endangered Plants of Maryland List.

LEED

The LEED project checklist for Elysian is shown below.

LEED Project Checklist	
Location and Transportation	13
Sustainable Sites	5
Water Efficiency	9
Energy and Atmosphere	25
Materials and Resources	2
Indoor Environmental Quality	16
Innovation	6
Regional Priority	2
Total	78

Source: U.S. Green Building Council

LEED elements planning to implement include a robust recycling program, bicycle facility, environmentally friendly landscaping, energy-efficient variable air volume system, water conserving fixtures and advanced ventilation system. These elements plan to be achieved by focusing on maximizing energy efficiency, occupant health and comfort, and sustainable design.

VI. Construction

Real estate development is dependent on lending liquidity. Lending liquidity is what supports the construction projects financially and creates the demand for materials and subcontractor labor. Positive lending conditions typically mean an increase to construction volume. During COVID, we have seen record low interest rates and increased material costs. Towards the end of 2020, residential markets remained constant without too many lows or

highs. As we move forward and out of the COVID era, we will see loans linked to construction and development increase projecting 15% each year. Which indicates that the market is regaining its traction and more projects will slowly come back on-line if they were on hold due to COVID. We can also tell the market is increasing by the slowly increase in mortgage rates. December 2020 interest rates were 2.68%. As of February 2021, interest rates have risen to 2.81%.

The Maryland Department of Housing and Community Development (DHCD) has established limits on the dollar amount of construction cost per square foot. While other unique projects may require a greater investment, DHCD wants to achieve the following public goals – taking on challenging sites, building high quality projects, and serving populations with unique needs while completing for a competitive cost. DHCD will deduct points for projects that exceed the following costs limits.

Type of Building	New Construction	Rehabilitation
Cottage, Single Family, Semi-detached Dwellings, and Townhomes	\$191	\$196
Garden Apartments	\$160	\$122
Non-elevator Stacked Units and Elevator Buildings with 4 stories or less	\$174	\$143
Elevator Buildings of 5 or more stories	\$191	\$148

These costs include all on-site and off-site development and the total construction contract without any construction contingencies. Buildings with parking structure or internal parking are evaluated on a case-by-case basis.

Construction Project Methods

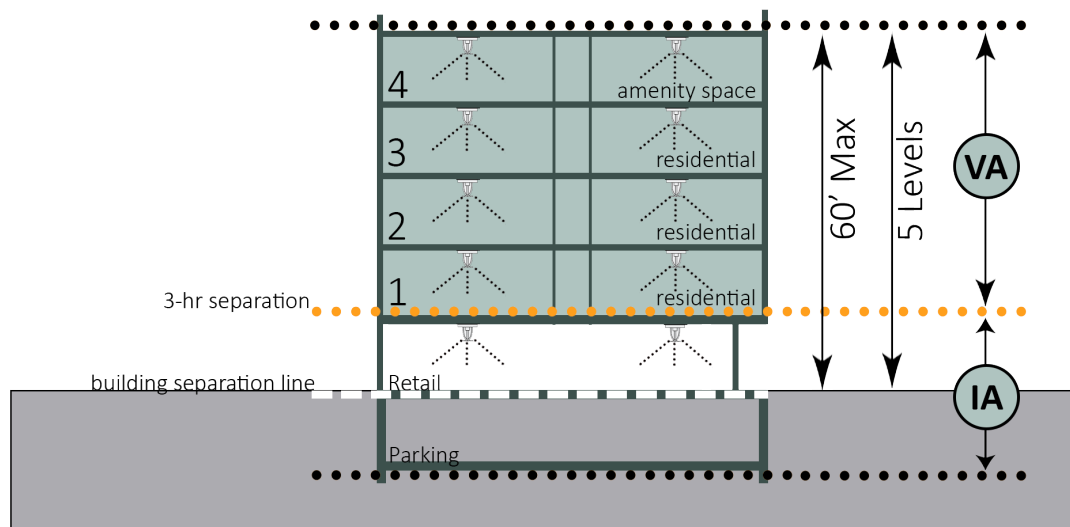
	Low Bidder	Best Value	Best Qualifications
	Selection is based solely on price	Selection is based on a weighted combination of Price and Qualifications	Selection is based solely on Qualifications
Design-Bid-Build	Most Common	Common	Rare
Construction Management at Risk	Rare	Most Common	Common
Design-Build	Common	Most Common	Common

Integrated Project Delivery	Rare	Common	Most Common
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For construction project method, design-bid-build would be used. Design-Bid-Build is the most traditional and common project delivery method. Typically, this delivery method will result in the lowest total construction costs from the bidding phase of the project. The construction company we are seeking to hire is HITT. HITT provides a range of services for instance, base building construction, renovation, interior fit-outs, and service and emergency work. They have completed many multi-dwelling unit properties across the Washington, D.C. area.

Construction Type

The construction type for Elysian will have underground parking underneath retail podium. The underground parking will have a mechanical ventilation system, automated sprinkler system, and a two-hour building separation from the retail podium. The retail podium will be construction type 1A and the residential will be construction type VA. Type 1A is a noncombustible material construction. The retail podium will be made of masonry and concrete. Type VA construction is a wood-frame construction with structural framing and bearing walls with at least a one-hour fire resistance rating. There will be a 3-hour floor separation between the retail and residential. The building will have a sprinkler system.



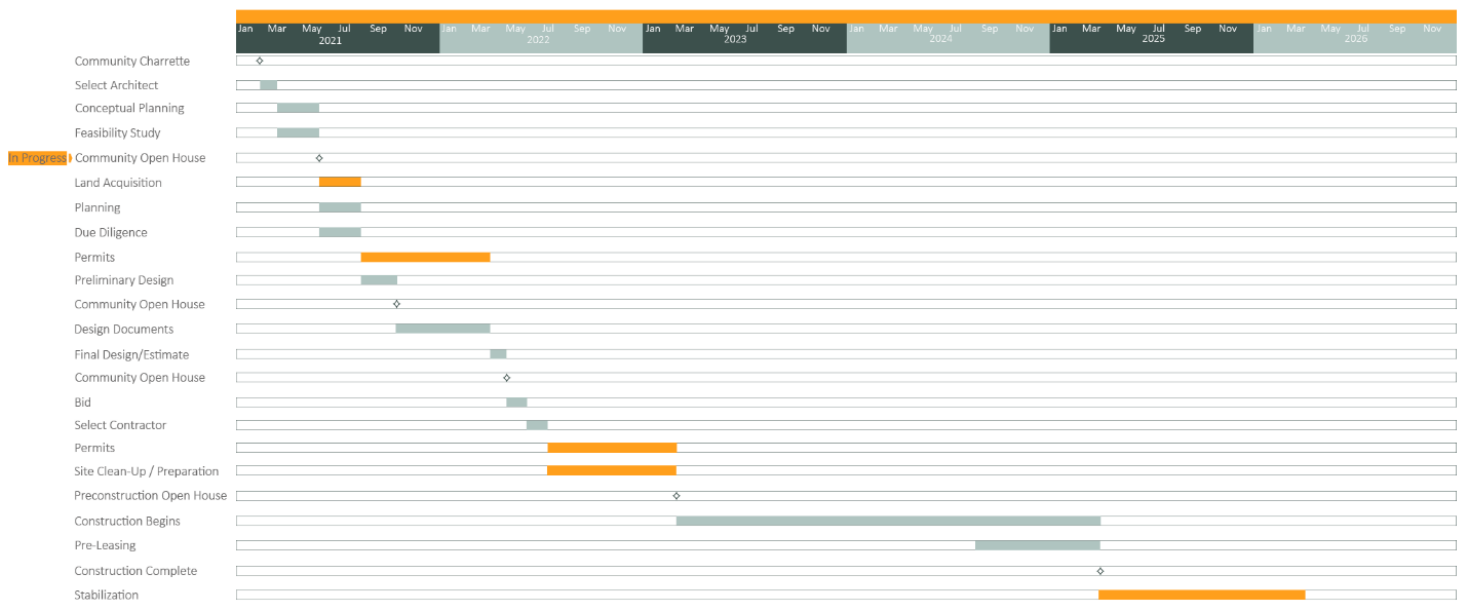
Construction Risks

In the Washington, D.C. market commercial and manufacturing sectors will continue to suffer from COVID-related market effects projected until 2023. However, healthcare is projected to increase in 2021. Residential continues to be the number one market in demand. Mainly single-family housing is popular due to the low mortgage rates. This trend is expected to continue as multi-family projects start to increase. One of the biggest issues for the D.C. construction market is the unemployment rate. Many residents in the DC metro area have been out of work for months due to the pandemic and struggling to receive their unemployment checks. March 2021, a new employment benefits program was set to launch in Washington, D.C. This will help people who have lost a job but have a part-time job to start collecting unemployment checks.

According to Cumming Insights, material costs have increased. There has been a surge in materials for instance steel and copper. Steel has rose from 25% to 50%, while lumber continues to increase month-to-month. There has been an increase in delivery times, with two to three weeks additional lead times for materials received from overseas.

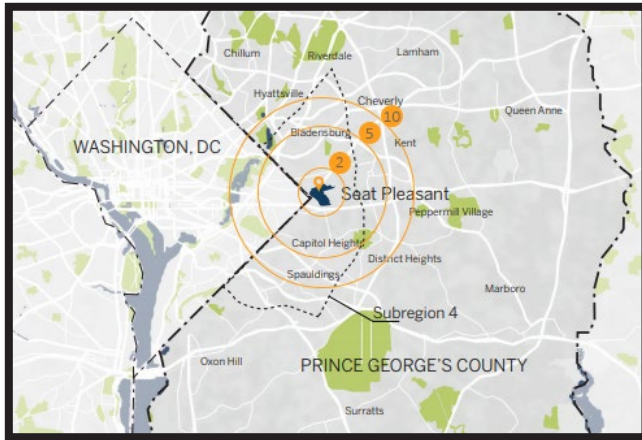
Construction Schedule

Below shows the proposed development schedule for Elysian.



VII. Demographics

Census Tract 24033802901 has a total population of 3,832. The City of Seat Pleasant including Census Tract 24033802901 has a population of 4,739. Majority of the population is made of millennials and baby boomers. There are 28% of households that have families with children.



Source: COSTAR

Demographics - 2020

PM	2-Mile	5-Mile	10-Mile
<u>Population</u>			
3,832	80,381	473,975	1,601,522
<u>Households</u>			
1,491	29,799	180,730	653,773
<u>Median HH Income</u>			
\$55,370	\$55,740	\$65,119	\$85,405
<u>Median Home Value</u>			
\$224,200	\$263,449	\$303,824	\$394,120
<u>Median Year Built</u>			
1962	1962	1963	1965

Race and Ethnicity

Seat Pleasant's population is made up of majority African Americans at 85.1%. White (not Hispanic or Latino) follow behind at 2.9%. American Indian and Alaska Native makes up 2.7%. Some other race and two or more races make up 9.0%.

Families and Living Arrangements

According to Esri.com, the three family characteristics that make up this area are family foundations, city strivers, and modest income homes. Family Foundations makeup 46.3% of the area. This family dynamic is centered around family and faith. It is not uncommon to have older children living at home working towards financial independence. These households are stable but have seen little household growth for more than a decade. Jobs held in this household are typically in the healthcare industry or public administration across all levels of government. An important aspect to these consumers is style and smartphones.

Family foundations are a mix of different living arrangements: married couples, single parents, grandparents, and child, young and adult. The average household size in this area is 2.6. More than two-thirds are homeowners living in single family houses built before 1970. Nearly three-fourths of all households have one or two vehicles at their disposal; average commute time is slightly higher.

More than half have either attended college or obtained a degree; one-third have only finished high school. Unemployment rate is high at 10% (Index 191); labor force participation rate is slightly lower at 58% as workers begin to retire. Over one-third of households currently receive Social security benefits, just under a quarter draw income from retirement accounts. A strong focus is on religion and character.

Market Profile – Baby and children’s products are the primary purchases made by family foundations residents. They are discount stores, such as Marshalls, Kmart, dollar stores, and take advantage of savings at Sam’s Club. Many have no financial investments or retirement savings. Magazines, particularly focusing on health and children, are popular. They enjoy listening to urban format radio. One of their favorite entertainment sources is television; subscribe to premium cable channels and own 3-4 TVs. They are connected, but use the Internet primarily for entertainment, chat rooms, and online gaming.

21.2% City Strivers

These high-density city neighborhoods are characterized by a relatively young foreign-born population who have embraced the American lifestyle yet retained their cultural integrity. To support their lifestyle, City Strivers residents commute long distances to find work in the service, healthcare, or retail industry. Their hard-earned wages and salary income go toward relatively high rents in older multi-unit buildings, but they have chosen these neighborhoods to maintain ties to their culture. Single parents are often the recipients of supplemental Security Income and public assistance, but their close-knit community provides the invaluable support needed while they work. City Strivers consumers are bold in their purchasing decisions; they seek out deals on branded clothing, sometimes indulge in restaurants and personal services, and splurge on their cable TV package.

Densely populated neighborhoods located primarily in New York, Bost, Washington, or Chicago. Primarily renters living in older, multi-unit structures built before 1950; smaller buildings with 2-4 units the most popular in this market; relatively high rental rates at more than \$1,100 monthly (Index 108). A blend of family households, married couples, and single parents with younger or adult children, as well as single-person households; average household size 2.78. Work outside their county of residence, with almost one-fourth commuting 60 or more minutes to work; average travel time to work of 38 minutes; use of public transportation common.

One in five households here are in poverty, but City Strivers residents rely more on wage and salary income. Half have some college education. Labor force participation is slightly below the national average – with the unemployment rate above average. They work in health care, transportation, social services, and protective services. Style and image are important to these consumers. Current trends are a strong influence on their shopping habits. They often make

impulse purchases and try new brands and technologies but do look for the approval of their friends. These sociable consumers exhibit boldness in their decisions and are not afraid to share their opinion. They share strong cultural integrity.

Market Profile – City Strivers residents’ shop at discount retailers and warehouse clubs for the basics but do occasionally treat themselves to a meal at Applebee’s, or T.G.I Friday’s. They frequently try their luck with the lottery. These image-conscious consumers indulge in pedicures and manicures, purchase tooth whiteners, and exercise to stay in shape. They prefer to shop around for clearance deals on branded apparel at Marshalls or Old Navy, but sometimes shop at Abercrombie & Fitch. Occasionally, they do watch a movie at the theater, but prefer to catch movies on premium TV channels such as HBO, Starz, and Showtime. They enjoy BET, MTV, CNN, and Discovery Channel. Listening to R&B, hip hop, gospel, and reggae music on the radio complements their in-home entertainment. Bundled with their cable service, most residents have high-speed Internet access on their older desktops. More than a third of households maintain a saving account. They are just as comfortable banking online as in person.

7.7% Modest Income Homes

Families in this urban segment may be nontraditional; however, their religious faith and family values guide their modest lifestyles. Many residents are primary caregivers to their elderly family members. Jobs are not always easy to come by, but wages and salary income are still the main sources of income for most households. Reliance on Social Security and public assistance income is necessary to support single-parent and multigenerational families. High poverty rates in this market make it difficult to make ends meet. Nonetheless, rents are relatively low (Index 70), public transportation is available, and Medicaid can assist families in need.

Households are single person or single parent (usually female householders). Multigenerational families are also present. Homes are predominantly single family; values reflect the age of the housing, built more than 60 years ago. Over half of the homes are renter occupied, average rent is lower than the US average. Most households have one car (or no vehicle); nearly a third rely on carpooling, walking, biking, or public transportation.

Almost a quarter of adults aged 25 or more have no high school diploma. Labor force participation is only 50%, with unemployment at almost three times the US rate. Income is less than half of the US median income; more than one in three households are in poverty, dependent on Social Security, public assistance, and supplemental Security Income. Consumers in this market consider traditional gender roles and religious faith very important. This market lives for today, choosing to save only for a specific purpose. They favor TV as their media of choice and will purchase a product with a celebrity endorsement.

Market Profile – To make ends meet, consumers shop at warehouse clubs and low-cost retailers. Unlikely to own a credit card, they pay their bills in person. This market supports multigenerational families; they are often primary caregivers for elderly family members. On average, modest income home residents have a higher reliance on Medicaid. For entertainment, they listen to gospel and R&B music and prefer to watch Bet. The recreational activity of choice for residents is basketball.

COVID Impacts

Households in this area were either directly affected by COVID or indirectly through job losses and business closures. Housing stability has put a cost-burdened on homeowners and renters. 43.7% of homeowners and 55.4% of renters were impacted by COVID. Another impact COVID had on this area was education. 11.1% of households do not have a computer device and 20.9% have no internet access. COVID also impacted public transit services. 25.2% of commuters use public transportation.

VIII. Economics

The subject site is located approximately 0.3 miles east of the Washington, D.C./Maryland border line. The section below shows the findings of analyses of key economic indicators, such as employment by industry, major employers, and unemployment trends. Data trends were analyzed for the primary market area and the Washington-Arlington-Alexandria, D.C.-VA-MD-WV MSA. The MSA currently has a population of 6,151,521 per American Community Survey data.

This information was obtained from the State of Maryland, US Bureau of Labor Statistics, and Maryland Chamber of Commerce. The data from these sources are most current.

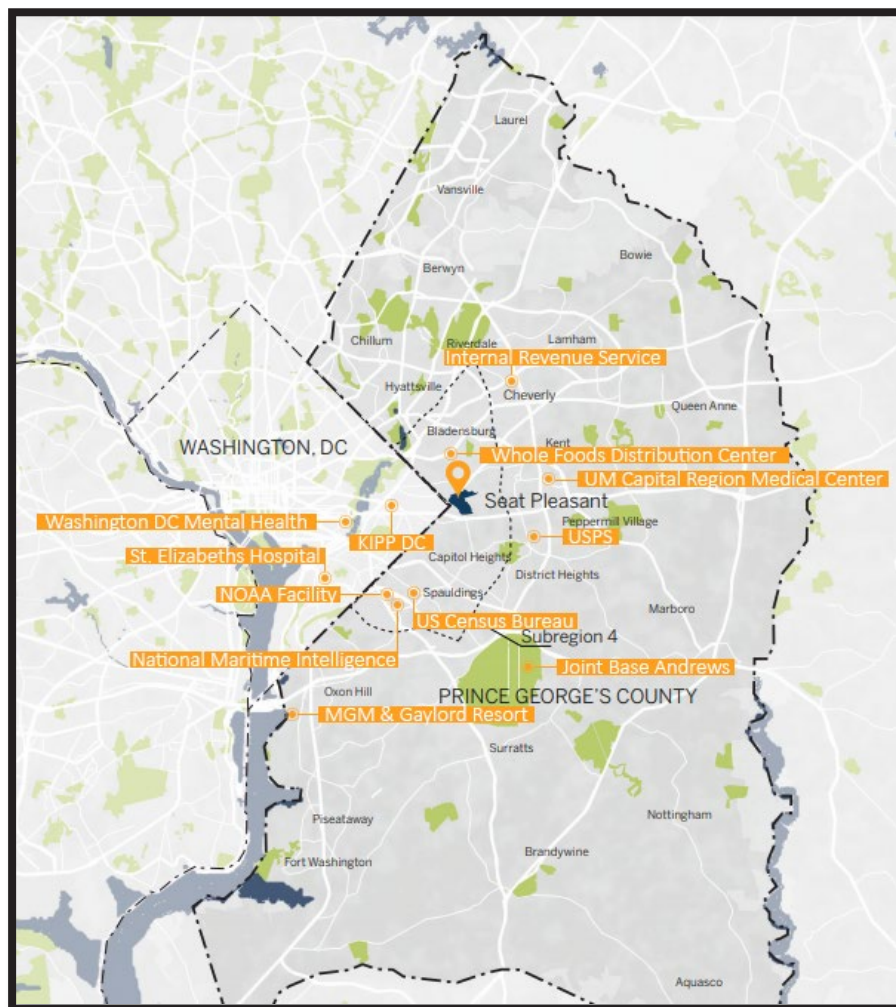
Employment in the Washington-Arlington-Alexandria, D.C.-VA-MD-WV MSA is concentrated in professional, scientific, and technical services, public administration, and healthcare/social assistance, which together comprise 38.8 percent of local employment. The median household income for Washington-Arlington-Alexandria, D.C.-VA-MD-WV MSA is \$102,180 and cost of living is 53% higher than the U.S. average. Sectors with the highest average wages per worker in this MSA are management of companies and enterprises (\$169,083), finance and insurance (\$133,000), and information (\$124,629). Employment sectors with the best job growth for over the last 5 years are professional, scientific, and technical services (+41,632 jobs), health care and social assistance (+26,245), and transportation and warehousing (+17,465). Over the next 10 years, employment in this MSA is projected to grow to 198,368 jobs. The fastest growing employment sector is expected to be health care and social assistance with 1.5% year-over-year rate of growth. The leading sectors by number of jobs over the next 10

years are projected for professional, scientific, and technical services (+68,934 jobs), health care and social assistance (+55,232), and accommodation and food services (+22,606).

The primary market area's largest employment industries are retail trade, public administration, and educational services. The larger employment sector in retail trade has been historically volatile, and prone to contraction during economic downturns. However, the primary market area also has a large share of employment in the public administration and healthcare industries, which have shown greater stability during economic downturns. The median household income for the primary market area is \$55,370. Compared to the United States of America median income at \$68,703.

Major Employers

The largest employers in Prince George's County are education, military, and the federal government. The main employer in Prince George's County is the University Systems of Maryland, which is the state's public higher education system and consists of 12 institutions.



Wages by Occupation

The following table details the number of employees, the mean hourly wage, and the mean annual wage by occupation in the Washington-Arlington-Alexandria, DC-VA-WV MSA. The 2020 data is the most recent information available for this region.

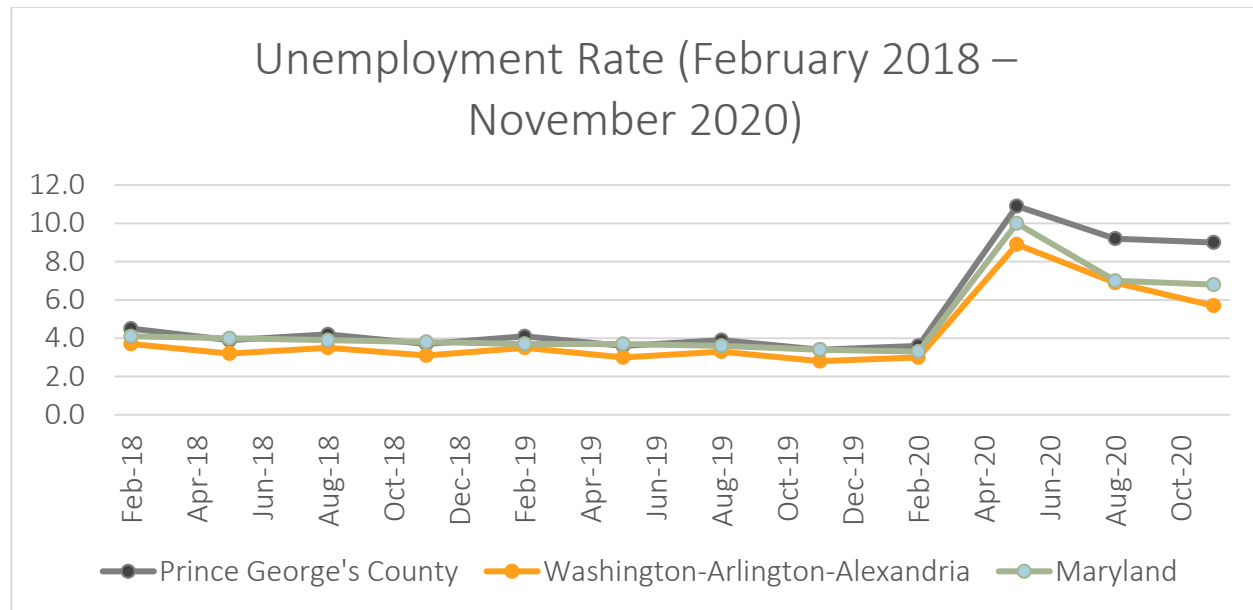
Occupation	Number of Employees	Mean Hourly Wage	Mean Annual Wage
All Occupations	3,022,200	\$29.08	\$77,210
Management Occupations	254,670	\$69.99	\$155,370
Business and financial Operations Occupations	335,360	\$44.28	\$98,460
Computer and Mathematical Occupations	242,350	\$53.00	\$112,280
Architecture and Engineering Occupations	62,990	\$49.35	\$108,610
Life, Physical, and Social Science Occupations	62,720	\$51.00	\$109,740
Community and Social Service Occupations	43,860	\$28.08	\$63,880
Legal Occupations	68,430	\$69.11	\$150,760
Educational Instruction and Library Occupations	189,490	\$30.69	\$71,400
Arts, Design, Entertainment, Sports, and Media Occupations	72,860	\$37.66	\$88,120
Healthcare Practitioners and Technical Occupations	145,220	\$40.21	\$101,450
Healthcare Support Occupations	90,840	\$15.29	\$35,090
Protective Service Occupations	84,790	\$27.45	\$63,330
Food Preparation and Serving Related Occupations	200,010	\$14.12	\$31,570
Building and Grounds Cleaning and Maintenance Occupations	96,900	\$15.65	\$35,970
Personal Care and Service Occupations	63,100	\$14.64	\$35,470
Sales and Related Occupations	241,460	\$16.10	\$52,040
Office and Administrative Support Occupations	346,620	\$22.22	\$49,830
Farming, Fishing, and Forestry Occupations	1,730	\$17.80	\$42,190
Construction and Extraction Occupations	113,850	\$24.51	\$54,710
Installation, Maintenance, and Repair Occupations	89,580	\$27.41	\$59,560
Production Occupations	50,920	\$18.59	\$45,410
Transportation and Material Moving Occupations	164,450	\$17.61	\$43,840

Source: U.S. Bureau of Labor Statistics

The classification with the lowest average hourly wage is food preparation and serving related occupations at \$14.12 per hour. The highest average hourly wage is management occupations at \$69.99 per hour. The qualifying income for the subject site's affordable units will range from \$52,920 to \$75,600 while the minimum income limit for the subject site's market rate units will be \$1,692 to \$2,645 which includes a large portion of the employment in the area. Utilizing the lower end of the subject site's LIHTC qualifying income of \$52,920 per year at 2,080 annual hours equals \$25.44 per hour. Utilizing the higher end of the subject site's LIHTC qualifying income of \$75,600 at 2,080 annual hours equals \$36.35 which is higher than the mean hourly wage rate at \$29.08.

Unemployment Trends

The following table details unemployment trends for Prince George's County, Washington-Arlington-Alexandria MSA, and the state of Maryland from February 2018 - November 2020.



Tax Rate

The current Real Property Tax Rate is 0.58 per \$100 assessment value. Real property taxes are assessed and billed in advance on a fiscal year basis, commencing July 1 of each year. The City of Seat Pleasant Real Property tax is included in the consolidated Prince George's County tax bill. Real property tax bills are issued in July, by the County, with payment due by September 30th. The liability for timely payment of real property tax is the responsibility of the property owner, irrespective of whether a mortgage lender customarily makes payment from an escrow account.

IX. Regulatory & Zoning Public Approval

The subject site is zoned for M-U-I with a design overlay which is a mixed-use sector. M-U-I Zone has replaced M-X-T Zone. The purpose for the M-U-I zone is to promote smart growth principles by encouraging the best use of land, public facilities, and services in the immediate area. These zoning plans create community environments from redeveloped land or vacant properties to provide a mixed-use of residential, commercial, recreational, open space, employment, and institutional uses. This zone was created in 2002 and has moved toward a transit-oriented development approach.

The current base density cap is 48 dwelling units per acre unless a mix of uses is provided. There is no nonresidential density cap. Regarding the M-U-I's density there is no guidance to the level of mixed-use development that must be provided to increase the residential density cap. This can lead to 1,000 square feet or less of commercial space and can yield an excess of 100 dwelling units per acre. The maximum FAR for this zone is 8.0. The only concurrent application that can be applied with the M-U-I zone is DDOZ or TDOZ unless the land is owned by a municipality or the redevelopment authority. The M-U-I zone only requires a detailed site plan and conceptual site plans are not required. Since the zoned development allows for residential and retail uses that promote pedestrian walkable communities, rezoning is not needed. The subject site should follow the guidelines from the Development District Standards, Subregion 4 Master Plan, and the Martin Luther King Jr. Hwy/Seat Pleasant/Fairmont Heights Revitalization Focus Area.



Permit Review

The Department of Environmental Resources issues the building, use and occupancy, and sign permits.

Approval of Request for Water & Sewer Service

The Washington Suburban Sanitary Commission (WSSC) determines the sewer lines needed to service the development with approval from the County Sewerage Plan. WSSC also reviews the conditions of which extensions will be built, sewer connections, and hook-ups authorized. The WSSC permit system has three basic types of sewer service permits. The following permits will be needed to service the development.

Authorization Permit

Authorization is WSSC commitment to build a new line from the closest existing line to the development. Related development will hire a consultant to determine the volume of water needed and sewage flow for the proposed development. Related Development plans to meet the established engineering standards and capacity required for approval.

Connection Permit

The connection is required to build a connecting line from the main line in the street to the property's line. Related development plans to meet the established engineering standards and capacity required for approval.

Hook-Up Permit

The hook-up will allow the installation of a pipe across the property to hook-up the plumbing in the building with the WSSC lines in the street.

X. Market Analysis

According to Realtor.com, homes in Seat Pleasant, MD sold for approximately asking price on average in December 2020. In December 2020, Seat Pleasant, MD was a seller's market, which means that there are more people looking to buy than there are homes available. Average homes in Seat Pleasant, MD sell after 58 days on the market. The trend for median days on the market increased since November 2011 and slightly down from 2019. According to Redfin.com Seat Pleasant scored a 71/100 (Very Competitive) for housing market trends.

Residential Demand & Supply

The demand for market rate housing is lower than prior years and we are expecting that is due to COVID-19. However, the anticipated supply over the next few years is steadily rising as one market rate development recently finished completion within the PMA that will be competitive with the subject site as well as two new development projects that were recently awarded LIHTC. In 2020, two new competitive construction LIHTC projects were awarded in the primary market area. These two projects are Glenarden Hills Phase 3 and Willows at Upper

Marlboro. Expected trend to happen are more people moving to more affordable housing options. One reason for this is more flexibility of working from home. Based on the subject site's proposed unit mix, amenity package, and relatively close to locational services, public transportation and employment, the marketability of the subject site holds strong compared to other properties.

2,901 Inventory Units	\$1,623 Market Rent/Unit
5.3% Total Vacancy	1.2% 2021 Rent Growth
-30 12 Mo Absorption Units	1,473 Under Construction Units
301 Prior Absorption Units	1,078 Deliveries Next 5 Years (Units)

Neighborhood Housing Stock

The surrounding housing stock consists of single-family residential developments and commercial uses, exhibiting conditions ranging from average to good. According to Redfin, the median home value in the subject's zip code is \$224,200.

Absorption

We were able to obtain absorption information from stabilized comparable. We performed subsequent research on other properties within Prince George's County and the adjacent neighborhoods in Washington, DC. The absorption information was based on the following criteria: multi-family, market/affordable rent, and built from 2010 – 2021. The following table summarizes our findings.

Property Name	Location	Rent Structure	Tenancy	Year Built	Number of Units	Units Absorbed/Month
Mills Place	Washington, D.C.	Affordable	Multi - Family	Feb-21	61	30
Maple View Flats	Washington, D.C.	Affordable	Multi - Family	Jan-19	114	7
The Solstice	Washington, D.C.	Affordable	Multi - Family	Jul-19	138	6
Brinkley Hill	Prince George's County	Market/Affordable	Multi - Family	Dec-17	64	1
Residences at Glenarden Hills	Prince George's County	Market/Affordable	Senior	Mar-19	55	6

Source: COSTAR

Mills Place was recently completed in February 2021, and currently has a vacancy rate of 49.2%. This property has almost 50% of units leased up. This equates to an absorption rate of

30 units within the first month of opening. Maple View Flats started with a vacancy rate of 34.5% in 2019 1st quarter. In quarter 3 of 2019 the vacancy rate fell to 4.9%. Since then, it has steadily increased to 3.1%.

The Solstice out of all compared properties started out with the lowest vacancy rate at 14.3%. By 2019 quarter 4, the vacancy rate dropped down to 0%. It remained constant for almost a year and increased to 0.3% at the end of 2020.

Brinkley Hill opened in December 2017 with a vacancy rate of 51.4% in the 4th quarter. Then in 2018 1st quarter the vacancy rate dropped to 0%. This property remained having a 0% vacancy rate until the 2020 1st quarter at 0.5 percent. In 2020, the vacancy rate jumped to 1.5% and currently remains at 0.6%. We believe this jump was due to COVID.

For the past year, Residences at Glenarden Hills' vacancy rate has remained stable at 2.9%. When the property opened it started at 51.4% vacancy rate and decreased to 2.7% 3rd quarter in 2019. We are assuming the reason why the vacancy rates did not increase too much during 2020 was because of the government's regulation in freezing evictions during the pandemic. As well as many people working from home and not moving to a new place. Given the absorption data within the PMA, low vacancy rates among comparable properties, and demand for affordable properties, we estimate the subject site will start off at slightly under 50% occupancy rate. However, it will probably reach stabilization within four to five months. This estimate assumes that the subject property will be marketed heavily, and pre-leasing will begin two or three months prior to construction completion. This further assumes that the market rents are appropriately positioned.

Comparables

The Park Kennedy, built in 2021, located in Hill East Washington, D.C. this multi-use project includes 262 residential units, 31 affordable units, and 35,517 square feet retail. This luxury apartment includes capitol views, open layouts, floor-to-ceiling windows, modern farmhouse kitchen style, vinyl plank flooring, LED lighting, and washers and dryers in the units. Community amenities include coworking library, game room, fitness center, and rooftop deck.

Everly was just recently constructed in 2021 and exhibits excellent condition, like the proposed subject development. Everly is located directly south of the Largo Town Center Metro Station in Largo, Maryland and is overall in a superior location to the subject site. Everly is only 5.6 miles from the subject site. Apartments feature stainless steel appliances, quartz countertops, vinyl plank flooring, balconies, and washer and dryers. Community amenities include a fitness center, pool, resident storage, lounge and business center, courtyard, garage parking and concierge services.

Summerfield at Morgan Metro, built in 2011 located in Landover, Maryland adjacent to the Morgan Boulevard Metro Station. This property was signed over to Mission Rock Residential to manage the 478-unit community. Summerfield at Morgan Metro features vaulted ceilings, crown molding, private patio/balcony, full size washers and dryers, stainless-steel appliances, wood-style flooring, fireplaces, and ceiling fans. The community's amenities include a coworking space, swimming pool, fitness center, car care center, and controlled access parking garage. This all-market residential development sold in March 2021 for \$115,500,000.

Development Pipeline

Through CoStar and other online research, we found a proposed mixed-use project within the subject site's primary market area. Hampton Park Development is currently under construction and planned to be completed quarter four of 2020. However, due to COVID-19 that delayed the development. The site of the project is located approximately 3.7 miles southeast along Central Avenue at the Hampton Mall. The development will transform the current mall into 25-acres of mixed-use space. The plans call for a 120 room nationally branded hotel, 200 residential units, 75,000 square feet of retail space and 115,000 square feet of office space. Phase 1 includes developing 3,437 square feet of retail, development anchored by Market Fresh Gourmet and a restaurant Ivy City.

Metro City is a development by Berkadia proposing a mixed-use development in Capitol Heights, Maryland. This development has proximity to Addison Road-Seat Pleasant Metro Station. The mixed-use project will be developed in two phases, with 1,542 residential units, 213,600 square feet of retail and office. Phase I was expected to start fall 2020 however, there may have been a delay due to COVID-19.

Another proposed mixed-use project is the Carillon. Carillon located in Largo, Maryland. This large new development plans to become the home to 3,000+ residents, 300,000 square feet of retail and 525,000 square feet of office space. The demolition began in June 2019 and construction was anticipated to begin quarter one of 2020. However, right around March 2020 the project was put on pause. We speculate the reason for the pause was due to COVID-19.

New affordable properties allocation funds within the past year were researched through the Maryland Department of Housing and Community Development allocation. According to the 2020 list, two projects have received credits in the primary market area, all of which are detailed in the following table. It should be noted that the 2021 recipient list has not been made available at this time.

County	Property Name	Year Allocated	9% LIHTC	Total Units	Total Project Cost
Anne Arundel	Conifer at North Odenton	2020	\$ 1,500,000	55	\$ 19,635,337
Anne Arundel	Eagle Park Village	2020	\$ 1,500,000	48	\$ 20,500,211
Anne Arundel	Willows at Forest Drive	2020	\$ 1,500,000	58	\$ 18,670,926
Baltimore City	Perkins IIA	2020	\$ 1,500,000	89	\$ 30,424,778
Baltimore City	Somerset Jefferson	2020	\$ 1,500,000	60	\$ 28,571,535
Baltimore City	Uplands Rental Phase IIB	2020	\$ 1,500,000	72	\$ 23,853,094
Baltimore City	Woodland Gardens I	2020	\$ 1,500,000	63	\$ 20,285,400
Charles	La Plata Gardens	2020	\$ 1,380,000	72	\$ 22,424,468
Frederick	Crestwood Manor	2020	\$ 1,500,000	60	\$ 22,874,187
Frederick	The Madison on North Market	2020	\$ 1,500,000	60	\$ 22,241,428
Frederick	The Residences at Railroad Square	2020	\$ 1,500,000	45	\$ 21,348,459
Montgomery	Park Montgomery West	2020	\$ 1,375,000	48	\$ 34,538,278
Montgomery	Sligo Apartments	2020	\$ 1,500,000	42	\$ 22,618,367
Prince George's	Glenarden Hills Phase 3	2020	\$ 1,480,000	44	\$ 17,353,633
Prince George's	Willows at Upper Marlboro	2020	\$ 1,500,000	60	\$ 23,369,940
Queen Anne's	Slippery Hill, Phase II	2020	\$ 150,000	66	\$ 20,997,092
St. Mary's	Foxchase Village Rehabilitation	2020	\$ 1,500,000	79	\$ 21,701,475
Talbot	Doverbrook Apartments	2020	\$ 1,436,000	64	\$ 22,336,771

Source: Department of Housing and Community Development, January 2021

Glenarden Hills is an affordable mixed-income property. The U.S. Department of Housing and Urban Development acquired the Glenarden site through an FHA foreclosure. The current 578-unit apartment complex was demolished in 2013 then purchased by the Redevelopment Authority of Prince George's County in September 2014. The new proposed development includes a total of 430 units - 333 rental units and 97 units for sale. The total development cost for this project was \$108,000,000. Phase I & II have been completed. Phase I included affordable housing at 30% AMI or less. Phase III plans to add more market-rate units and affordable and for-sale homeownership opportunities.

Commercial Analysis

The subject's commercial space will consist of 40,000 square feet located on the ground floor.

Description of Retail Space in Subject's Neighborhood

The subject site is in a mixed-use neighborhood in Seat Pleasant, MD with surrounding land uses consisting of educational facilities, retail uses, public transportation, single-family and multifamily housing. The area has good access to highways and public transportation. Local retail amenities are fair however and need to be upgraded to meet the needs of the community.

Commercial Listings

Most of the leases in this market are triple net (NNN). Triple net is a lease agreement in which the tenant pays for all the expenses. The success of retail in the market would depend on the availability of parking for retail users. Achievable rents for retail space in Seat Pleasant are around \$28 per square foot.

Retail Demand & Supply

614K Total Space (SF)	-1.6K 12 Mo Net Absorption (SF)	\$24.84 Average Asking Rent (NNN)	167K Total Under Construction (SF)
2.2% Total Vacancy	10K Prior Net Absorption (SF)	1.0% 2021 Rent Growth	2,993 TYD Deliveries (SF)



Existing Retail Properties

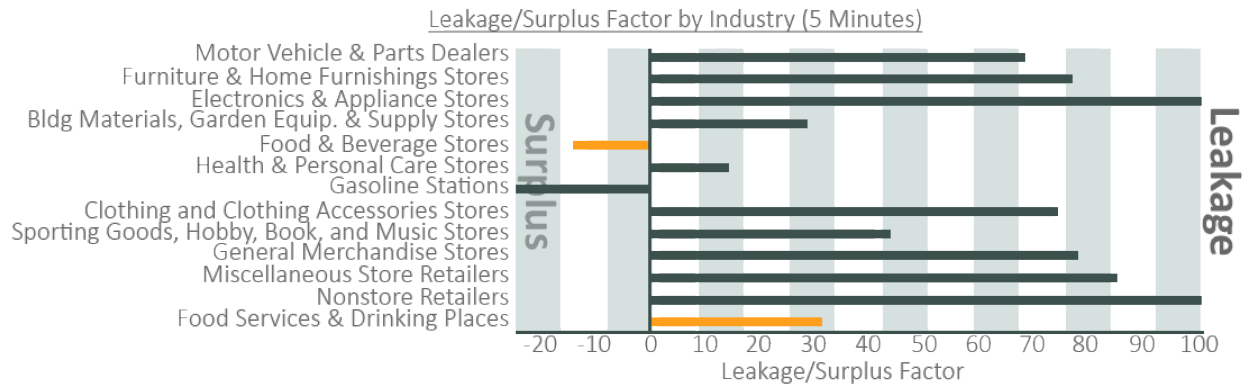
Today, Seat Pleasant struggles to gain a variety of commerce especially healthy food options. There are 17 liquor stores in Seat Pleasant and typically food options are only fast food. It is assumed that the lack of healthy food options is presenting Seat Pleasant’s challenges today.





Retail Leakage

The current retail base does not meet the resident's shopping needs which has led to economic leakage of actual needs and a surplus of not needed retail like liquor stores.



Source: Esri.com

Ideal Retail at Elysian

The residents of City Seat Pleasant voiced their desire for more healthier food options. Many residents wanted another grocery store because currently there is not one in the primary market area. We believe that the site is not big enough to house a large anchor grocery store and the parking requirements it needs. We decided to implement a Farmers Market instead with the ability to host a farm to table restaurant. Farm to table restaurants is becoming a social

movement where consumers want to have access to fresh produce. Bringing a farm to table restaurant to Seat Pleasant is an excellent way to make local and organic food more available to Seat Pleasant.

Playa Bowls is an acai and pitaya bowl food restaurant whose mission is to lead communities in healthy, sustainable living. To minimize their environmental footprint they use ECO bowls, spoons, lids, and straws. At all their locations Playa Bowls employs employees who are local to the Playa Bowl location to foster healthier, happier communities. Playa Bowls is currently located in College Park, MD, Fairfax, VA, Reston, VA, Potomac, MD, and Kensington, MD. Their target demographic varies by location. We believe that the College Park, MD location is most comparable when it comes to median income in relation to the subject site. Their food options range from \$3.00 - \$12.00.

Frutta Bowls would be another great option for the subject site. Frutta Bowls is like Playa Bowls in which they specialize in acai bowls and provide healthy, delicious food to communities. Frutta Bowls is a larger franchise than Playa Bowls with 34 locations around the United States. Even though they are a larger franchise they love getting to know the surrounding community on a deeper level, creating relationships, and focus on giving back. We believe Frutta Bowls is also another great option. Their target demographic varies by location as well. However, a lot of their locations fit within the same or lower median income tax bracket as Seat Pleasant. Their food options range from \$1.99 - \$10.99.

Through research we concluded to achieve market rent for the subject site's commercial space of \$22.00 to \$27.00 per square foot.

XI. Marketing & Management Proposal

The target occupants for Elysian would be the existing residents from the Seat Pleasant community as well as young professionals, established professionals, and empty nesters who are looking to downsize. These target renters will probably work in Washington, D.C., and central Prince George's County, however, would like affordable rent prices. These renters go through a three-step process when deciding where to live. They are aware of which areas they want to live in and which areas they want to stay away from. They will consider an up-and-coming area especially if it is close to where they work. They will finally decide based on if they can afford the apartment. Below is a list of the resident profiles and how Elysian can make an impact on an individual or family's life.

Target Occupants

- Intellectual

Single mom Shanice has a daughter named Imani. She loves Elysian because of the proximity to Seat Pleasant Elementary School. She can walk Imani to school every day and make it to work within 30 minutes. Lisa, an active adult living at Elysian as well, walks Imani and other kids home and has them complete homework in the common areas until their parents come home.

- Spiritual

Empty nester Lisa loves walking the elementary kids from school. When Lisa is not busy playing babysitter for some of the kids in Elysian, you can see her doing yoga with her other active adult friend Kim. Kim lives just underneath Lisa and the two are inseparable. Lisa and Kim use yoga as an incredible avenue for self-discovery and spiritual growth.

- Physical

James is a young high earning professional working for one of the top tech companies. At Elysian, James loves to give back to his community by leading a free group boot camp class on the weekends for the residents of Elysian.

- Social

Brianna and Chelsea just graduated from University of Maryland College Park last spring. Due to the pandemic, it has been hard to find a job. Currently, they are both working in nearby retail businesses. Brianna and Chelsea both enjoy being social and love creating social club groups for the residents of Elysian. When it is nice out the pair can be seen mingling with the new residents on the rooftop.

- Environmental

Newlyweds Darnell and Allie have two kids Logan and Leila. This family loves Elysian because of the environmental connection between Elysian and the “Maker Alley” trail. Every Saturday Darnell and Allie take their kids biking on the trail.

- Emotional

Single adult Alexis has been struggling emotionally during the pandemic. Feeling alone and isolated, Alexis needed a change. Alexis’s coworker told her about Elysian and told her that Elysian hosts an anonymous free counseling space that is only offered to the residents of Elysian. Since Alexis moved to Elysian, she has learned to cope with stress and enjoy the satisfaction of creating relationships while living in the community.

- Occupational

Local farmer couple William and Sydney enjoy providing communities with fresh veggies and fruits. Until Elysian was developed there were not many farmer's market options for them to sell their goods. Every Saturday and Sunday William and Sydney love attending Elysian's farmer is not only on the notion that this is a job that they love but that they have a sense of pride for helping a community that might not have many options for fresh produce at an affordable rate.

- Financial

Cameron is a new business owner that decides to strike on his own to bring to the community a new healthy smoothie bar option to the area. Cameron decided to take his business to Elysian because it is the newest mixed-use development in Seat Pleasant offering retail space. Since Elysian's storefronts face Martin Luther King Hwy, Cameron believes this will give his business the traffic he needs to thrive.

The important aspects to these individuals of living in an apartment community are a sense of safety, healthy food options, family fun activities and having a sense of belonging. These families have different living arrangements: married couples, single parents, grandparents, young adults. The average household size in this area is 2.6. Nearly three-fourths of all households have one or two vehicles at their disposal. More than half have either attended college or obtained a degree.

Marketing Budgets

We are budgeting about \$170/unit for marketing costs. Marketing techniques included in the budget will be internet/website costs, special enhancements/upgrades, email services, customer surveys, tracking services, referral fees, promo supplies, special promos, and social activities for residents.

Goals for Elysian

- Achieve 95% stabilization within the opening year.
- Lease up 20% of overall units each month.

Marketing Techniques

In terms of marketing, 18 months out from tenant move-in, we expect construction plans are in and groundbreaking has begun. At this step, we will start to send our press releases, claim social media profiles, and request signage. 12 months out, development should be 50% complete and we plan to start collecting leads, developing a waiting list, and getting the website through production. Six to nine months out, there should be a buzz around town, and we are constantly engaging with our potential renters by progress updates, conducting safe onsite

tours. Three months out plan to launch the website, launch social media/google ads, and print marketing needs. One month out construction completion dates are solid, and we are planning a grand opening event. Finally, a tenant move-in, we are collecting reviews from first residents, creating resident events, obtaining referrals from existing residents and having existing residents to speak with new residents about living at Elysian.

Below are additional marketing techniques Related Development plans to use for Elysian.

- Build a website
- Conduct 3D Matterport Scans
- Hire a real estate photographer
- Create a blog
- Engage in content marketing
- Install Google Analytics
- Create a lead generation tool “Squeeze Page”
- Have a social media presence
- Leverage social media influencers followers
- Offer to host social media launch events in the common areas of the building.
- Build a free offer
- Use email marketing campaigns
- Referral System
- Ask for reviews and respond to reviews on Yelp
- Build profile on Zillow.com, apartments.com,
- Host Open Houses / Residents Events

Management Contract

Related Development plans to partner with Bozzuto Group to manage Elysian. The Bozzuto Group is headquartered in Greenbelt, Maryland and manages over 80,000 residences across 12 states. They have a portfolio value of \$15 billion. Bozzuto is a major property manager. The Bozzuto Group will handle residential leasing and management, lease-up and transitions, advisory services, retail management and tenant coordination, sustainability, and maintenance and engineering.

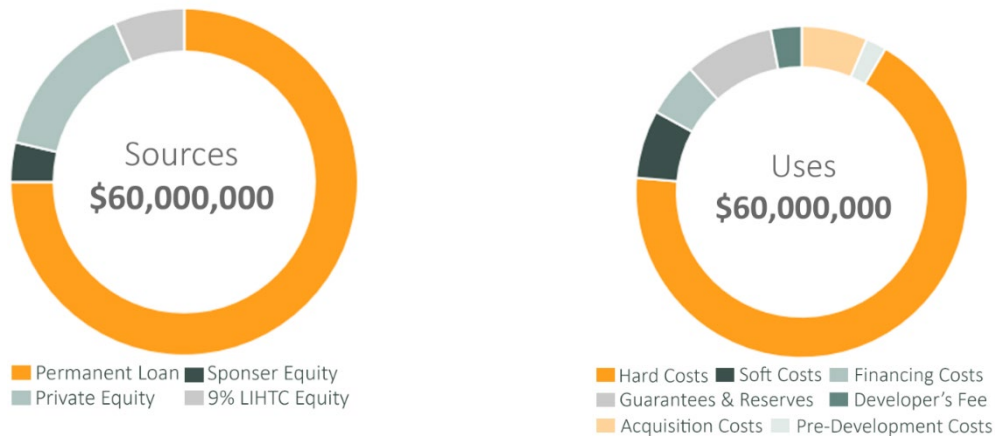
The Bozzuto Group is accountable for day-to-day site operations, creating new leases, training of personnel, processing all vendor payments, maintenance bank accounts, balance of bank statements, cash management, submission of monthly financial statements. The management fee is 3% of all monthly collections.

Staffing Organizational Chart

On-site staffing consists of a property manager, assistant manager, two leasing consultants, service manager, service tech, painter, housekeeper, and summer help. The corporate regional supervisor visits the property no less than once bi-weekly and conducts an extensive site checklist each month.

XII. Final Financial Analysis & Pro Forma

The following charts depict the sources and uses for the Elysian development.



The permanent loan will be serviced through Dwight Capital, LLC Real Estate Finance and Investment. Dwight Capital, LLC is a large commercial real estate finance company that provides FHA/HUD, bridge, mezzanine financing and preferred equity for stabilized and new-construction properties. Dwight Capital is one of the largest FHA/HUD lenders for multifamily and healthcare properties in the United States.

Loan Term Assumptions

The permanent loan will be a HUD 221 (d)(4) loan from Dwight Capital, LLC Real Estate Finance, and Investment. The minimum loan amount for this loan is \$2 million. The minimum debt service coverage ratio is 1.20 x 1 DSCR. The loan has a non-recourse loan with "Bad Boy" carve-outs. Bad Boy carve-outs provide personal liability against the borrower and the borrower's principals if any bad acts are committed by the borrower or borrower's principals. Bad boy acts include waste, fraud, misappropriation, bankruptcy, violation of SPE covenants or incur additional debt without consent from the lender. There is a prepayment term of a two-year lock-out period. An assumption of interest rate is 4.45%. This was identified based on the current market. However, the interest rate is subject to Dwight Capital, LLC. The interest rate

can be locked-in from 30 - 180 days. There will be a mortgage insurance premium added to the loan. Elysian will be an energy efficient property which will make the mortgage insurance premium 0.25%. The term loan is a three-year interest only construction loan, followed by a 30 year fully amortizing loan. This loan does have the option for 40 years fully amortizing however, we are being conservative with the term amount due to possible uncertainty after COVID-19.

Key Forma Assumptions

The financial strategy for this development will be buy, develop, hold, and sell in year 15. During build out we plan to pre-lease units starting at 75% construction complete.

- Debt Ratios - 75% Loan-To-Value
- Interest Rates - 4.45%
- Term - 30 Years
- Exit Term - Year 15
- NOI Year 1 - \$3,336,231; NOI Year 15 - \$5,451,019
- Stabilization Year - 4
- Construction Term - 2 Years
- Pre-Development Years - 1 Year

Sources of Capital Stack

- Permanent Loan - \$45,000,000
- Sponsor Equity – \$2,213,084
- Private Equity - \$8,852,336
- (9%) LIHTC Equity - \$3,934,580
- Total Sources - \$60,000,000

Sources of Uses

- Acquisition Costs - \$3,858,516
- Pre-Development Costs - \$1,200,000
- Hard Costs - \$40,759,156
- Soft Costs - \$3,991,538
- Financing Costs - \$3,156,500
- Guarantees & Reserves - \$5,234,291
- Developer's Fee - \$1,800,000
- Total Project Costs - \$60,000,000

Financial Returns

- Total Equity Investment – \$11,065,420; Total Pre-Tax Profit - \$95,145,054
- General Partner Requested Equity – \$8,852,336
- General Partner Profit – \$88,139,160
- Leveraged IRR – 16%

- Unleveraged IRR – 33%
- Cash on Cash Return (Year 15) – 31%
- Equity Multiplier – 8.60
- Developer Fee - 3%

Sensitivity Analysis

Higher Fixed Interest Rate Risk – (85%LTV at 5.45% Interest Rate & 90%LTV at 6.45% Interest Rate) The pro forma showed to be less financially attractive with negative cash flow in the earlier years of the loan due to a higher interest. Longer Hold Period (20 & 25 Years) – The pro forma showed lower internal rate of return. 20% Higher Land & Construction Land Costs – The pro forma showed negative cash flow in the earlier years of the loan and an eight percent internal rate of return (leveraged) at a holding period of 20 years.

XIII. Closing Remarks

Access to opportunities can be influenced by multiple factors such as, neighborhoods and networks, policies and systems, and homes and buildings. The neighborhoods we live in and the people we interact with help shape and form our opportunity outcomes. This includes where we send our children to school, access to health services, connections to job openings, walkable green spaces, and more. The policies and social systems at every government level – local, state, and federal – has a great influence on community resources, opportunities, and decisions. Any level of government can impact social safety for our families, affordable healthcare, and the decision to revitalize an area. The homes and buildings in our communities can determine the foundation for stability and economic security. We know that it will take more than just one development to provide additional opportunities in Seat Pleasant. However, Elysian is the spark of innovation for improving the overall health of the Seat Pleasant community. These are the key project opportunities that we believe Elysian can provide to the residents of Seat Pleasant.

Economic

- Generating additional tax revenue for the Seat Pleasant Community and reducing the economic leakage by providing the residents with products they need.
- Provide additional jobs to the residents of Seat Pleasant.

Social and Demographics

- Providing a safer pedestrian friendly Martin Luther King, Jr. Hwy through accessible and continuous sidewalks, high-visibility crosswalks, speed cameras, lower speed limit from 30 mph to 20 mph, traffic signs, and road markings.

- Access to healthy foods by providing the community with more options for fresh fruits and vegetables instead of processed, shelf-stable fast food which will lead to better health outcomes.
- Access to quality of living by providing the community with stable, safe, and affordable housing options can create a foundation for stability and economic security.

Retail

- Beginning to redevelop the commercial corridors and removing the blighted areas.
- Increase community engagement by increasing property values and bringing in businesses to fill empty storefronts.

Seat Pleasant's Infrastructure

- Strengthen infrastructure through improving nearby roads, water and sewer pipes, and sidewalks.

Even though we cannot change history, we can look forward to a brighter future on step at a time. At Related Development, Inc. we believe that people matter, homes and buildings matter, and neighborhoods and networks matter. We believe that Elysian will provide a safe and affordable home that can be a pathway to opportunity, setting a foundation for stability and economic security.

Appendix B

The background of the page is a complex geometric pattern composed of various shapes in two colors: a light orange and a very light, almost white, color. The pattern includes large squares, triangles of different sizes, and trapezoids. Some shapes are solid orange, while others are white with orange borders. The overall effect is a modern, minimalist design. The text 'Appendix B' is positioned in the upper right corner, rendered in a clean, white, sans-serif typeface.

PROJECT SUMMARY

The site is located at 5909 Martin Luther King Jr highway, Seat Pleasant, Maryland 20743 within census tract 8029.01. This site is approximately 2.68 acres or 117,058 square feet in size. The site is currently is being used for commercial uses including a gas station and a few fast-food restaurants surrounded by parking spaces and vacant lands. The site is triangular in shape and has frontage along the intersection of Martin Luther King Jr. highway, Adison road, and Seat Pleasant drive. The site is zoned for Mixed-use (M-U-I), which allows for a variety of uses including residential, retail, and recreational uses amount other commercial uses.

This project ***“Paragon”*** is planned to include a total of 150 residential units including one, two, and three-bedroom apartments. Its amenities would include a rooftop deck with grilling stations, outdoor kitchen, fitness facility, media room, landscaped courtyard, structured shared parking with bicycle storage and 24-hour concierge service. For the retail space, the project is looking to incorporate public art and exhibition spaces by bringing a food market with bars, brewery, and a gallery space.

Project Vision



Paragon will evaluate opportunities to maximize value and identify significant risks associated with environmental and social issues. Our main goal is to create an environmentally sustainable and socially inclusive future for the City of Seat Pleasant. We support cleaner and healthier environment and embrace dynamic, walkable, and human-scale neighborhoods animated by green spaces.

Our Objectives:

- Support local communities and reduce environmental impacts
- Provide housing for all income levels
- Scale community value by building new assets and amenities
- Enhance economic opportunity for the locals.
- Support transportation efficiency and easy access
- Comply with federal, state, and local policies.

Our Strategy:

The success of this project depends largely on how well we engage the community of Seat Pleasant with our project. We will establish strong community engagement from a very early stage in the process to identify the needs and ensure our project responds to those needs. Inputs from community leaders and stakeholders overall will support our development ideas and guarantee that this project will be an addition to the neighborhood that everyone can be proud of.

Our development team will conduct a series of meeting with individual stakeholder groups to discuss existing conditions around the project site and provide possible solutions. These groups meetings include, but are not limited to, meetings with Planning Board of Prince George's county, City of Seat Pleasant, NAHB (National Association of Homebuilders), MNCPPC Maryland National Capital Park and Planning Commission, Opinion leaders, and Neighborhoods Associations.

We intent to partner up with local governmental agencies that offer a broad range of loan, grants, and technical assistance programs and help the community and development projects like this one to make great places for people to live, work, and prosper.

Paragon encourages development that balances meeting pressing housing needs, ensuring high quality construction that is attractive, efficient, and sustainable, and investing resources in responsible manner

Opportunities

Our project site is located at 6909 Martin Luther King Jr highway, Seat Pleasant, Maryland 20743 within a revitalization zone which provides opportunities and state resources to facilitate the creation of a sustainable environment in Seat Pleasant. These opportunities are:

- Maryland Opportunity Zone (FED) Opportunity Zone: 24033802901
- Sustainable Communities (DHCD) Central Avenue Blue Line Metro Corridor
- Priority Funding Areas
- Enterprise Zone Focus Areas (Commerce)

DESCRIPTION OF PROPOSED PROJECT**Unit mix and Size**

The project is proposing a new construction 4-story building with 60 affordable units and 90 market-rate units. The project will consist of 75 one-bedroom units, 60 two-bedroom units, and 15 three-bedroom units. Additionally, this project will offer 28,500 square feet of commercial space. Please see breakdown in the following tables.

UNIT MIX AND SQUARE FOOTAGE - RESIDENTIAL

Unit type	Number of Units	Unit Size (SF)	Net SF
1 Bedroom	75	758	56,850
2 Bedroom	60	1152	69,120
3 Bedroom	15	1547	23,205
Total	150		149,175

UNIT MIX AND SQUARE FOOTAGE - COMMERCIAL

Unit type	Number of Units	Unit Size (SF)	Rentable SF
Commercial	1	28,500	28,500
Total	1		28,500

Proposed Rents

Sixty of the project units will be restricted to households with income levels at 60 percent of AMI or below. The remaining ninety units will be market rate units. This table shows the proposed unit sizes and asking rents.

PROPOSED RENTS

Unit type	Unit Size SF	Number of Units	Asking Rent
Market			
1 Bedroom	758	45	1,548
2 Bedroom	1152	36	1,765
3 Bedroom	1547	9	2,263
@60%			
1 Bedroom	758	30	1,251
2 Bedroom	1152	24	1,541
3 Bedroom	1547	6	1,813
		150	

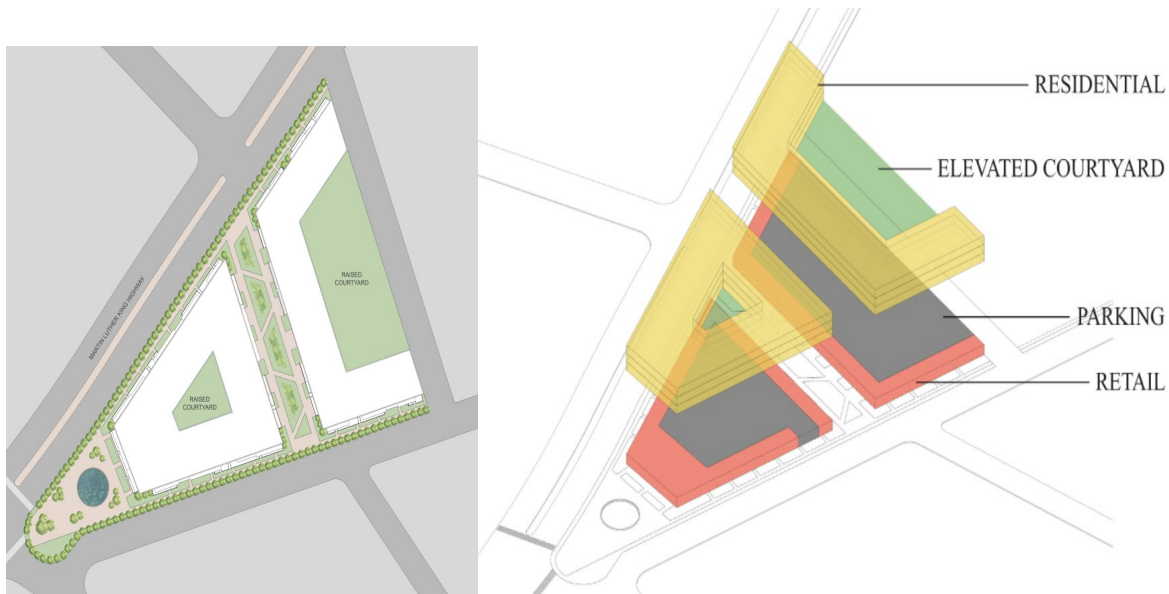
The commercial space on the first floor of the residential building will consist of 28,500 square feet

PROPOSED COMMERCIAL RENTS

Unit type	Unit Size (SF)	Annual Rent PSF(NNN)
Commercial	28,500	\$ 25.00

Parking

According to Subregion 4 Master Plan, the minimum surface parking spaces shall be 80 percent of the minimum required parking and loading as stated by Section 27-568(a) of Part II if the Zoning Ordinance and should be located on the interior or the block or at the ear of the property and should be accessed from a side street or entrance drive aisle. Therefore, for this project a total of 170 parking spaces will be provided.



Images: Architect Nicole Hinkle

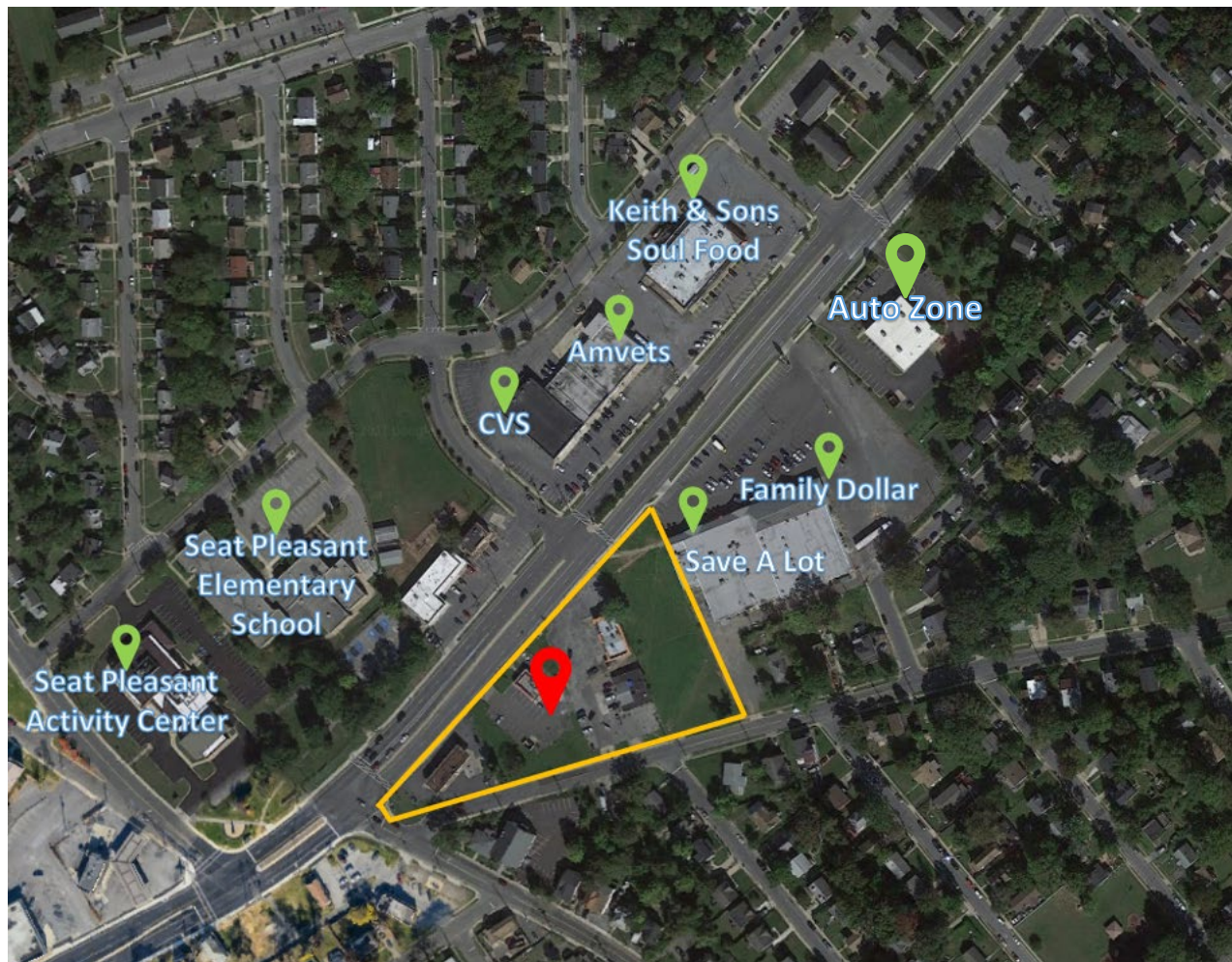
PROJECT LOCATION AND NEIGHBORHOOD CHARACTERISTICS

Location and Accessibility

Paragon will be located at 5909 Martin Luther King Jr. Highway in the city of Seat Pleasant, which is located directly east of Washington D.C.'s border, approximately 0.3 miles west of the site. The City of Seat Pleasant is located within the Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area (MSA).

The site is accessible from the south side of Martin Luther King Jr Hwy and north side of Seat Pleasant Dr. Martin Luther King Jr Hwy is a four-to six lane road that connects the northern Prince George's County communities of Seat Pleasant, Landover, Glenarden, and Lanham. To the west Martin Luther King Jr Hwy turns into 63rd St NE and provides access to Washington D.C. Interstate 495 is accessible to the east of Martin Luther King Jr Hwy via Landover Rd and provides access to numerous cities surrounding Washington D.C. along with access to interstate 95, 270, and 395. Overall, accessibility and traffic flow to the site are excellent.

Site Neighborhood



Higher Education

The top campus of the University of Maryland system is the University of Maryland College Park located within Prince George's County approximately 9.0 miles north of the site with approximately 41,200 students. The Prince George's County Community College is approximately 6.3 miles east of the site with approximately 40,000 students. Both schools are outside the primary market area.

Healthcare

UM Prince George's Hospital Center is the nearest hospital, approximately 4.3 miles north of the site. This hospital is the primary provider of medical services in the Prince George's County and it offers a wide range of services.

Retail

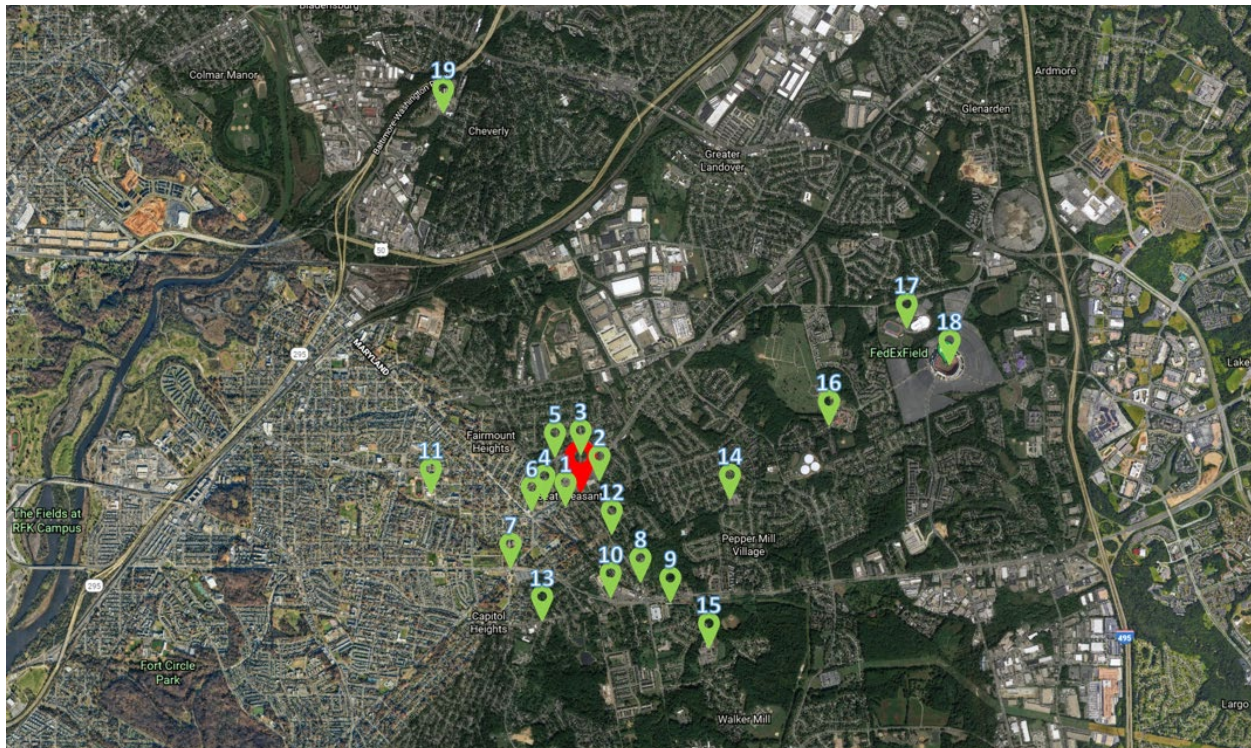
Larger retailers such as Safeway, CVS/Pharmacy, Dollar Tree, McDonalds, Taco Bell, and Planet Fitness are in the Addison Plaza shopping center located 1.1 miles from the site.

Availability of Utilities

Utilities are available in this neighborhood. Electricity: Baltimore Gas and Electric, Potomac Electric Power Company, and Southern Maryland Electric Cooperative, Inc. Gas: Natural gas supplied by Baltimore Gas and Electric and Washington Gas. Water and Sewer: Washington Suburban Sanitary Commission. Telecommunications: Verizon, Comcast, Level 3 Communications, AT&T, Sprint, Cavalier, Cox.

Proximity to Local Services

The following map and table show the locations and distances of various services in relation to the site.



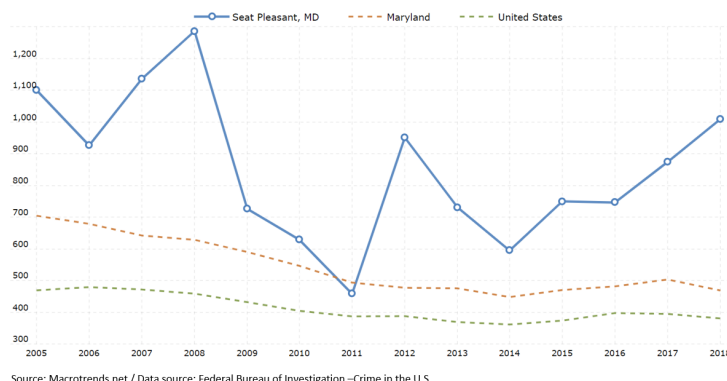
LOCAL AMENITIES

Map #	Service or Amenity	Distance from Site
1	Bus Stop	<0.1 miles
2	Save A lot Grocery	<0.1miles
3	CVS	0.1 miles
4	Seat Pleasant Activity Center	0.1 miles
5	Seat Pleasant Elementary School	0.1 miles
6	Bank of America	0.3 miles
7	Capitol Heights Station	1.0 miles
8	Fire Department	1.0 miles
9	Addison Road Metro Station	1.1 miles
10	Addison Plaza	1.1 miles
11	H.D Woodson High School	1.2 miles
12	Seat Pleasant Police Department	0.5 miles
13	Post Office	1.5 miles
14	Carmody Hills Elementary School	1.5 miles
15	Central High School	2.2 miles
16	James Gholson Middle School	3.0 miles
17	Prince George's Sports & Learning Complex	2.9 miles
18	FedEx Field	3.3 miles
19	Prince George's Hospital	4.3 miles

Crime Statistics

According to the Federal Bureau of Investigation historical data, Seat Pleasant continues to have violent crime indices above those of Maryland and the Nation. In 2018, the total crime rate per 100,000 population in Seat Pleasant was 1,009, compared to 469 in Maryland and only 381 in the Nation. However, most recent data from 2019 shows that Seat Pleasant decreased violent crime indices to 749, reducing aggravated assaults crime rate approximately by 304 and homicides by 20. These reductions were slightly offset by robbery which had a 65-crime rate increase during the same period. Same data shows 0 rates for rape since 2014 in the City of Seat Pleasant. In 2019, property crime indices in Seat pleasant also declined. From a crime index of 2,697 in 2018, it went down to 2,166 in 2019. Decline in property crime was mainly driven by less larceny theft, motor vehicle theft, and burglary which were reduced by 271, 201, and 59 respectively.

As we can see in the graph below, the crime rates in Seat Pleasant have fluctuated a lot over the years. However, there is optimism amount the community. Many people think that even though the city is dogged by the perception it is an unsafe place, they are starting to notice positive changes. Projects like Paragon will definitely help changing the negative perception the city currently has. Given the high crime rate in Seat Pleasant, Paragon will propose security features to prevent crime and offer intercom system and controlled access.



Neighborhood Housing Stock

According to Census Bureau, the median home value in the census tract 8029.01 (approximately 1-mile radius of the site) is \$231,700. The surrounding housing stock in the site neighborhood includes single-family residential developments and commercial uses that maintain average-to-good conditions.

NEIGHBORHOOD ANALYSIS		
	Census Tract 8029.01	PMA
	2019	2019
Owner-Occupied Housing Units	58.5%	44.8%
Renter-Occupied Housing Units	38.1%	46.1%
Vacant Housing Units	3.4%	9.0%
2019 Median Household Income	\$49,784	\$56,406
2019-2025 MHI Annual Growth	3.8%	3.8%
2019 Median Home Value	\$231,700	\$248,300

Source: U.S Census Bureau, 2019 Financial Characteristics ACS 5-year Estimates Subject Tables

This table shows the percentage of renter households within census tract 8029.01 lower than the PMA. According to 2019 financial characteristics report from the census bureau, approximately 38.1 percent of the occupied housing units within census tract 8029.01 are renter occupied, compared to 46.1 percent renter-occupied percentage housing units in the PMA.

The median household income within the census tract 8029.01 is projected to increase 3.8 percent annually through 2025 along with the annual growth for the PMA.

Vacancy rates for both, census tract 8029.01 and the PMA are relatively low at 3.4 percent and 9.0 percent respectively.

PRIMARY MARKET AREA DEFINITION



The primary market area (PMA) is bordered by Landover Road on the north, Interstate 495 on the east, Suitland Parkway on the south, and Highway 295 on the west. This is the area from which Paragon expect to receive its potential demand. As secondary market (SMA), we are using the metropolitan statistical area Washington-Arlington-Alexandria, DC-VA-MD-WV. To obtain the statistical data for the PMA area, we are using the following census tracts from the US Census Bureau

Prince George's County Maryland

Census Tract 8020.01	Census Tract 8024.07
Census Tract 8020.02	Census Tract 8024.08
Census Tract 8021.03	Census Tract 8025.01
Census Tract 8021.04	Census Tract 8025.02
Census Tract 8021.06	Census Tract 8026
Census Tract 8021.07	Census Tract 8027
Census Tract 8022.03	Census Tract 8028.03
Census Tract 8022.04	Census Tract 8028.04
Census Tract 8023.01	Census Tract 8028.05
Census Tract 8024.04	Census Tract 8029.01
Census Tract 8024.05	Census Tract 8030.01
Census Tract 8024.06	Census Tract 8030.02

District of Columbia, District of Columbia

Census Tract 76.03	Census Tract 78.08
Census Tract 76.04	Census Tract 78.09
Census Tract 77.03	Census Tract 96.03
Census Tract 77.07	Census Tract 99.01
Census Tract 77.08	Census Tract 99.02
Census Tract 77.09	Census Tract 99.03
Census Tract 78.03	Census Tract 99.04
Census Tract 78.04	Census Tract 99.05
Census Tract 78.06	Census Tract 99.06
Census Tract 78.07	Census Tract 99.07

ECONOMIC BACKGROUND

This section illustrates the key economic indicators and findings of our analysis by including employment by industry, major employers, and unemployment trends. We considered data trends for the PMA and metropolitan statistical area (MSA).

Employment by Industry

This table shows the distribution of employment sectors by industry in the PMA and the nation. In 2019, employment in the PMA and the nation was mostly driven by healthcare/social assistance, professional/scientific/tech., and admin/support/waste mgmt. services. These sectors collectively comprise 36.2 percent of local employment in the PMA followed by 14.4 percent in public administration which is comparatively greater than the nation employment. All these industries are historically known to offer greater stability during economic downturns.

2019 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Health care and social assistance, and educational services	20,100	21.8%	36,971,212	23.3%
Professional, scientific, and management, and administrative and waste management services	13,318	14.4%	18,764,289	11.8%
Public administration	13,276	14.4%	7,140,292	4.5%
Arts, entertainment, and recreation, and accommodation and food services	9,690	10.5%	15,334,575	9.7%
Retail trade	8,785	9.5%	17,216,634	10.8%
Transportation and warehousing, and utilities	7,539	8.2%	8,938,005	5.6%
Construction	5,670	6.1%	11,036,894	7.0%
Other services, except public administration	5,158	5.6%	7,584,054	4.8%
Finance and insurance, and real estate and rental and leasing	4,313	4.7%	10,297,770	6.5%
Information	1,799	1.9%	2,959,616	1.9%
Manufacturing	1,534	1.7%	15,770,698	9.9%
Wholesale trade	1,065	1.2%	4,013,368	2.5%
Agriculture, forestry, fishing and hunting, and mining	105	0.1%	2,731,387	1.7%
Total Employment	92,352	100.0%	158,758,794	100.0%

Source: U.S Census Bureau, 2019 Industry for the Civilian employed population, 2019 ACS 5-Year Estimates Subject Tables

Employment and Unemployment Trends

The following table details employment and unemployment trends for the MSA and the nation from 2002 through 2020.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)									
WASHINGTON-ARLINGTON-ALEXANDRIA, DC-VA-MD-WV MSA					USA				
Year	Total Employment	%Change	Unemployment Rate	Change	Total Employment	%Change	Unemployment Rate	Change	
2002	2,665,673	-	3.9%	-	136,485,000	-	5.8%	-	
2003	2,682,624	0.6%	3.9%	0.0%	137,736,000	0.9%	6.0%	0.2%	
2004	2,729,743	1.8%	3.7%	-0.2%	139,252,000	1.1%	5.5%	-0.5%	
2005	2,803,963	2.7%	3.5%	-0.2%	141,730,000	1.8%	5.1%	-0.4%	
2006	2,867,910	2.3%	3.1%	-0.4%	144,427,000	1.9%	4.6%	-0.5%	
2007	2,905,565	1.3%	3.0%	-0.1%	146,047,000	1.1%	4.6%	1.2%	
2008	2,946,320	1.4%	3.7%	0.7%	145,363,000	-0.5%	5.8%	3.5%	
2009	2,893,543	-1.8%	6.0%	2.3%	139,878,000	-3.8%	9.3%	0.3%	
2010	2,950,674	2.0%	6.4%	0.4%	139,064,000	-0.6%	9.6%	-0.6%	
2011	3,002,205	1.7%	6.2%	-0.2%	139,869,000	0.6%	9.0%	-0.9%	
2012	3,047,895	1.5%	5.8%	-0.4%	142,469,000	1.9%	8.1%	-0.7%	
2013	3,075,645	0.9%	5.6%	-0.2%	143,929,000	1.0%	7.4%	-1.2%	
2014	3,097,433	0.7%	5.1%	-0.5%	146,305,000	1.7%	6.2%	-0.9%	
2015	3,127,735	1.0%	4.4%	-0.7%	148,833,000	1.7%	5.3%	-0.4%	
2016	3,186,597	1.9%	3.8%	-0.6%	151,436,000	1.7%	4.9%	-0.5%	
2017	3,263,886	2.4%	3.7%	-0.1%	153,308,000	1.2%	4.4%	-0.5%	
2018	3,291,126	0.8%	3.4%	-0.3%	155,754,075	1.6%	3.9%	-0.2%	
2019	3,361,521	2.1%	3.1%	-0.3%	157,488,057	1.1%	3.7%	4.4%	
2020	3,204,504	-4.7%	6.3%	3.2%	147,721,898	-6.2%	8.1%	-8.1%	

Source: Fred Economic data/ U.S. Bureau of Labor Statistics

The average employment growth in the MSA before the recession consistently good compared to the nations. During the recession the total MSA employment contracted by only 1.8 percent, less than the 4.9 percent contraction reported by the nation. The major industries driving employment in the MSA seem to be of great stability or less volatile during economic downturns therefore recovering faster from the recession, in 2010 the MSA employment recovered and surpassed employment levels prior to the recession. In 2016 and 2017 employment growth in the MSA was above national levels and contracted only 4.7 percent, less than the 6.2 percent decline reported by the nation during the pandemic in 2020.

Employment Contraction and Expansion

Recent economic and business expansions within Prince George County and the surrounding areas, demonstrate that the county has experienced tremendous growth over the past decade and is rapidly becoming the epicenter for economic development in the Washington Metropolitan Area. The median household income of residents is approximately \$83 thousand or \$20 thousand above national average. 95 percent of all business in Prince George County are small business. There are more than 914 thousand people who live in the county and 515 thousand work in the county. There are currently 7 colleges and 15 federal agencies in the county.

Our research also found that the following mega projects are currently taking place in Prince George's County:

- **University of Maryland Capital Region Medical Center:** The \$543 million 205 bed teaching medical center is under construction on 26 acres adjacent to the Largo Metro station and the Boulevard at the Capital Centre.
- **University of Maryland Discovery District:** the discovery District encompasses more than 150 acres located between the university of Maryland College Park and the research-rich and metro accessible M-square research park along River Road.
- **Hampton Park:** This 24.5-acre mixed use project is located adjacent to the Capital Beltway along Central Avenue near the site for the new Regional Medical Center. This redevelopment project will consist of 600 multifamily units, 135,000 square feet of retail, 125,000 square feet of office, and 250-room hotel.
- **Largo Town Center/Boulevard at the Capital Centre:** The Boulevard at The Capital Centre is conveniently located in Largo, MD, adjacent to the Largo Metro station. The shopping center is planned for a major redevelopment to accompany the \$543 million University of Maryland Capital Regional Medical Center that is under construction next to the shopping center. The owner of the shopping center, RPAI, is planning to replace the current movie theater with a new state-of-the-art movie theater, add a medical office building, a park, new upscale restaurants, more retail stores, and a hotel.
- **Purple Line:** A \$2 billion 16-mile light rail transit system with 21 passenger stations is under construction. The Purple Line will extend inside the Capital Beltway from New Carrollton in Prince George's county to Bethesda in Montgomery county. There will be 11 passenger stations in Prince George's County connecting central business districts and Metro and MARC stations.
- **New Carrollton Mixed Use Development:** A 49-acre development project is underway adjacent to the New Carrollton Metro/MARC/Amtrak station. A 176,000 square foot office building with a parking garage is under construction for Kaiser Permanente of the Mid-Atlantic's administrative and information technology operation. The project will also include 1,500 residential units, 1.1 million square feet of retail space and a 200-room hotel.
- **Central Avenue Connector Trail (CACT):** The Central Avenue Connector Trail will connect four blue line Metro Station: Capitol Heights, Addison Road, Morgan Boulevard, and Largo Metro stations. This trail will encourage pedestrian and bicycle commuting and promote improved public health through the development of a built environment that provides recreational opportunities and encourages people to adopt healthier, more active lifestyles. The trail will also be an important community amenity that will help to spur economic development and revitalize surrounding communities by providing infrastructure to support transit-oriented development and attract private investment.

According to the most recent publications made by the Maryland Department of Labor, Licensing and Regulation, there have been thirty-five WARN notices (Worker Adjustment and Retraining Notification Act) in Prince George's County between 2020 and 2021-YTD totaling more than six thousand jobs affected. Forty-two percent of the total notices were in the Hotel sector, twelve percent were in Transit Systems/Car Rental sector, eleven percent were in the Restaurant sector, and about ten percent in the Casinos/Other Gambling sector. It is important to note that majority of these layoffs were caused by the pandemic and the social distancing strategy to stop COVID-19 spread.

WARN LISTINGS (2020-2021)

Prince George's County				
Notice Date	Company	Industry	Affected Employees	Effective Date
6/15/2020	Gaylord National Harbor Resort and Conference	Hotels (except Casino Hotels) and Motels	2,077	3/11/2020
1/29/2020	Collington Distribution Center	General Warehousing and Storage	520	8/1/2020
1/6/2021	MGM National Harbor	Casino Hotels	518	12/16/2020
6/24/2020	Purple Line Transit Constructors, LLC	Mixed Mode Transit Systems	478	8/23/2020
4/27/2020	OS Restaurant, LLC d/b/a Outback Steakhouse	Full-Service Restaurants	329	4/27/2020
5/8/2020	Transdev Services, Inc.	All Other Transit and Ground Passenger	194	6/30/2020
6/5/2020	College Park Marriott Hotel & Conference Center	Hotels (except Casino Hotels) and Motels	179	3/14/2020
3/25/2020	ALSCO	Linen Supply	171	3/20/2020
3/19/2020	Hotel at UMCP	Hotels (except Casino Hotels) and Motels	150	3/19/2020
6/24/2020	Lane Construction Corporation	Other Heavy and Civil Engineering Construction	125	8/23/2020
3/23/2020	Delta Bingo & Gaming	Other Gambling Industries	122	3/30/2020
9/22/2020	Rosa Mexicano National Harbor, LLC	Full-Service Restaurants	115	3/16/2020
5/8/2020	Protocall Communications, Inc.	Telemarketing Bureaus and Other Contact Centers	110	3/23/2020
7/17/2020	JC Penney	Department Stores	94	9/27/2020
6/24/2020	Fluor Enterprises, Inc.	Other Heavy and Civil Engineering Construction	87	8/23/2020
3/18/2020	SP Plus Corporation	Parking Lots and Garages	85	3/15/2020
1/6/2021	Macy's	Department Stores	81	3/14/2021
5/15/2020	The Westin - Washington National Harbor	Hotels (except Casino Hotels) and Motels	68	3/28/2020
4/27/2020	OS Restaurant, LLC d/b/a Carraba's	Full-Service Restaurants	66	4/27/2020
4/22/2020	Enterprise Holdings	Passenger Car Rental	65	4/30/2020
4/3/2020	Bond 45	Full-Service Restaurants	62	3/16/2020
3/30/2020	Maximus Federal Services	Facilities Support Services	55	7/1/2020
6/18/2020	AC Hotel National Harbor	Hotels (except Casino Hotels) and Motels	54	3/10/2020
4/27/2020	OS Restaurant, LLC d/b/a Bonefish Grill	Full-Service Restaurants	46	4/27/2020
5/15/2020	Hooters of America, LLC	Full-Service Restaurants	36	3/16/2020
4/23/2020	Visionworks	Optical Goods Stores	35	4/4/2020
4/8/2020	RTW Retailwinds d/b/a New York & Company	Women's Clothing Stores	32	3/29/2020
9/21/2020	Freeman Expositions, LLC	Convention and Trade Show Organizers	31	6/30/2020
6/24/2020	Traylor Bros., Inc.	Commercial and Institutional Building	28	8/23/2020
5/4/2020	Capital Digestive Care	Offices of Physicians (except Mental Health)	27	3/30/2020
4/8/2020	RTW Retailwinds d/b/a Fashion to Figure	Women's Clothing Stores	8	3/29/2020
11/5/2020	Pet Valu, Inc.	Pet and Pet Supplies Stores	3	1/6/2021
8/7/2020	Guest Services, Inc.	Fresh Fruit and Vegetable Merchant Wholesalers	2	9/25/2020
3/31/2020	Ahern Rentals, Inc.	Construction, Mining, and Forestry Machinery and	1	3/30/2020
9/21/2020	Freeman Digi Ventures, LLC	Convention and Trade Show Organizers	1	6/30/2020
TOTAL			6,055	

Source: Maryland department of Labor, Licensing & Regulation

Major Employers

The largest employers in Prince George County are concentrated in Education, Military, and Federal Government. The University Systems of Maryland is the state's public higher education system and the largest employer in Prince George's County. University of Maryland -College Park, UMUC, and Bowie State University compress approximately 27.4 percent of total employment in the county. Followed by the Joint Base Andrews with 23.7 percent and federal agencies such as the IRS and Census Bureau with 12.6 percent. Thus, the city of Seat Pleasant's economy is highly dependent on the quality of its largest employers and their ability to attract outside capital.

The following table shows the largest employers in Prince George's County

MAJOR EMPLOYERS (2018-2019)

Employer	Product/Service	Employment
University System of Maryland*	Higher education	20,250
Joint Base Andrews Naval Air Facility Washington**	Military installation	17,500
U.S. Internal Revenue Svc.**	Revenue collection	4,735
U.S. Census Bureau**	Demographic research	4,605
NASA - Goddard Space Flight Center**	Space research	3,000
United Parcel Service (UPS)	Mail and package delivery	3,000
MGM National Harbor	Casino gaming	2,785
Marriott International	Hotels and motels	2,200
Prince George's Community College	Higher education	2,045
Natl. Maritime Intelligence-Integration Office**	Maritime intelligence analysis	1,890
University of Maryland Capital Region Health	Medical services	1,800
Verizon	Telecommunications	1,800
U.S. Dept. of Agriculture**	Agricultural research	1,725
Melwood	Social services	1,400
National Oceanic and Atmospheric Admin.**	Weather analysis and reporting	1,375
Doctors Community Hospital	Medical services	1,300
MedStar Southern Maryland Hospital Center	Medical services	1,240
Adelphi Laboratory Center**	Military installation	1,235

Excludes post offices, state and local governments, national retail and national foodservice; includes higher education

*Includes UMCP, UMUC and Bowie State University

**Employee counts for federal and military facilities exclude contractors to the extent possible; embedded contractors may be included

Source: Prince George's County Economic Development Corporation; Maryland Department of Commerce

Wages by Occupation

This table shows average hourly and annual wages by employment classification and details the number of employees in the MSA as of May 2019 which is the most recent information available.

WASHINGTON-ARLINGTON-ALEXANDRIA, DC-VA-MD-WV MSA

May 2019 Metropolitan Area Occupational Employment and Wages Estimates

Occupation	Total Employees	Mean Hourly Wage	Mean Annual Wage
All Occupations	3,179,340	34.90	72,600
Management Occupations	254,570	72.53	150,870
Business and Financial Operations Occupations	323,820	46.13	95,950
Computer and Mathematical Occupations	242,090	52.23	108,640
Architecture and Engineering Occupations	62,800	51.10	106,280
Life, Physical, and Social Science Occupations	63,660	51.57	107,270
Community and Social Service Occupations	43,000	29.45	61,260
Legal Occupations	68,860	69.87	145,320
Educational Instruction and Library Occupations	202,570	32.34	67,260
Arts, Design, Entertainment, Sports, and Media Occupations	74,450	40.87	85,000
Healthcare Practitioners and Technical Occupations	150,380	46.77	97,290
Healthcare Support Occupations	93,760	16.51	34,350
Protective Service Occupations	92,140	28.69	59,680
Food Preparation and Serving Related Occupations	256,020	14.63	30,420
Building and Grounds Cleaning and Maintenance Occupations	103,140	16.36	34,030
Personal Care and Service Occupations	78,760	16.33	33,960
Sales and Related Occupations	272,300	22.68	47,180
Office and Administrative Support Occupations	358,860	23.21	48,270
Farming, Fishing, and Forestry Occupations	1,780	19.83	41,240
Construction and Extraction Occupations	117,590	25.52	53,070
Installation, Maintenance, and Repair Occupations	96,050	27.62	57,440
Production Occupations	54,340	21.03	43,740
Transportation and Material Moving Occupations	168,420	19.78	41,140

Source: Department of Labor, Occupational Employment Statistics, May/2019

The classification with the lowest average hourly wage is Transportation and Material Moving Occupations, at \$19.78 per hour. The Highest hourly wage of \$72.53 is for Management Occupations.

The qualifying incomes for our market rate and affordable units encompasses a significant portion of the employment in the area.

Employment Projections

To determine an appropriate projection, we visited the Maryland Department of Labor, Licensing, and Regulation's website and analyzed the *Maryland Employment Projections 2016-2026* report. According to this report total occupations in Prince George's County and its workforce development area are projected to increase 8.2 percent or 26,358 jobs from 2016 to 2026. This information demonstrates the continued need for housing in the region.

PRINCE GEORGE'S COUNTY WDA - EMPLOYMENT BY INDUSTRY

Industry Title	Employment 2016	Employment 2026	Number Change 2016-2026	Percent Growth 2016-2026
All Occupations	321,217	347,575	26,358	8.2%

Source: Maryland Department of Labor, Licensing & Regulation

On an annual basis, the projected growth in Prince George's County is equal to a net increase of 2,636 jobs. To estimate the percentage share of jobs in the PMA, we considered the population in the Prince George's County versus the PMA and obtained a ratio of 21.1 percent. This percentage share of projected annual job growth will be allocated in the PMA. Therefore, at least 557 new jobs annually will be allocated in the PMA. It would be reasonable to assume that the PMA could have a larger concentration of jobs than this population ratio indicates given that the PMA includes Capital Heights, Forestville, and Suitland-Silver Hill. This demonstrates a continued demand for rental housing units within the PMA.

DEMOGRAPHIC ANALYSIS

Population and Households

The following tables illustrate general population and household trends in PMA, the metropolitan statistical area, and the nation from 2000 through 2025.

POPULATION						
Year	PMA		Washington-Arlington-Alexandria, DC-VA-MD-WV- MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	163,065	-	4,796,183	-	281,421,906	-
2010	177,213	0.9%	5,582,170	1.6%	308,745,538	1.0%
2019	192,202	0.9%	6,280,487	1.4%	328,239,523	0.7%
2025	204,846	1.1%	6,891,567	1.6%	344,358,829	0.8%

Source: U.S Census Bureau, 2000-2010 DEC Summary File 1, 2019: ACS

HOUSEHOLDS						
Year	PMA		Washington-Arlington-Alexandria, DC-VA-MD-WV- MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	61,888	-	1,815,141	-	105,539,122	-
2010	70,135	1.3%	2,042,154	1.3%	114,567,419	0.9%
2019	73,036	0.5%	2,251,002	1.1%	122,802,852	0.8%
2025	76,393	0.8%	2,430,052	1.3%	129,668,623	0.9%

Source: U.S Census Bureau, 2000-2019 ACS, 2000 DEC Summary File 1

The PMA have experienced positive population growth between 2000 and 2019 but continue to fall behind the metropolitan statistical area which reported higher growth during the same period. Although, the PMA population growth was slightly lower than nation growth in 2010, it surpassed the nation in 2019 and it is expected to increase at a higher rate by 2025. The population growth in the metropolitan statistical area is expected to be higher than both PMA and Nation in the following years.

For four decades, the City of Seat Pleasant has lost population. Today, its population is homogeneous, with incomes and higher education levels below the regional average. Fortunately, the tide seems to be turning as the City of Seat Pleasant has slowly grown its population since 2010 through 2019. With a population of 4,739 in 2019, the demographic projections for the city of Seat Pleasant are expected to conservatively increase by 0.4 percent annually through 2025. Household growth is also predicted to follow the same patterns as population growth through 2025.

Household Income Distribution

This table illustrates the household income distribution in 2019 and 2025 for PMA and metropolitan statistical area.

HOUSEHOLD INCOME -PMA

PMA						
Income Cohort	2019		2025		Annual Change 2019-2025	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	5,967	8.2%	6,035	7.9%	11.34	0.2%
\$10,000-19,999	6,508	8.9%	6,646	8.7%	23.03	0.4%
\$20,000-34,999	8,994	12.3%	9,091	11.9%	16.12	0.2%
\$35,000-49,999	8,402	11.5%	8,480	11.1%	12.93	0.2%
\$50,000-74,999	14,629	20.0%	15,126	19.8%	82.79	0.6%
\$75,000-99,999	10,116	13.9%	10,695	14.0%	96.50	1.0%
\$100,000-149,999	11,165	15.3%	12,070	15.8%	150.84	1.4%
\$150,000+	7,255	9.9%	8,250	10.8%	165.90	2.3%
Total	73,036	100.0%	76,393	100.0%		

Source: U.S Census Bureau, 2000-2010 DEC Summary File 1, 2019: ACS

HOUSEHOLD INCOME -MSA

Washington-Arlington-Alexandria, DC-VA-MD-WV- MSA						
Income Cohort	2019		2025		Annual Change 2019-2025	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	84,716	3.8%	87,482	3.6%	461	0.5%
\$10,000-19,999	84,460	3.8%	87,482	3.6%	504	0.6%
\$20,000-34,999	149,173	6.6%	155,523	6.4%	1,058	0.7%
\$35,000-49,999	164,665	7.3%	174,964	7.2%	1,716	1.0%
\$50,000-74,999	292,694	13.0%	311,047	12.8%	3,059	1.0%
\$75,000-99,999	280,578	12.5%	301,326	12.4%	3,458	1.2%
\$100,000-149,999	446,312	19.8%	483,580	19.9%	6,211	1.4%
\$150,000+	748,404	33.2%	828,648	34.1%	13,374	1.8%
Total	2,251,002	100.0%	2,430,052	100.0%		

Source: U.S Census Bureau, 2000-2010 DEC Summary File 1, 2019: ACS

As shown in the table above, approximately 78.5 percent of household in the MSA earn between \$50,000 and \$150,000+ annually which fulfil the income limit for this project's market rate units (\$50,000 with no maximum income limit). The income limits for this project's affordable units will range from \$52,920 and \$75,600 and the tables above shows that approximately 20 percent of households in the PMA earn between \$50,000 and \$74,999). These indicate strong demand for multifamily housing in the PMA.

Household Size Distribution

This table illustrates the overall household size distribution for the PMA and MSA.

PMA HOUSEHOLD SIZE DISTRIBUTION						
Household Size	2010		2019		2025	
	Total	Percent	Total	Percent	Total	Percent
1 persons	24,126	34%	27,004	37%	29,009	38%
2 persons	19,778	28%	21,212	29%	22,951	30%
3 persons	12,196	17%	11,022	15%	11,529	15%
4+ persons	14,034	20%	13,798	19%	12,904	17%
Total	70,135	100%	73,036	100%	76,393	100%

Source: U.S Census Bureau 2010-2019: ACS

MSA HOUSEHOLD SIZE DISTRIBUTION						
Household Size	2010		2019		2025	
	Total	Percent	Total	Percent	Total	Percent
1 persons	563,635	28%	626,569	28%	670,694	28%
2 persons	633,068	31%	703,459	31%	753,316	31%
3 persons	330,829	16%	364,892	16%	393,668	16%
4+ persons	514,623	25%	556,082	25%	612,373	25%
Total	2,042,154	100%	2,251,002	100%	2,430,052	100%

Source: U.S Census Bureau 2010-2019: ACS

Most households in the MSA and PMA are between one and two persons. These trends will drive the demand for our one- and two-bedrooms units. The project will have fewer three-bedroom units since the project targets households containing one to four persons. Most households in the PMA will be size-eligible to reside at the Subject

This table illustrates the household income by household size.

2019 PMA - HOUSEHOLD INCOME BY HOUSEHOLD SIZE				
Income Cohort	1	2	3	4+
\$0-9,999	2,206	1,733	900	1,127
\$10,000-19,999	2,406	1,890	982	1,229
\$20,000-34,999	3,325	2,612	1,357	1,699
\$35,000-49,999	3,107	2,440	1,268	1,587
\$50,000-74,999	5,409	4,249	2,208	2,764
\$75,000-99,999	3,740	2,938	1,527	1,911
\$100,000-149,999	4,128	3,243	1,685	2,109
\$150,000+	2,682	2,107	1,095	1,371
Total	27,004	21,212	11,022	13,798

Source: U.S Census Bureau, 2000-2010 DEC Summary File 1, 2019: ACS

Building Permit Activity

This table provide the number of new housing authorized by building permits in Prince George's County from 2000 through 2019 which is the most current data available by the Building Permits Survey provided by Census Bureau. This table indicates that local permit issuance peaked in the early 2000s and prior to the national recession which then reduced the permit volume at its lowest in 2010. From 2013 through 2019 permit issuance has continued to increase. Most of these permits are for single-family and duplex buildings. Only 11 percent of the total permits represent multifamily.

BUILDING PERMITS: PRINCE GEORGE'S COUNTY 2000-2019				
Year	Single-Family and Duplex	Three and Four-Family	Five or More Family	Total Units
2000	3,179	0	277	3,456
2001	3,049	0	0	3,049
2002	2,485	0	78	2,563
2003	2,810	0	128	2,938
2004	1,875	0	73	1,948
2005	3,255	0	170	3,425
2006	2,918	0	115	3,033
2007	1,462	0	721	2,183
2008	1,296	0	10	1,306
2009	811	8	440	1,259
2010	702	0	5	707
2011	984	0	243	1,227
2012	878	0	75	953
2013	1,176	0	0	1,176
2014	1,292	0	0	1,292
2015	1,438	0	319	1,757
2016	1,560	0	500	2,060
2017	1,714	0	904	2,618
2018	2,099	0	168	2,267
2019	2,115	8	446	2,569
Total	37,098	16	4,672	41,786
Average*	1,855	1	234	2,089

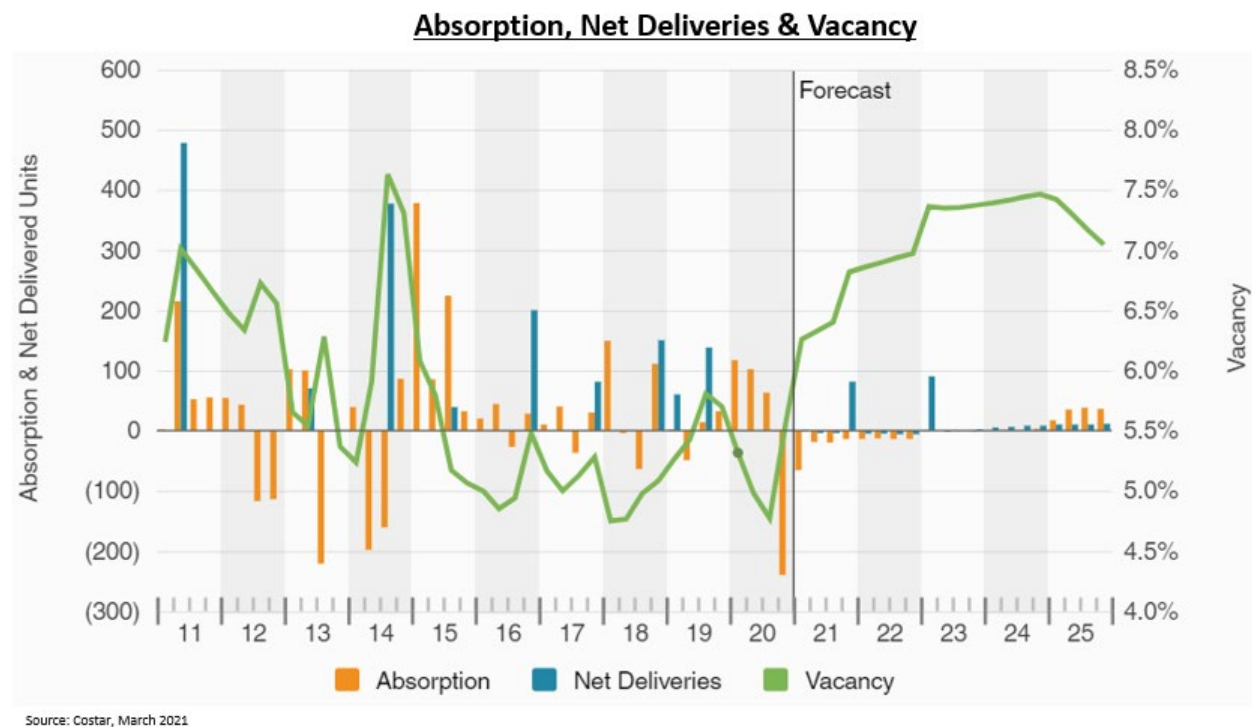
Source: US Census Bureau Building Permits, March 2021

The high percentage of households and the high percentage of older housing stock in PMA demonstrate a need for multifamily housing in the area and this project will help revitalize and provide new rental housing in Seat Pleasant.

CURRENT MARKET CONDITIONS

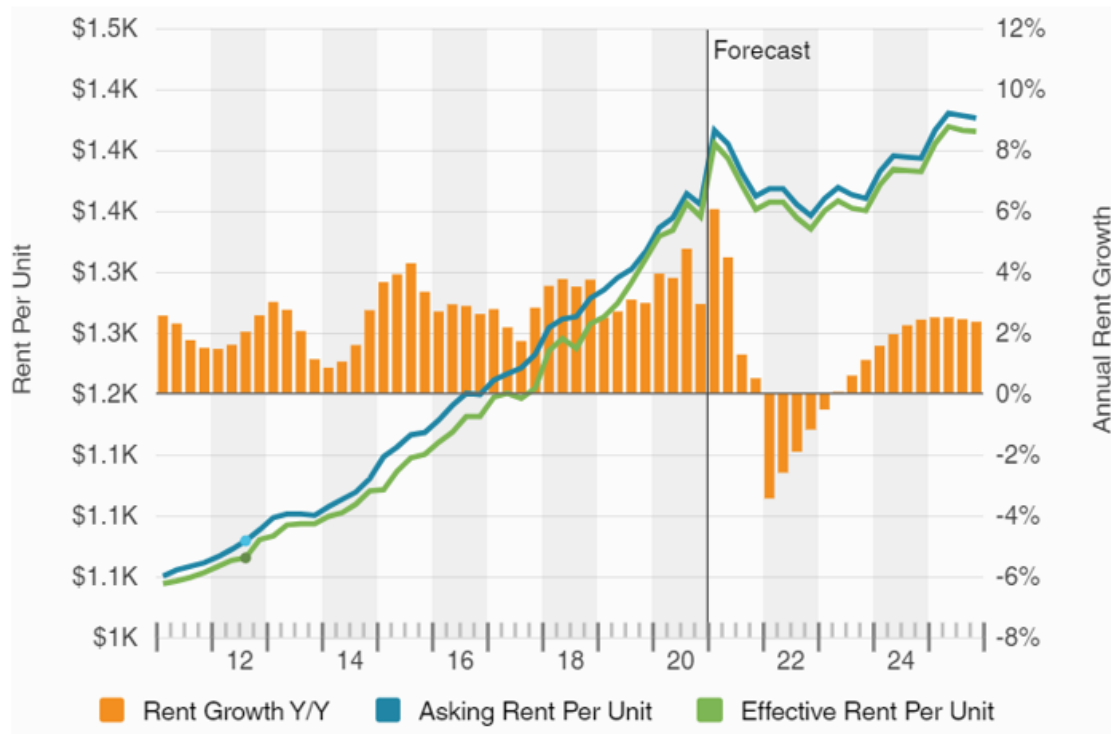
Current Housing Market Conditions

According to Costar as of March 2021, there are currently 30,495 multifamily units in the PMA. The current vacancy rate in this area is 5.7 percent and is expected to slightly increase in 2021 and increase through 2024. Additions to supply are also expected to increase through the end of 2021 and beginning of 2023. These new additions in 2021 and 2023 will cause vacancy rates to slightly growth over those periods.



Rent growth has been modestly increasing since 2011 but is expected to slow down between 2021 and 2022. This forecast indicates rent growth will start picking up again in early 2023 and is expected to grow by 2.4 percent through 2024 and 2025 keeping the demand for rental housing in this area.

Asking Rent Per Unit & Rent Growth



Source: Costar, March 2021

Competitive Rental Inventory

This table illustrates the breakdown by household tenure within the PMA showing the household tenure patterns since 2010. The percentage of renter households in the PMA increased between 2010 and 2019 to approximately 51 percent. This is more than the estimated 37 percent of renter households across Prince George's county. To be conservative, we are projecting the percentage of renter households in the PMA to remain constant through 2025.

TENURE PATTERNS PMA

PERCENTAGE OF OWNER-OCCUPIED UNITS				
Year	Owner-Occupied Units	Percentage		Percentage
		Owner-Occupied	Renter-Occupied Units	Renter-Occupied
2010	36,049	51.4%	34,086	48.6%
2019	36,007	49.3%	37,029	50.7%
2025	37,662	49.3%	38,731	50.7%

Source: U.S Census Bureau 2019: ACS

Housing Units by Units in Structure PMA

This table illustrates the housing units by units in a structure within the PMA showing that 57.9 percent of housing units in the PMA are single-family homes.

HOUSING UNITS BY UNITS IN STRUCTURE IN PMA	
Housing Units by Structure Count in PMA	
1-Detached	25,693
1-Attached	20,800
2	1,159
3-4	4,176
5-9	8,671
10-19	13,896
20+	5,670
Mobiles Homes	188
Other	49
Total	80,302

Source: U.S Census Bureau 2019: ACS

Age of Housing Stock in PMA

This table shows the age of housing stock in the PMA. It indicates that approximately 60.9 percent of the housing stock in the PMA was built prior to 1969. Thus, it would be reasonable to assume that renters that are currently occupying some of these old units will be most likely willing to move to a newer and functional unit with better adequacies.

AGE OF HOUSING STOCK IN PMA		
Years	Number of Units	Percent of housing Stock
Built 2014 or later	655	0.8%
Built 2010 to 2013	1,767	2.2%
Built 2000 to 2009	5,435	6.8%
Built 1990 to 1999	7,475	9.3%
Built 1980 to 1989	6,496	8.1%
Built 1970 to 1979	9,562	11.9%
Built 1960 to 1969	15,081	18.8%
Built 1950 to 1959	15,139	18.9%
Built 1940 to 1949	12,352	15.4%
Built 1939 or earlier	6,340	7.9%
Total	80,302	100.0%

Source: U.S Census Bureau 2019: ACS

Tenure by Units in Structure (Number of Bedrooms)

The following table illustrates the tenure by bedroom in Maryland and MSA. In 2017, approximately 88.4 percent of the renter-occupied housing units in the MSA contained one, two, and three bedrooms while 92.3 percent of the renter-occupied housing units in Maryland also contained one, two, and three-bedroom bedrooms. This project aligns with the large percentage of renter-occupied units in the state and the MSA, which offers also offers one, two, and three-bedroom units to the city of Seat Pleasant.

	TENURE BY NUMBER OF BEDROOMS							
	Washington-Arlington-Alexandria, DC-VA-MD-WV- MSA				Maryland			
	Owner		Renter		Owner		Renter	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Total	1,375,200	100.0%	801,700	100.0%	1,410,400	100.0%	764,300	100.0%
None	s.		28,900	3.6%	s.		s.	
1 bedroom	53,900	3.9%	259,300	32.3%	18,400	1.3%	187,500	24.5%
2 bedroom	163,400	11.9%	288,400	36.0%	181,900	12.9%	326,700	42.7%
3 bedroom	502,100	36.5%	160,700	20.0%	666,900	47.3%	191,600	25.1%
4+ Bedroom	655,800	47.7%	64,400	8.0%	543,200	38.5%	58,500	7.7%

Source: 2017 American housing Survey (AHS) /U.S Census Bureau.

Gross Rent

The following table illustrates the gross rent in Prince George's County. Approximately 96.2 percent of renters in the county have gross rents that are similar to our project gross asking rents.

2019 Gross Rents		
	Number	Percentage
Occupied Units Paying Rent	114,889	100.0%
Less than \$500.	3,631	3.2%
\$1,000 to \$1,499	63,289	55.1%
\$1,500 to \$1,999	33,376	29.1%
\$2,000 to \$2,499	10,845	9.4%
\$2,500 to \$2,999	3,039	2.6%
\$3,000 or more	709	0.6%

Source: US Census Bureau ACS 2019

COMPARABLE PROPERTIES

To evaluate the competitive position of our project, we selected other properties in proximity to the project site and within the PMA. The comparable listed below include market rate, affordable, and mixed income properties.

COMPARABLE PROPERTIES -Existing

#	Comparable Property	City	Year Built	Rent Structure	Distance to Site
1	EastBrooke at Beulah Crossing	Washington	2015	Affordable/Rent Restricted	0.5 miles
2	The Nannie Helen at 4800	Washington	2013	Affordable/Rent Restricted	1.7 miles
3	St. Stephens	Washington	2017	Affordable/Rent Restricted	2.7 miles
4	Century Summerfield at Morgan Metro	Landover	2011	Market	3.5 miles
5	Residences at Hayes	Washington	2018	Affordable/Rent Subsidized	2.3 miles
6	Park 7	Washington	2014	Market/Affordable Rent Restricted	1.5 miles
7	Solstice	Washington	2019	Affordable/Rent Restricted	3.0 miles

Source: Costar.com

Comparable Property Map



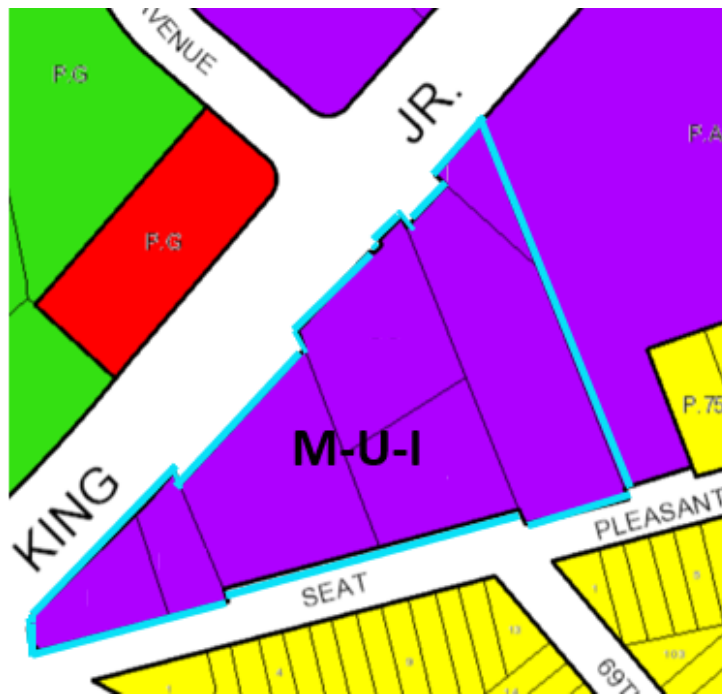
SUMMARY MATRIX

Comp #	Property Name	Distance to Site	Type/Built	Rent Structure	Unit Description	#	%	Average SF	Asking Rent	Rent/SF
1	EastBrooke at Beulah Crossing 323 62nd Street, NE Washington DC 20019	0.5 miles	Mid-rise (stories) 2015	Affordable/Rent Restricted @60%	1 Bed 2 Bed 3 Bed	13 13 13	33.3% 33.3% 33.3%	516 672 872	\$ 1,247 \$ 1,476 \$ 1,706	\$ 2.42 \$ 2.20 \$ 1.96
						39				
2	The Nannie Helen at 4800 4800 Nannie Helen Burroughs Ave NE Washington DC 20019	1.7 miles	Mid-rise (5 stories) 2013	Affordable/Rent Restricted	1 Bed 2 Bed 3 Bed	20 38 12	28.6% 54.3% 17.1%	683 945 1139	\$ 1,412 \$ 1,695 \$ 1,958	\$ 2.07 \$ 1.79 \$ 1.72
						70				
3	St. Stephens 4000 Benning Rd NE Washington DC 20019	2.7 miles	Mid-rise (4 stories) 2017	Affordable/Rent Restricted #units @50% #units @60%	1 Bed 2 Bed	56 15	78.9% 21.1%	650 817	\$ 1,114 \$ 1,280	\$ 1.71 \$ 1.57
						71				
4	Century Summerfield @ Morgan Metro 8100 Gibbs Way Landover, MD 20785	3.5 miles	Mid-rise (4 stories) 2011	Market	1 Bed 2 Bed 3 Bed	234 231 13	49.0% 48.3% 2.7%	755 1158 1546	\$ 1,511 \$ 1,875 \$ 2,266	\$ 2.00 \$ 1.62 \$ 1.47
						478				
5	Residences at Hayes 5201 Hayes St NE Washington DC 20019	2.3 miles	Mid-rise (4 stories) 2018	Affordable/Rent Subsidized 40 units @30% 10 units @50% 100 units @60%	Studio 1Bed 2 Bed 3 Bed 4 Bed	50 25 25 25 25	33.3% 16.7% 16.7% 16.7% 16.7%	502 728 1045 1284 1305	\$ 1,258 \$ 1,350 \$ 1,618 \$ 2,230 \$ 1,697	\$ 2.51 \$ 1.85 \$ 1.55 \$ 1.74 \$ 1.30
						150				
6	Park 7 4020 Minnesota Ave NE Washington DC 20019	1.5 miles	Mid-rise (4 stories) 2014	Market/Affordable Rent Restricted #units @60%	Studio 1Bed 2 Bed 3 Bed	19 189 145 24	5.0% 50.1% 38.5% 6.4%	408 630 885 1094	\$ 1,184 \$ 1,359 \$ 1,524 \$ 1,629	\$ 2.90 \$ 2.16 \$ 1.72 \$ 1.49
						377				
7	Solstice 3534 E Capitol St NE Washington DC 20019	3.0 miles	Mid-rise (4 stories) 2019	Affordable/Rent Restricted	1Bed 2 Bed 3 Bed	64 59 15	17.0% 15.6% 4.0%	655 935 1175	\$ 995 \$ 1,051 \$ 1,149	\$ 1.52 \$ 1.12 \$ 0.98
						138				

Source: Costar.com March 2021

Rent Per Square Foot Ranking

RENT	1 Bed		2 Bed		3 Bed	
	Property	Average	Property	Average	Property	Average
	Century Summerfield @ Morgan Metro	\$ 1,511	Century Summerfield @ Morgan Metro	\$ 1,875	Century Summerfield @ Morgan Metro	\$ 2,266
	The Nannie Helen at 4800	\$ 1,412	The Nannie Helen at 4800	\$ 1,695	Residences at Hayes	\$ 2,230
	Park 7	\$ 1,359	Residences at Hayes	\$ 1,618	The Nannie Helen at 4800	\$ 1,958
	Residences at Hayes	\$ 1,350	Park 7	\$ 1,524	EastBrooke at Beulah Crossing	\$ 1,706
	EastBrooke at Beulah Crossing	\$ 1,247	EastBrooke at Beulah Crossing	\$ 1,476	Park 7	\$ 1,629
	St. Stephens	\$ 1,114	St. Stephens	\$ 1,280	Solstice	\$ 1,149
	Solstice	\$ 995	Solstice	\$ 1,051	St. Stephens	\$ -
SQUARE FOOTAGE	1 Bed		2 Bed		3 Bed	
	Property	Average	Property	Average	Property	Average
	Century Summerfield @ Morgan Metro	755	Century Summerfield @ Morgan Metro	1158	Century Summerfield @ Morgan Metro	1546
	Residences at Hayes	728	Residences at Hayes	1045	Residences at Hayes	1284
	The Nannie Helen at 4800	683	The Nannie Helen at 4800	945	Solstice	1175
	Solstice	655	Solstice	935	The Nannie Helen at 4800	1139
	St. Stephens	650	Park 7	885	Park 7	1094
	Park 7	630	St. Stephens	817	EastBrooke at Beulah Crossing	872
	EastBrooke at Beulah Crossing	516	EastBrooke at Beulah Crossing	672	St. Stephens	0
RENT PER SF	1 Bed		2 Bed		3 Bed	
	Property	Average	Property	Average	Property	Average
	EastBrooke at Beulah Crossing	\$ 2.42	EastBrooke at Beulah Crossing	\$ 2.20	EastBrooke at Beulah Crossing	\$ 1.96
	Park 7	\$ 2.16	The Nannie Helen at 4800	\$ 1.79	Residences at Hayes	\$ 1.74
	The Nannie Helen at 4800	\$ 2.07	Park 7	\$ 1.72	The Nannie Helen at 4800	\$ 1.72
	Century Summerfield @ Morgan Metro	\$ 2.00	Century Summerfield @ Morgan Metro	\$ 1.62	Park 7	\$ 1.49
	Residences at Hayes	\$ 1.85	St. Stephens	\$ 1.57	Century Summerfield @ Morgan Metro	\$ 1.47
	St. Stephens	\$ 1.71	Residences at Hayes	\$ 1.55	Solstice	\$ 0.98
	Solstice	\$ 1.52	Solstice	\$ 1.12	St. Stephens	\$ -

REGULATION – ZONING AND PUBLIC APPROVALS**ZONING**

The project site is currently zoned for mixed use (**M-U-I**). This allows for a variety of uses including residential, retail, and recreational uses. Yet, the project is also located in a Development District Overlay Zone (**DDOZ**). Our development proposal includes residential and retail uses that encourages pedestrian-oriented communities. Thus, no rezoning is required as all parcels in our project site share the same zoning. Also, our project complies with the general intent and goals of the **Development District Standards** and the **Subregion 4 Master Plan**. The project is also included in the Martin Luther King Jr Highway/Seat Pleasant/Fairmont Heights **Revitalization Focus Area**.

- *If a conflict exists between the Subregion 4 DDOZ and the Prince George's County Zoning Ordinance (as applied to a particular development), the DDOZ shall prevail.*
- *For development standards not covered by the Subregion 4 DDOZ, the other applicable sections of the Zoning Ordinance and Landscape Manual shall serve as the requirement.*
- *All development shall comply with all relevant federal, state, county, and local regulations, and ordinances.*

SUBDIVISION

(Approximate process time 70-140 days)

Only three of the seven parcels we are using for this project have plat numbers assigned. Therefore, we need to apply for 4 new plats.

Preliminary Plat: Prior to formal submission of a preliminary plat, we will take the opportunity to seek advice and talk with the technical staff of the planning board and other agency referrals. We will submit a general scheme of the proposed development to the Planning Board with the following information:

- Location of the property
- Existing topography
- Access to utilities
- Right-of-ways
- Proposed layouts of roads, streets, parking areas, structures, school, park, or utility sites
- Open Spaces
- Provisions for storm water management

Public meeting: We will place a sign on our property advertising the time and place of the hearing.

We need to demonstrate that our project is in conformity with the Subdivision and Zoning Ordinances, Subregion 4 DDOZ, master plan of highways, ten-year Water and Sewerage Plan, storm water management measures, public facility adequacy and its relation to adjacent properties. The proposed layout must be satisfactory from the standpoint of public health, safety, and welfare which meets the requirements of applicable laws and regulation in Prince George's county.

Record Plat: After receiving preliminary plat approval, we will submit final plat(s) to the MNCPPC according to Subdivision Regulations. We will show all pertinent engineering data needed to readily locate every street, lot, block, and boundary line on the ground.

Regularly scheduled meeting:

Once a final plat is approved by the Planning Board, it becomes a record plat when it is recorded in the Prince George's County Land Records Office.

Adequate Public Facilities: The Planning Board makes the determination of adequacy based on information submitted by various agencies responsible for building the required facilities.

- Transportation
- Parks and Recreation
- Police
- Fire and Rescue
- Schools
- Water and Sewer

A **traffic Impact Study** is required if the proposed subdivision will produce 50 or more new trips during any peak hour. This study must forecast future traffic volumes for the roads and streets within a study area.

If the necessary facilities are not already existing, we can schedule them for construction with 100% of construction funds from state programs. Yet, incoming subdivisions are required to contribute if necessary).

- County's adopted Six-year Capital Improvements Program

- State Department of Transportation's Consolidated Transportation Program
- Ten-year Water and Sewerage Plan

Capital Improvements: Within the Subregion 4 DDOZ, the developer is required to construct and maintain all the streetscape improvements of the proposed development.

URBAN DESIGN

(Approximate process time 3-4 months)

Detailed Site Plan Review

We are encouraged to meet with Planning Department Staff while developing the project concept to:

- Review submittal requirements for a Detailed Site Plan (DSP) per Part 3., Division 9. of the Zoning Ordinance, and applicable Development District Standards.
- Obtain a preliminary evaluation of foreseeable conformance issues.
- Identify review documentation required.

To meet the goals of DDOZ, new development is generally subject to the approval of a **Detailed Site Plan (DSP)** by Planning Board. The recommendations of Urban Design Section will be considered in reviewing plans submitted to DSP. The developer shall submit, as relevant, the following:

- An aerial photograph of the site and general location map
- A narrative and graphic description of the proposed development including a site plan that clearly identifies:
 - Location for all improvements
 - Build-to lines
 - Overall site dimensions
 - Location of utilities
 - Existing trees (Caliper and type)
 - Landscaping
 - Paved surfaces and type of paving material
 - Zoning, existing improvements, streets, alleys, sidewalks, and curb lines within 100 feet of the site.
 - Existing and proposed rights-of-way and existing street centerline.
- Detailed Architectural Plans for all elevations (in full color), a detailed landscape and circulation plan, and a detailed lighting plan
- If adjacent to a single-family residential neighborhood, submit photographs and locations of properties within 100 feet that show massing, scale, materials, and roof pitches of single-family homes.
- Sign permit application shall submit both sign details and a graphic representation of the location of the propose sign on the building
- A parking schedule and plan
- Supporting documentation where requested in the development district standards. (e.g., streetscape or parking provisions).

If a proposed site plan is rejected by the Planning Board, the developer may:

- Appeal the Board's decision to the District Council
- Choose to present a revised plan for staff and Planning Board to review

PERMITTING

Application for permits are referred to other local agencies including the **Department of Public Works and Transportation, Washington Suburban Sanitary Commission, Health Department**, and the **M-NCPPC** for review and recommendations as to zoning requirements. Any permit issued without such a review and recommendation is invalid.

Permits are issued by the **Department of Permitting, Inspection and Enforcement (DPIE)**.

- Building Permits
- Grading Permit (for undeveloped property)
- Use and Occupancy Permits
- Sign Permits

Building permits cannot be issued until DSP is approved by the Planning Board.

Approval of request for Water & Sewer Service

The WSSC permit system involves three basic types of sewer service permits which must be obtained. The type of permit needed depends upon the location, situation of the site plan and is determined by **The Washington Suburban Sanitary Commission**.

- Authorization Permit
- Connection Permit
- Hook-Up Permit

DESIGN / ENVIRONMENTAL ANALYSIS, SOCIAL AND PUBLIC BENEFITS

Environmental Approach

Our environmental approach seeks for energy-efficiency and carbon reduction to help the City of Seat Pleasant to be more energy resilient and meet net-zero energy plan initiatives. This project will perform energy efficiency retrofits and install solar photovoltaic (PV) and water heater systems. We will obtain the US Environmental Protection Agency (EPA) Energy Star certification and adopt best practices in Green Leasing to motivate our tenants to engage in energy and water efficiency practices and waste management to reduce energy consumption costs and meet our social responsibility. In collaboration with the state, this project wants to provide interconnected infrastructure for energy, water, and waste management among building clustering.

With this project we want to demonstrate that GHG reductions are possible even when our population and economy grow. We will provide an interconnected community and reduce commuting times. This project will partner up with the Maryland Energy Administration (MEA) and enroll as a Smart Energy Community taking a leadership role in reducing transportation petroleum consumption. We will install charging stations for electric vehicles in our parking spaces which will be shared among buildings. The project will also improve bicycle access to our neighborhood.

Our project will pursue a LEED green certification by building healthy living spaces with clean indoor air and incorporating safe building materials, no concrete blocks or stucco will be used. We will use automated LED lighting and dimming and sensor-based activity monitoring.

One of our goals is to encourage fronting sidewalks with welcoming entrances for our retail uses. We intent to plant several street trees around this project and offer open green spaces to our community while improving sidewalks.

There is an active gas station currently located in our project site that needs to be removed. Unfortunately, our project site is not part of the National Priority list (NPL) nor will receive EPA assistance for the clean-up process or remediation system. Yet, we will work hand in hand with the Voluntary Cleanup Program (VCP)/Brownfields Division and the Brownfields Revitalization Incentive Program to accurately predict costs and timelines associated with a cleanup to meet environmental requirements. Working with these agencies will substantially limit liability for past contamination before purchasing the land.

Social Approach

As part of our social responsibility with the community of Seat Pleasant, we are obligated to deliver a mixed-used development that features walkable streets with vibrant livable apartments, retail, and open spaces.

We are committed to create an interconnected network of public spaces that encourage recreation and cultural grow where outdoor interaction with friends and neighbors are part of the everyday experience. Our goal is to create a sense of community in this area. We will share fiber access and wireless internet connection across the site and modern benches so that not only our residents but the community as a whole benefit from these aspects. One of the key elements in our development is to create pedestrian-oriented spaces to promote safety and ease of walking and mitigate the negative experiences of high-speed vehicular traffic. (scale streetscapes and sidewalks)

All our components described above will create value to the community of Seat Pleasant. We are offering affordable rental units to have an inclusive future for the locals.

Green Construction Standards

Energy Star Certification: This project will be certified under current version of Energy Star Multifamily new construction.

Appliances: All appliances must be Energy Star qualified.

Windows: All windows will be Energy Star qualified as appropriate to the project location.

HVAC: This project will install Energy Star central or split HVAC systems for community area(s) and units that shall equal or exceed the efficiency of Energy Star Certified systems.

Visitability Standards: This project will meet the visitability standards for at least 25% of its units and incorporate universal design features in units and common areas.

Demolition: This project will have a demolition plan with sound practices for managing waste and hazardous materials. We will use methods that are environmentally sensitive and create less pollution and identify opportunity for recycling.

Site Work: This project will employ Maryland Department of Environment (MDE) 2011 Standards for Soil Erosion and Sediment Control during construction.

Landscaping: Native, highly suitable, drought /disease tolerant plantings will suitable for this project soil and microclimate. This project will utilize windbreak and screening benefits of plantings in the project design.

Construction Waste Recycling: Construction waste material will be collected, separated, and recycled instead of being sent to a land fill.

Air Quality: This project will follow Green seal national standards. The project criteria will include low toxic, low volatile organic compound (VOC) paint, primer, sealers, and adhesives. Our architect will verify compliance with use of green products free of added urea formaldehyde.

Carpets: This project will follow the Carpet and Rug Institute's Green Label Certification for carpet, pads, and carpet adhesives.

Chlorofluorocarbons (CFC): This project will not use CFC refrigerant where new HVAC equipment is specified.

Recycling Plan, Post Completion: This project will provide space and containers on site for households recycling.

Water Conserving Features: Project water fixtures and faucets will conserve water with toilets that use 1.28 gallons per flush or less. Shower heads and bath kitchens faucets will use 2.0 gallons per minute or less (GPM)

Smoking Areas: This project will have a non-smoking policy applicable to all interior spaces including units and common areas. We will provide designated smoking areas at least 25 ft away from entry air intakes and windows.

Dumpsters: Paving at the dumpster pad, the access drive to the dumpsters, and any turns or return path of the garbage truck route(s) will be in accordance with local standard duty residential roadway requirements.

CONSTRUCTION COST AND SCHEDULE

Construction Type: Primary structure wood frame on concrete podium

Bid Process (3-4 weeks)

For this project, we have a negotiated bid or Construction Manager at Risk as a delivery construction method. The selected General Contractor (GC) will be involved very early in the process and will work with us as our preconstruction team. GC will be responsible for scoping out all subcontractors, budgeting, and providing conceptual estimates to Cassa Development, LLC (the owner). Once construction drawings are completed, the owner and the selected GC will negotiate and agree on a final contract amount using a Guarantee Maximum Price (GMP) where the contractor will be compensated for actual costs incurred in the project in addition to a fixed fee.

In case of cost savings or cost over-runs on any of the trade items, these will be moved down to the contingency line. Remaining contingency at end of the job will be split between the owner and the GC (60% and 40% respectively).

Conceptual Interest

These are the step we will take to calculate the construction estimates for this project

- Split the project into use types
- Prepare an Area Summary
- Perform detailed Take-Offs
- Use Comps, sub pricing to price the scope
- Summarize Budget and Add mark-ups
- Compare the budgets to similar projects

Project use-types: For this project, we will split construction estimates into four use-types; Sitework, Residential, Retail, and Parking.

Managing Construction Risk

Safety: Cassa Development LLC is an advocate for safe practices and will ensure Paragon is a safe project. We will evaluate the GC's and all subcontractor's safety performance and policies prior to award. We will establish appropriate training for all personnel that will work on or visit the construction site. The cost for appropriate protection for workers and general public will be included in our budget. The project will be monitored and track performance

Cost

Pay Application & Retainage: The GC will submit to the owner a pay application for payment once a month. This application will state the percentage complete for all activities. The owner will hold a ten percent retainage of the billed work and that retainage will be reduced at substantial completion and will be brought down to zero percent at final completion.

Change orders: Change orders will only be approved by the owner

Lien Release and Waivers: GC and Subcontractor will waive their Lien Rights at final completion

SITEWORK				TOTAL
Demolition-Site Clearing	\$	2.10 /sf	9359	\$ 19,654
Footing Excavation	\$	52.50 /cy	1,481	\$ 77,778
Contingency (Site Clean Up)				\$ 10,000
TOTAL SITEWORK				\$ 107,432

RESIDENTIAL				TOTAL
Structure	\$	30.00 /sf		5,926,050
Roofing & Waterproofing	\$	5.00 /sf		987,675
Mechanical/Electrical/Sprinklers/Light Fixtures	\$	43,000.00 /unit		6,450,000
Rallings Louvers	\$	12.00 /sf		2,370,420
Exterior Skin Envelope				2,523,510
Hardie Panel	\$	18.00 40%	\$ 711,126.00	
Brick	\$	38.00 25%	\$ 938,291.25	
Metal Panel	\$	45.00 5%	\$ 222,226.88	
Windows	\$	22.00 30%	\$ 651,865.50	
Vertical Transportation	\$	2.00		395,070
Drywall	\$	10.50 /sf		2,074,118
Misc Metals	\$	2.50 /sf		493,838
Carpentry/Doors, including Common Area	\$	4,500.00 /unit		675,000
Cabinet/Countertops	\$	5,500.00 /unit		825,000
Appliances (Kitchen)	\$	2,250.00 /unit		337,500
Appliances (Washer and Dryer)	\$	1,250.00 /unit		187,500
Toilet Accessories (such as Towel bars etc)	\$	1,000.00 /unit		150,000
Window Treatments	\$	450.00 /unit		67,500
Paint	\$	3.00 /sf		592,605
Flooring (corridors and inside Units)	\$	4.00 /sf		790,140
Tile	\$	800.00 /unit		120,000
Final Cleaning	\$	1,000.00 /unit		150,000
Mailboxes, Lockers, Signage, etc.	\$	2,000.00 /unit		300,000
Amenity Finishes	\$	150.00		787,500
TOTAL RESIDENTIAL				26,203,425

RETAIL				TOTAL
Concrete	\$	170.00 /sf		5,100,000
TOTAL RETAIL				5,100,000

PARKING				TOTAL
Surface	\$	5,000.00 /space		\$ 1,808,172
Structure	\$	15,000.00 /space		
Underground	\$	30,000.00 /space		
TOTAL PARKING				\$ 1,808,172

NET CONSTRUCTION COST				33,219,028
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Time: The contract duration for this project will be 24 months starting with the notice to proceed through substantial completion. The warranties will take effect at substantial completion.

GC and Subs will be fully paid at final completion when the punch list is complete, and all change orders are agreed to. The final completion date is expected to take place 90 days after substantial completion.

Quality: To ensure that the right scope is put in place properly, our architect and design team will answer all the questions or RFIs requested the GC.

Submittals: The contractor is required to submit certain information to the Architect for approval before manufacturing or purchasing project components. These requirements are defined in the specifications. Some of these submittals include product data, shop drawings, samples, MDSDS Sheets, test reports, and calculations.

Punch List: To ensure quality control towards the end of construction, we will use punch list as a quality method. The owner and/or architect will walk the job and note for any incomplete work, incorrect work, damaged materials, or other items that are not in accordance with the plans or specs.

Warranty Obligations: This project will have a 1-year building warranty

Construction Schedule: This schedule will be prepared and managed by the GC prior to construction.

MARKETING AND MANAGEMENT PROPOSAL

Cassa Development, LLC (the owner) has determined that the employment of professional management services is necessary to maximize the potential impact on the value of the property. Therefore, the owner will employ a managing firm that is familiar with the local market and with the latest maintenance procedures to help increase the efficient use of the property. The services provided by the professional property management will not be limited to renting, supervising, collecting, paying, maintaining, and managing the property, but will also serve as additional resource available for bookkeeping, advertising, and preparing financial reports.

To justify the employment of professional property management services, the selected managing firm will need to bring new ideas and policies that will increase the value of the property significantly, at a justifiable rate, and in accordance with the owner's objectives, which will ultimately lead to the creation of an environmentally sustainable and socially inclusive property for the City of Seat Pleasant.

As part of the qualification criteria, the owner is requesting the following:

Property Management: The selected managing firm must have experience managing affordable housing communities with effective management, on-going training of their staff, and open communication with the owner to ensure that residents are thriving and that the property performs to the owner's expectations. Through proper communication, the managing firm must be able to act proactively and listen to resident's feedback and act on those concerns before they develop into major issues. The new staff must receive training of fair housing and LIHTC requirements and receive the necessary forms, policies, and procedures to perform all the assigned functions in relation to residents, applicants, managers, maintenance staff, vendors, and government agencies.

Resident Services: The owner believes that social programs and activities for residents should be offered to adults and children to bring the community together and cultivate a happier and healthier community. The selected managing firm must run a variety of programs or activities including but not limited to:

- Senior Feeding Programs
- USDA summer feeding program for children
- Medical Exams

- Fire and Police Safety training
- Voter registration
- Variety of activities for residents (bingo, movies, picnics)
- Holiday parties
- Gardening

LIHTC: The selected managing firm must have at least 15 years of experience managing LIHTC communities and have a compliance team that reviews and approves all new move-ins, calculates the rent based on income, visits the properties, and ensures that each household is properly qualified for LIHTC program with the appropriate documentation. The managing firm must have a system in place for timely reporting to both the investors and state agencies and keep the property in compliance with the program requirements while ensuring the safety of the Tax Credits by working closely with the compliance agencies.

Green initiatives: The selected managing firm must adopt best practices in green leasing to motivate our residents and tenants to engage in energy and water efficient practices and waste management to reduce energy consumption costs and meet our social responsibility as a sustainable community.

- Utility Monitoring
 - Actively monitor water usage to detect any leaks and communicate with maintenance
 - Proactive toilet flapper replacements
 - Low-flow water conservation
 - Showerheads
 - Toilets
- Utility rebates: -Research and apply
- Retro Fitting Light Fixtures with LED
 - Security Lighting
 - Common area lighting
 - Apartment lighting
- Weatherization programs offered by local Utility companies
 - Refrigerator selection
 - Door Seals selection
 - HVAC system selection
- Energy Start Appliances

Financial Expertise: The selected managing firm must bring an accounting team that oversees all aspects of the accounting systems and financial reporting. Onsite accounting and financial record bookkeeping must be done in accordance with the Generally Accepted Accounting Principles (GAAP). The selected managing firm must prepare standard reports including but not limited to:

- Rent rolls
- Resident/tenant Accounts Receivable
- Profit and loss statements with analysis
- Balance Sheet
- Vacancy and Turnover reports
- Annual Budgets

The selected managing firm should be able to assist with Real Estate Tax appeals, negotiating insurance packages, improving security, locking-in rates with utility providers for electric and gas, and evaluating ADA requirements. The owners' top three candidate firms to fill out this job are:

- **McCormack Baron Management**
- **Penrose Management Company**
- **MRP Realty**

Management fees are often in function of rental income and the current percentages in the state of Maryland can vary between 5 and 8 percent for properties of the size of Paragon. The rate is largely determined by custom and local market conditions. Therefore, the owner is projecting a 6 percent of the total Effective Gross income to be allocated to Management Fees.

AFFIRMATIVE MARKETING AND COMMUNITY OUTREACH PROGRAM

The selected managing firm will also be involved in the Initial marketing strategy for this property and must follow the ***Affirmative Fair Housing Marketing*** provisions in Section 3.3.2 of the Multifamily Rental Financing Program Guide and make use of the resources provided in part by the Department of the State of Maryland. The selected managing firm must provide notice of unit availability and accept referrals from Public Housing Authority/Voucher Administrator/Mobility Counselor.

We promote equal opportunities for safe and affordable housing to all persons, regardless of race, color, sex, sexual orientation, religion, ancestry, national origin, marital status, age, disability, HIV/AIDS status or place of residence.

Advertising: We will provide as much information as feasible regarding the documents needed to submit application and indicate where and when people can pick up application for the waiting list. This information will be also announced at management/leasing office at Paragon and community agencies that serve the population in need at Seat Pleasant.

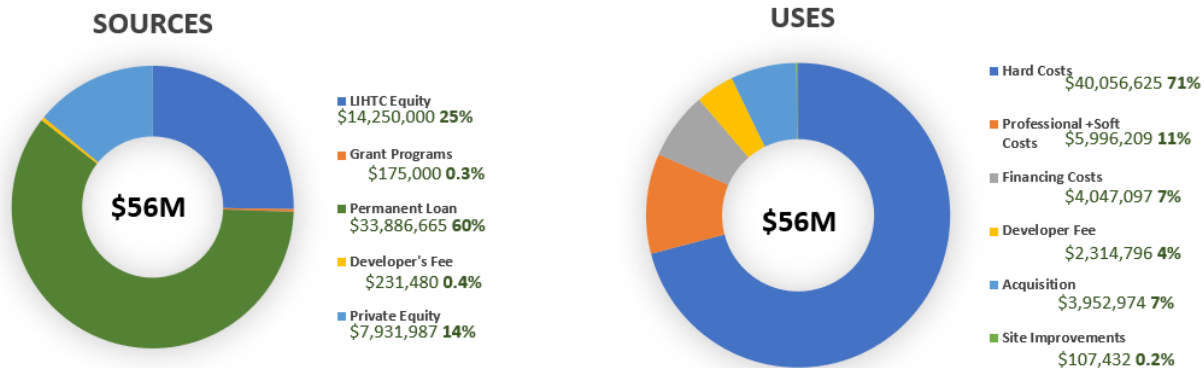
Waiting List: Our managing firm will establish and maintain a lease-up waiting list for the project. All applicants included in this list must meet all program requirements and the managing firm should utilize this waiting list for filling vacant units.

Methods of advertising: This project will primarily use its website as a marketing tool to inform the community and prospects of the availability of units, monthly rents, income requirements, and application process. As part of our initial marketing effort we will join websites such as apartments.com and rent.com to advertise our property.

Project updates: Three project specific press releases will be issued to commercial media such as Bisnow and local newspapers during the time of construction to inform the community and specially investors of the progress of this development.

Our target is to be fully leased up three months after receiving certificate of occupancy for residential units.

FINANCING AND CAPITAL STRUCTURES



As shown in the graphs above, the total amount to bring this project to life is estimated at 56 million.

Sources of Funding

Sixty percent of total cost of this project will be financed with a permanent loan 221(d)(4) which requires a minimum of 1.15 debt service cover ratio through the life of the loan (40 years) at a 3.75 percent interest. Twenty five percent of the total cost or \$14,250.000 will be funded with competitive 9% Low Income House Tax Credit for the exclusive construction of affordable apartment units (40% set-as -side). In addition, The Maryland Department of Housing and Community Development will contribute a grant in the amount of \$175,000 as this project forms part of the Sustainable Communities Program and encourages an environmentally, economically, and socially growth in the city of Seat Pleasant. The developer will also provide additional funding, up to \$231,480 with a flat markup rate of 1.5% to cover for any additional costs variation(s) that can happened during the development process. This fee and the markup are expected to be paid back within the first two following years after the building receives all certificates of occupancy.

The financial leverage or ability that this income-producing project possess to finance 60% of its total cost with debt, is an attractive advantage knowing that the rate of return earned by the investor(s) will be greater than the cost of borrowing. The construction and bridge loan will be negotiated between the owner and the lender after the owner has already obtained a commitment for a permanent loan. In this case, the construction lender will be different from the permanent loan.

Ownership Structure:

Cassa Development LLC is the owner of this project and will be responsible for the entire equity investment amount or \$7,931,987 in case no new investors form part if this deal through the seeking period. The owner will have an equity seeking period which will end prior to closing on the land purchase. New investor(s) that contribute to the total equity of this project will receive an interest ownership related to the significance of their investment or contribution(s).

The owner or developer is also using a joint venture as a financing tool to raise capital for the construction of affordable units through LIHTC. The equity fund interests breakdown is as follows:

- Limited Partner (Equity Fund) 99.99%
- General Partner (developer/sponsor) 00.01%

Type of Investor: Single Corporate Investor funds syndicator (non-profit)

As agreed with the limited partner, the low-income housing tax credits will be disbursed as follows:

Total LIHTC equity:	\$14,250,000
5% -closing	\$712,500
2.28% -construction end	\$324,900
86.45% -8609 form	\$12,319,215
5.3% -stabilization	\$763,800
0.91% -K-1 Form	\$129,675

As a contingency plan, and if the 9% LIHTC is not awarded, the project will be built in two separate phases and apply for non-competitive 4% LIHTC instead.

Exit Strategy:

The main reason the owner is seeking for a single corporate investor (syndicator) is to make the exiting option a lot simpler. After the tax credit initial compliance ends (the last day of the 15th year since credits were first taken), the limited partner can transfer its ownership in year 16 without recapture. Therefore, Cassa Development LLC will use year 15 as the exiting year to sale the project.

As shown in Exhibit A, the NOI for year 16 is projected at \$3.1 million and with a projected 5.2 cap rate. The sale reversion volume is projected at \$60 million. In year 16, the outstanding mortgage amount will be around \$27 million. These values will lead to a profit of approximately \$32 million or 75% profit margin with an equity multiple of 3.9 and an overall cash on cash of 18.4 %. As part of the sensitivity with used three different cap rates as the multi-family and retail market are expected to stay very strong in the future.

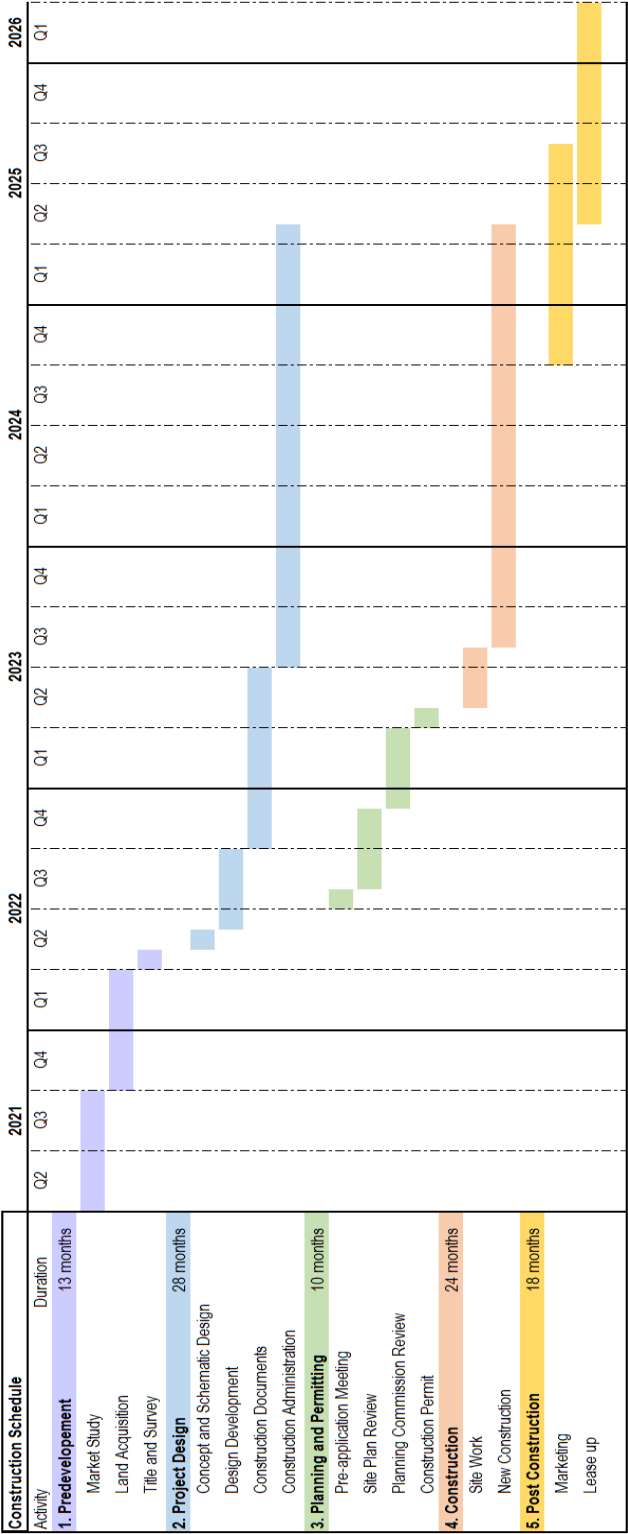
Valuation	
Year 16 NOI	\$ 3,144,042
Cap Rate	5.20%
Reversion Value	\$ 60,462,339
Sale Cost (4%)	\$ (2,418,494)
Sale Proceeds	\$ 58,043,846
Outstanding Mortgage	\$ (26,530,707)
Pre-tax Profit on Sales	\$ 31,513,139
Distribution	
Private Investor	\$ 31,513,139
Profit Margin	74.8%

Sensitivity Analysis		
Year 16 NOI		\$ 3,144,042
Cap Rate	Reversion Valuation	Profit on Sales
5.10%	61,647,875	32,651,254
5.20%	60,462,339	31,513,139
5.30%	59,321,541	30,417,972

EXHIBIT A

CASH FLOW - SUMMARY																				
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Residential Income	\$ 7,724,133	\$ 7,778,615	\$ 2,834,188	\$ 2,890,871	\$ 2,948,689	\$ 3,007,663	\$ 3,067,816	\$ 3,129,172	\$ 3,191,756	\$ 3,255,591	\$ 3,320,702	\$ 3,387,116	\$ 3,454,859	\$ 3,523,956	\$ 3,594,435	\$ 3,666,324	\$ 3,739,650	\$ 3,814,443	\$ 3,890,732	\$ 3,968,547
Commercial Income	\$ 606,900	\$ 947,730	\$ 988,057	\$ 988,831	\$ 1,282,523	\$ 1,310,098	\$ 1,338,283	\$ 1,367,090	\$ 1,396,535	\$ 1,426,632	\$ 1,457,396	\$ 1,488,842	\$ 1,520,985	\$ 1,553,843	\$ 1,587,431	\$ 1,621,766	\$ 1,656,869	\$ 1,692,747	\$ 1,729,429	\$ 1,766,928
EGI	\$ 3,331,033	\$ 3,726,345	\$ 3,822,244	\$ 3,879,702	\$ 4,231,212	\$ 4,317,761	\$ 4,406,098	\$ 4,496,262	\$ 4,593,290	\$ 4,682,222	\$ 4,778,098	\$ 4,875,958	\$ 4,975,844	\$ 5,077,799	\$ 5,181,868	\$ 5,288,090	\$ 5,396,516	\$ 5,507,191	\$ 5,620,161	\$ 5,735,475
OPEX	\$ 1,448,676	\$ 1,486,550	\$ 1,525,490	\$ 1,566,696	\$ 1,609,529	\$ 1,654,025	\$ 1,692,549	\$ 1,737,302	\$ 1,783,320	\$ 1,830,639	\$ 1,879,296	\$ 1,929,330	\$ 1,980,781	\$ 2,033,690	\$ 2,088,068	\$ 2,144,049	\$ 2,201,586	\$ 2,260,757	\$ 2,321,608	\$ 2,384,188
NOI	\$ 1,882,356	\$ 2,239,795	\$ 2,276,754	\$ 2,314,173	\$ 2,624,516	\$ 2,668,736	\$ 2,713,549	\$ 2,758,960	\$ 2,804,971	\$ 2,851,584	\$ 2,898,802	\$ 2,946,628	\$ 2,995,063	\$ 3,044,109	\$ 3,093,798	\$ 3,144,042	\$ 3,194,930	\$ 3,246,433	\$ 3,298,552	\$ 3,351,287
Debt Service	\$ 1,636,832	\$ 1,636,832	\$ 1,636,832	\$ 1,636,832	\$ 1,636,832	\$ 1,636,832	\$ 1,636,832	\$ 1,636,832	\$ 1,636,832	\$ 1,636,832	\$ 1,636,832	\$ 1,636,832	\$ 1,636,832	\$ 1,636,832	\$ 1,636,832	\$ 1,636,832	\$ 1,636,832	\$ 1,636,832	\$ 1,636,832	\$ 1,636,832
Tax Income	\$ 73,657	\$ 180,889	\$ 191,977	\$ 203,203	\$ 296,305	\$ 309,571	\$ 323,015	\$ 336,639	\$ 350,442	\$ 364,426	\$ 378,591	\$ 392,939	\$ 407,469	\$ 422,183	\$ 437,081	\$ 452,163	\$ 467,429	\$ 482,880	\$ 498,516	\$ 514,337
Cash Flow -After Tax	\$ 171,867	\$ 422,075	\$ 447,945	\$ 474,139	\$ 691,379	\$ 722,333	\$ 753,702	\$ 785,490	\$ 817,697	\$ 850,326	\$ 883,379	\$ 916,857	\$ 950,762	\$ 985,094	\$ 1,019,856	\$ 1,055,047	\$ 1,090,660	\$ 1,126,721	\$ 1,163,205	\$ 1,200,119
DSR	1.15	1.37	1.39	1.41	1.60	1.63	1.66	1.69	1.71	1.74	1.77	1.80	1.83	1.86	1.89	1.92	1.95	1.98	2.02	2.05
Debt Service Ratio	87%	73%	72%	71%	62%	61%	60%	59%	58%	57%	56%	55%	54%	53%	52%	51%	50%	49%	48%	46%
Cash on Cash	1.1%	2.7%	2.8%	3.1%	4.5%	4.7%	4.9%	5.1%	5.3%	5.5%	5.7%	5.9%	6.1%	6.3%	6.6%	6.8%	7.0%	7.3%	7.5%	7.7%
Return on Equity	0.6%	1.5%	2.0%	2.1%	3.1%	3.3%	3.5%	3.7%	3.9%	4.1%	4.3%	4.5%	4.7%	4.9%	5.1%	5.3%	5.5%	5.7%	5.9%	6.1%
Break Even Ratio	93%	84%	83%	85%	77%	76%	75%	74%	73%	71%	70%	69%	67%	65%	63%	61%	59%	57%	55%	53%
Operating Expense Ratio	43%	40%	40%	40%	38%	38%	38%	38%	39%	39%	39%	40%	40%	40%	40%	41%	41%	41%	41%	42%

EXHIBIT B



Sources

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Appendix C

The background of the page is a complex geometric pattern composed of various-sized triangles in two colors: a light orange and a very light, almost white, shade. The triangles are arranged in a non-repeating, interlocking fashion, creating a dynamic and modern visual texture. The pattern covers the entire page, with the text 'Appendix C' positioned in the upper right quadrant.

CAPSTONE PROJECT



THE VERGE

5909 Seat Pleasant Dr., Seat Pleasant, Maryland 20743



NATHAN VELIZ
RENEGADE DEVELOPMENTS

ARCHITECT: DAVID ENSOR

TABLE OF CONTENTS

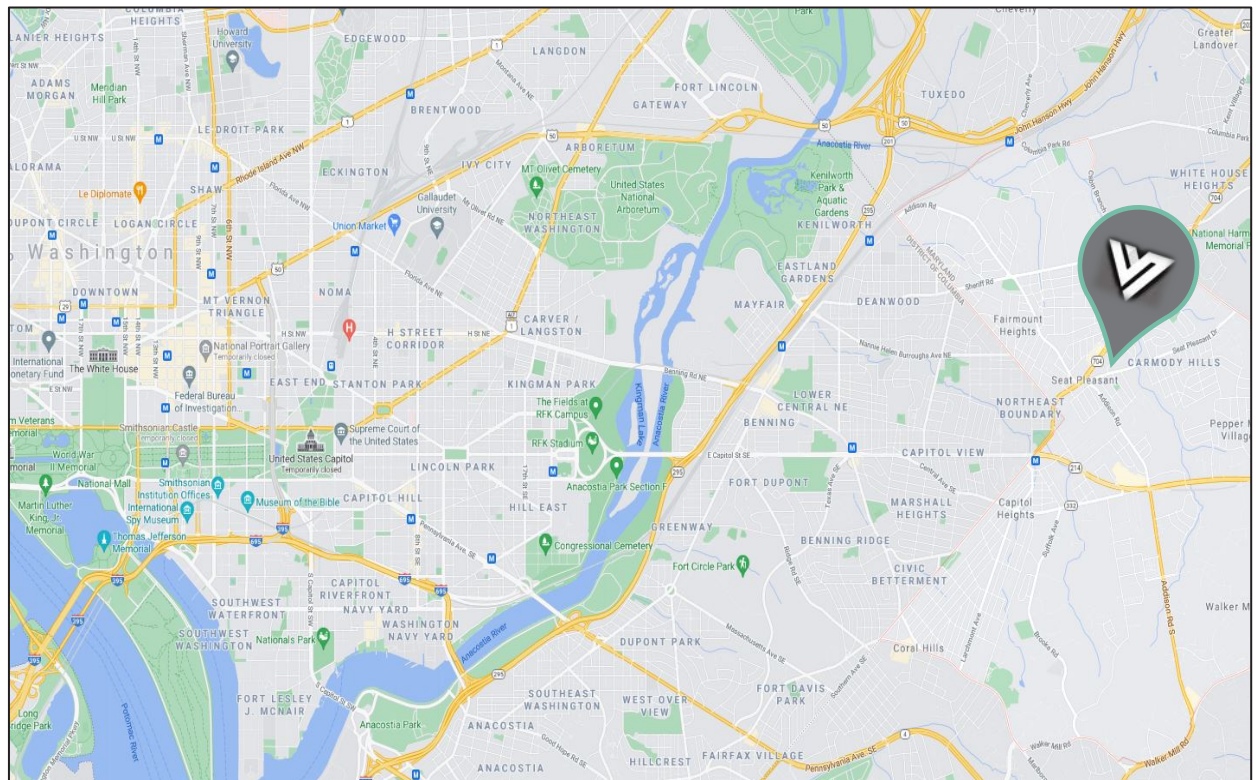
1. OVERVIEW
2. GENERAL CONTEXT
3. MARKET ANALYSIS
4. DESIGN AND ENVIRONMENTAL
5. REGULATORY PROCESS
6. CONSTRUCTION MANAGEMENT
7. MARKETING AND MANAGEMENT
8. FINANCIAL ANALYSIS
9. CONCLUSION

INTRODUCTION

The objective of this development binder is to obtain Investment Committee approval to progress with this project.

The following report is a summary of the feasibility study completed for 5909 Seat Pleasant Dr., Seat Pleasant, Maryland 20743. The findings of this study indicate viability in developing a mixed-use building with 138 mixed-income residential units and 25,000 square feet of ground floor retail.

As the center of revitalization for the city of Seat Pleasant, MD, The Verge is a mixed-use and mixed-income community with a focus on connectivity, health and wellness, and style. Acting as a gateway to Maryland and Washington D.C., it will offer a feature-rich environment for residents looking for convenience and comfort. The designated public plaza and curated retail create a much-needed focal point for the neighborhood and breathe life into the city.



GENERAL CONTEXT

Introduction

The site under evaluation is comprised of six land parcels along Martin Luther King Jr. Highway in the heart of Seat Pleasant, Maryland within Prince George's County. The site's current composition is a mix of greenfield and single-story aging retail.



Site with Legend Reference

- **Lot 1:** 5900, Seat Pleasant Drive 0.365 Acres
- **Lot 2:** 5909 Martin Luther King Jr Hwy: 0.58 Acres
- **Lot 3:** 5915 Martin Luther King Jr Hwy: 0.444 Acres
- **Lot 4:** 5908, Seat Pleasant Drive 0.417 Acres
- **Lot 5:** 5914 Martin Luther King Jr Hwy: 0.79 Acres
- **Lot 6:** GEO Palmer HWY: 0.091 Acres

History and Uses

The city of Seat Pleasant was historically built around transportation. Originally known as Chesapeake Junction, Seat Pleasant was once an intersection of railway stations from the Chesapeake Beach Railway, the Columbia Railway Company Streetcar System, and the Washington, Baltimore and Annapolis Electric Railway. With the eventual closings of these transportation methods, the city began to decline in population and density. Today, it holds approximately 4,739 residents and has seen no new development in well over a decade.

For the purposes of this study, the site's history will be detailed beginning in 2010. The six lots being evaluated for development have primarily served as retailers for well over a decade.

- Lot 1 contains a Shell Gas station that has not changed in recent history.
- Lot 2 is a Got Rice fast-food business which opened in recent years. Prior to that it was vacant for some time.
- Lot 3 is a Little Caesar's takeout pizza restaurant. Previously this was a check cashing store.
- Lot 4 is, and has been, a convenience store.
- Lot 5 and 6 are vacant greenfield.

The developed sites are all single-story buildings with surface parking lots. Initial observations suggest minimal issues related to demolition and redevelopment. The exception here being the Shell gas station which will require at least a Phase II Environmental Site Assessment for potential surface or ground water contamination.

Stakeholders

The key stakeholders in the redevelopment process here are as follows:

- The City of Seat Pleasant who has been working since 2014 on a city master plan for redevelopment.
- The Maryland National Capital Park and Planning Commission who will complete the review process.
- Prince George's County Planning Department who has final approval power.

Site -Assessment

Location

The site is a 2.68-acre lot in Seat Pleasant, a community in Prince George's County Maryland with close proximity to the eastern corner of Washington, D.C. Seat Pleasant is inside of the Capital Beltway, Interstate 495, which is the major highway surrounding Washington, D.C. and close cities of Maryland and Virginia.

Walk Score: 60

Bike Score: 45

Zoning

The site is listed under the zone M-U-I (Mixed-Use-Infill)

Accessibility

The site has an advantageous location occupying a corner on the main thoroughfare of Martin Luther King Jr. Highway and Addison Rd. While there are sidewalks along the road and a crosswalk at the intersection, there are an abundance of curb cuts. Vehicles are unquestionably prioritized over pedestrians in this location which creates frustration for area residents.

Below are the nearest transit options:

- Bus/Train Station: (Capitol Heights Station) 0.7 miles (15-minute walk)
- Ronald Reagan Washington National Airport: 11 miles

Because of the corner access, traffic coming in all directions can access the site. Additionally, this site sees an average traffic count of 18,431 vehicles per day.

Neighboring Uses

The primary uses types of the surrounding are aging single-story retailer and single-family homes.

Quality of Schools

The associated elementary, middle, and high schools associated with this location rank 3, 4, and 3 respectively out of 10. The city is in the process of building a new middle school and renovating their high school.

Neighborhood Identity

Macroeconomic Conditions

This site is located within the greater Washington Metropolitan Statistical Area. Prior to the COVID-19 pandemic, unemployment rates in the MSA were an extremely healthy 2.8% compared to the national average 3.5%. More locally, the unemployment rate within a 3-mile radius of the site was 7.06%.

This is an important indicator of the market's health, and while the immediate area has more unemployed residents than the national average, the stability of the surrounding MSA indicates a strong nearby workforce.

Demographics

The demographic characteristics of the census tract that makes up the market area consists primarily of adults over 30 years of age, in larger than average family households, making less than the Metropolitan Statistical Area median income (Figures 1).

This chart also shows the tenure percentage between owner occupied and renter occupied housing and indicates a preference for renting.

Household Characteristics	Market Area	Washington-Arlington-Alexandria, DC-VA-MD-WV MSA
Total Population	60,484	6,196,585
Median HH Income	\$ 60,586	\$ 103,751
Average Household Size	2.60	2.80
Owner Occupied Housing	48.0%	63.6%
Renter Occupied Housing	52.0%	36.4%
Market Area includes Census Tract 8029.01		
Source: U.S. Census Bureau		

Figure 1

Figure 2 depicts the age distribution of the population in the market area compared to the MSA. While the population distribution is similar to the area averages, it is worth noting that the market area's average age is 38 years old. This is important as it is a prime rental demographic age.

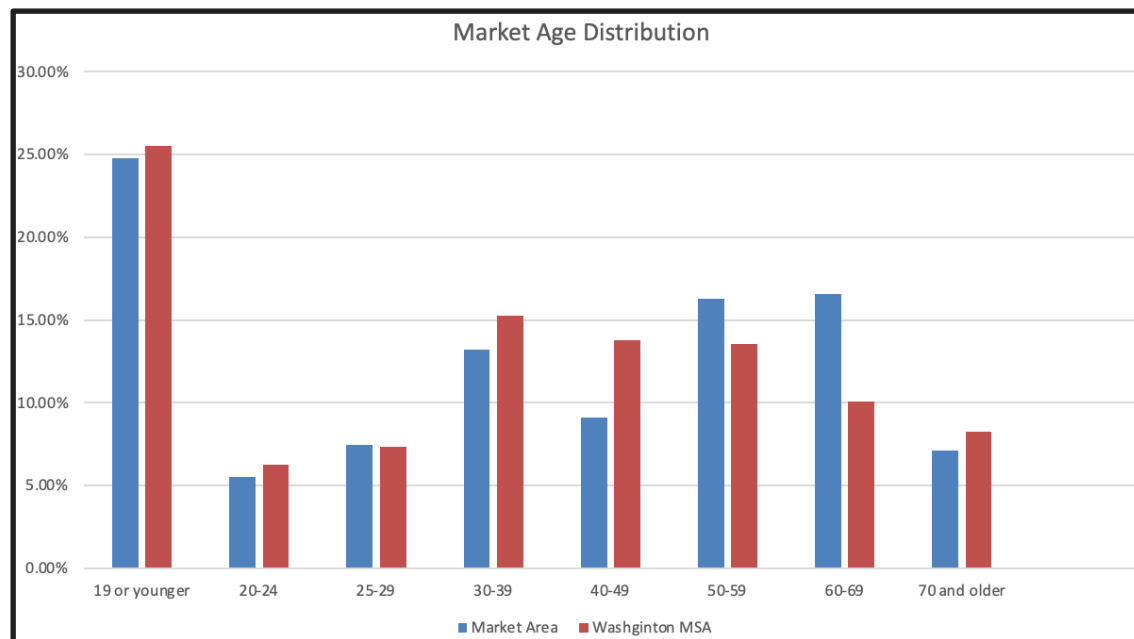


Figure 2

Psychographics

The residents in the market area are considered a Family Foundations community by an ESRI Tapestry Segmentation report (See Appendix A). These neighborhoods value faith, family, gender roles, and stability. Further psychographics are listed below:


- Residents here shop at discount stores such as Marshall's, dollar stores, and Sam's Club.
- They enjoy urban format radio.
- Style is important to them.
- They are highly connected to the internet for entertainment and online gaming.
- They live for today, with little focus on saving.
- The recreational activity of choice is basketball.

These area psychographics will be an important driving theme behind interior design and retail merchandising selections.

Architectural Characteristics

There are no predominant architectural characteristics in the area. Small retailers are primarily single story with little in the way of design features. The corner church has a Neoclassical feel, and the neighboring single-family homes vary between Craftsman, Victorian, Colonial, and Ranch styles.

Appendix A



LifeMode Group: Hometown

Family Foundations

Households: 1,299,600

Average Household Size: 2.71

Median Age: 39.6

Median Household Income: \$43,100

12A

WHO ARE WE?

Family and faith are the cornerstones of life in these communities. Older children, still living at home, working toward financial independence, are common within these households. Neighborhoods are stable; little household growth has occurred for more than a decade. Many residents work in the health care industry or public administration across all levels of government. Style is important to these consumers, who spend on clothing for themselves and their children, as well as on smartphones.

OUR NEIGHBORHOOD


- *Family Foundations* residents are a mix of married couples, single parents, grandparents, and children, young and adult.
- Average household size is slightly higher at 2.71.
- Neighborhoods are found in principal cities of major metropolitan areas throughout the South and West.
- More than two-thirds are homeowners living in single family houses built before 1970.
- Nearly three-fourths of all households have one or two vehicles at their disposal; average commute time is slightly higher.

SOCIOECONOMIC TRAITS

- More than half have either attended college or obtained a degree; one-third have only finished high school.
- Unemployment rate is high at 10% (Index 191); labor force participation rate is slightly lower at 58% as workers begin to retire.
- Over one-third of households currently receive Social Security benefits; just under a quarter draw income from retirement accounts.
- A strong focus is on religion and character.
- Style and appearance is important.



Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GFK MR.



LifeMode Group: Hometown

Modest Income Homes

Households: 1,627,600

Average Household Size: 2.56

Median Age: 37.0

Median Household Income: \$23,900

12D

WHO ARE WE?

Families in this urban segment may be nontraditional; however, their religious faith and family values guide their modest lifestyles. Many residents are primary caregivers to their elderly family members. Jobs are not always easy to come by, but wages and salary income are still the main sources of income for most households. Reliance on Social Security and public assistance income is necessary to support single-parent and multigenerational families. High poverty rates in this market make it difficult to make ends meet. Nonetheless, rents are relatively low (Index 70), public transportation is available, and Medicaid can assist families in need.

OUR NEIGHBORHOOD

- Households are single person or single parent (usually female householders). Multigenerational families are also present.
- Homes are predominantly single family; values reflect the age of the housing, built more than 60 years ago.
- Over half of the homes are renter occupied; average rent is lower than the US average.
- Most households have one car (or no vehicle); nearly a third rely on car pooling, walking, biking or public transportation.

SOCIOECONOMIC TRAITS

- Almost a quarter of adults aged 25 or more have no high school diploma.
- Labor force participation is only 50%, with unemployment at almost three times the US rate.
- Income is less than half of the US median income; more than one in three households are in poverty, dependent on Social Security, public assistance, and Supplemental Security Income.
- Consumers in this market consider traditional gender roles and religious faith very important.
- This market lives for today, choosing to save only for a specific purpose.
- They favor TV as their media of choice and will purchase a product with a celebrity endorsement.



Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GFK MR.

MARKET ANALYSIS

Competitive Market Supply

The Class-A rental supply in the submarket area has remained static since 2018; however, developers see opportunity in neighboring communities, and the pipeline is beginning to fill.

Since 2013, only four multifamily properties, totaling 737 units, have delivered within the 3-mile market area. Figure 3 shows the proximity of the competitive set to the subject site and Figure 4 is a summary of their performance.

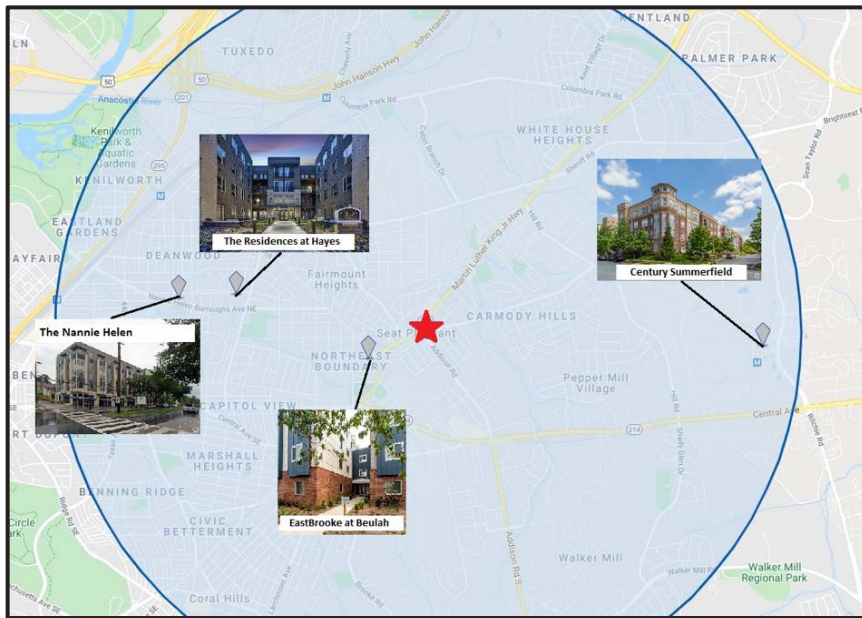


Figure 3 - Source: CoStar

Subject Property Residential Competitors								
Building	Units	Year Built	Vacancy	Floorplans	Unit Mix	Rents	Square Feet	Rent per Sq. Ft.
EastBrook at Beulah Crossing	39	2015	2.7%					
323 62nd St				1 Beds	13	\$ 1,247	516	\$ 2.42
Washington D.C.				2 Beds	13	\$ 1,476	672	\$ 2.20
				3 Beds	13	\$ 1,706	872	\$ 2.31
Average						\$ 1,476		\$ 2.31
Century Summerfield @ Morgan Metro	478	2011	9.0%					
8100 Gibbs Way				1 Beds	234	\$ 1,487	755	\$ 1.97
Landover, MD				2 Beds	231	\$ 1,862	1158	\$ 1.61
				3 Beds	13	\$ 2,263	1546	\$ 1.46
Average						\$ 1,871		\$ 1.68
Residences at Hayes	150	2018	3.5%					
5201 Hayes St NE				Studios	50	\$ 1,267	502	\$ 2.52
Washington D.C.				1 Beds	75	\$ 1,360	728	\$ 1.87
				2 Beds	25	\$ 1,629	1045	\$ 1.56
Average						\$ 1,419		\$ 1.98
The Nannie Helen at 4800	70	2013	0.0%					
4800 Nannie Helen Burroughs Ave NE				1 Beds	20	\$ 1,417	683	\$ 2.07
Washington D.C.				2 Beds	38	\$ 1,701	945	\$ 1.80
				3 Beds	12	\$ 1,965	1139	\$ 1.73
Average						\$ 1,694		\$ 1.87
Source: CoStar								

Figure 4

Of the competitive set, the average vacancy is only 3.8% and the average rent per square foot is \$1.97. Overall, the Class-A properties in the Seat Pleasant/Capitol Heights submarket are performing well.

Pipeline

There are planned deliveries of nearly 2000 units within a 3-mile radius over the next 10 years, although many of these are within the Washington D.C. line. Figure 5 summarizes the future competition in the market area and Figure 6 shows their proximity to the site.

Subject Property Future Residential Competitors			
Building	Units	Breaking Ground	Distance to Site
The Everly at Largo Metro: 100 Capital Ct. Upper Marlboro, MD	260	Under Construction	5.8 Miles
1001 Addison Rd. Capitol Heights, MD	1500	2022	1.6 Miles
4650 Benning Rd SE. Washington D.C.	500	2023	2.1 Miles
5110 Nannie Hellen Burroughs Ave NE. Washington D.C.	183	2023	1.6 Miles
5800 Capitol St NE. Washington D.C.	312	2022	1 Mile
Source: CoStar			

Figure 5

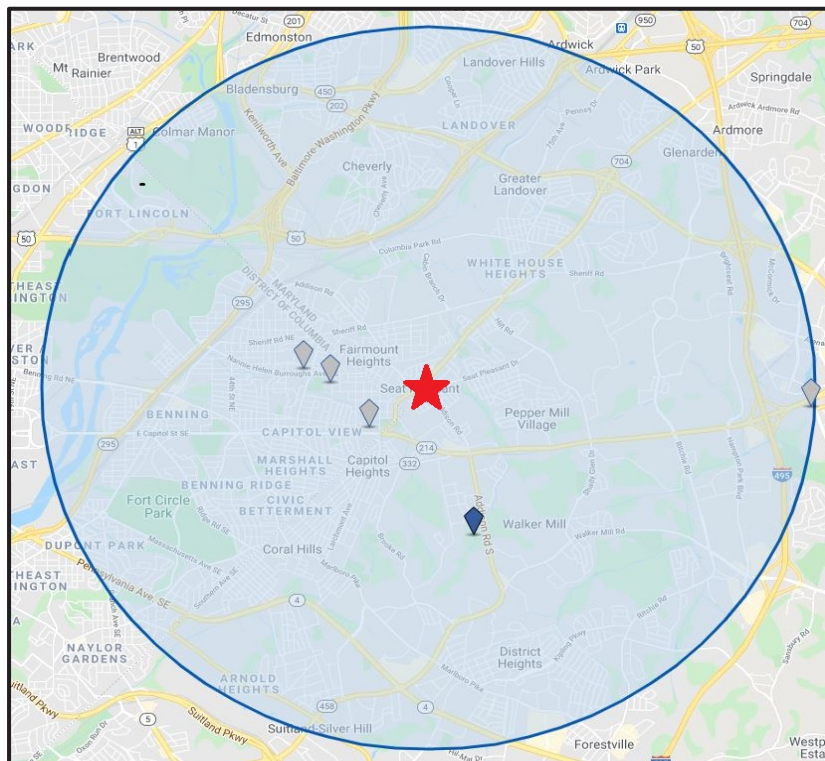


Figure 6 - Source: CoStar

Demand

There are currently 60,586 households within a 3-mile radius of the site. Census data projects new household growth of nearly 1% annually between 2020 and 2030 for a total growth of 9.8%. As seen in Figure 5, the market area is projected to outperform the growth of the county which is anticipated to increase 7.7% in the same time period.

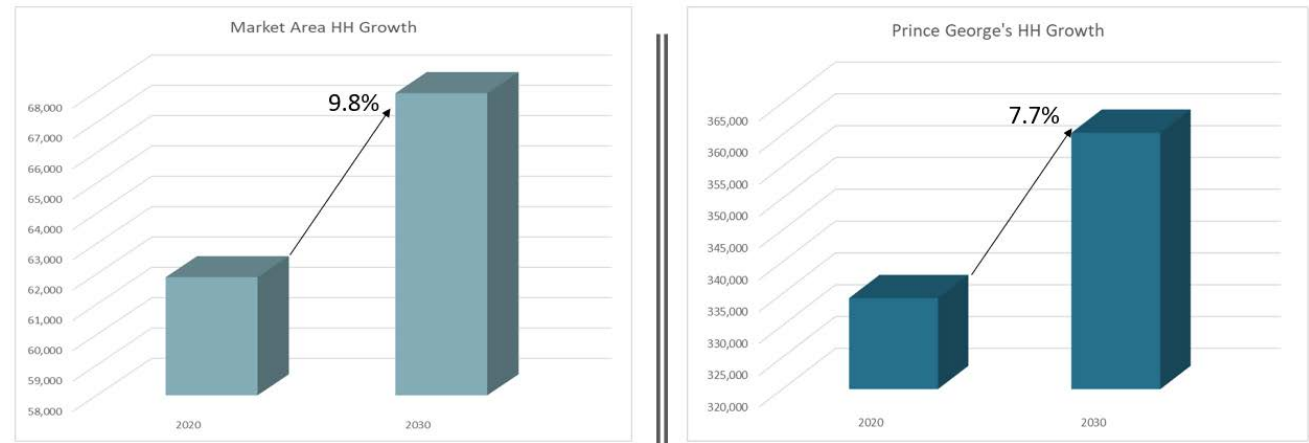


Figure 7

With a renter tenure rate of 52%, this growth will create 2,896 new renting households within the submarket over the next 10 years. With this current pipeline, residential demand begins to outpace the projected supply pipeline significantly in 2025, leaving a need for an additional 901 units in the market as seen in Figure 8.

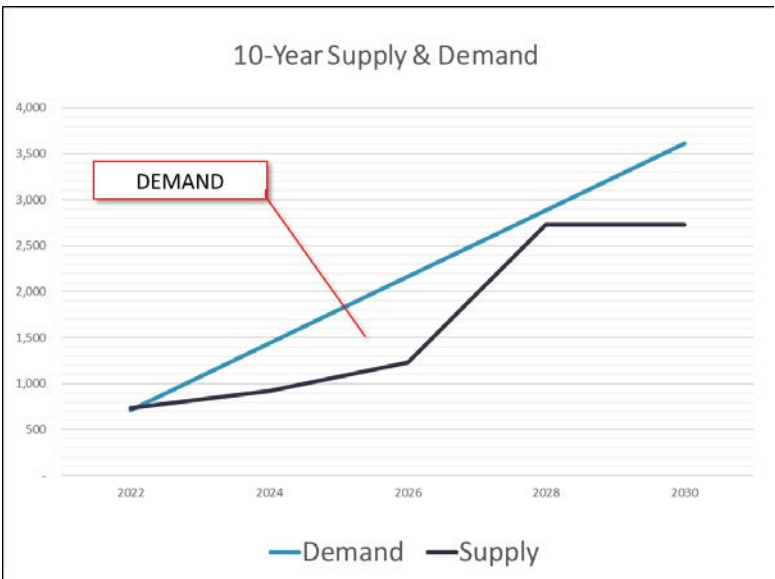


Figure 8

Additionally, a 2019 Comprehensive Housing Strategy memorandum published by Prince George's County indicated that residents of the county believe that there are not enough higher-density neighborhoods with social amenities. This memo also indicated that 32 percent of their surveyed individuals noted that a lack of amenities like shopping and groceries were a factor in choosing not to stay in the county.

With the submarket and county's projected annual growth, strong performance of the current Class-A stock, limited pipeline developments, and desire for more density from current residents, there is clear demand for highly amenitized residential apartments.

Retail

Figure 9 shows the current retail stock in the surrounding area. The immediate area is comprised of some convenient options (CVS, Dollar Store, Save-A-Lot) as well as an abundance of "takeout" food options. It is clear that development here has been stunted by the area median income, which is lower than surrounding, more retail rich, neighborhoods.

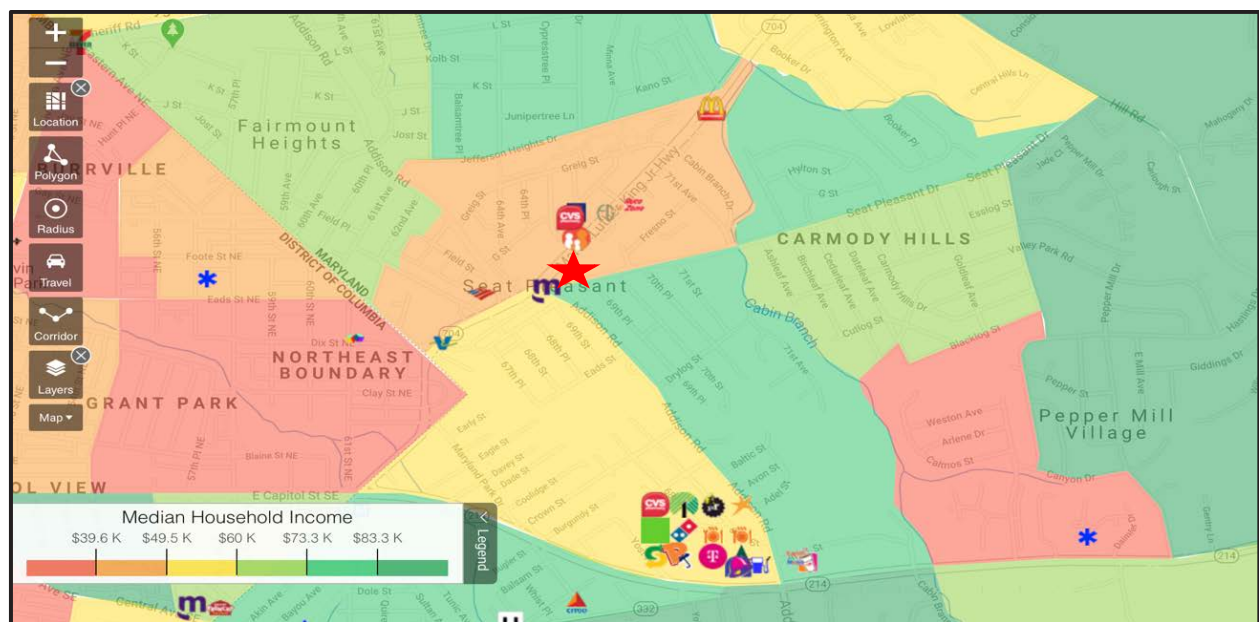


Figure 9 - Source: CoStar

Based on the neighborhood data discussed previously, residents of this area prefer to spend their discretionary income. Currently, there are very few options for them to use that money locally. Based on a 2020 CoStar Consumer Spending Report, households within a 3-mile radius of this site spend a majority of their income on food and entertainment after their home and transportation costs. More importantly, of the money spent on food, 40% is on food away from their home (restaurants).

Demand

While the area's median income is fairly low, the surrounding neighborhoods consist of significantly higher earners. Furthermore, the residents of Seat Pleasant prefer to spend their money out on entertainment or dining when possible. Presently there are very few options in the immediate vicinity. Based on the consumer spending report, there is demand for entertainment and food providers to serve current and future residence

Conclusion

The present stock of residential apartments and retail establishments are both underserving the market. Because of the surrounding wealth and increase in pricing of adjacent neighborhoods, the market area is expected to grow substantially over the next 10 years. This project will be at the forefront of meeting this growth through much needed rental apartments and retail establishments that appeal to the demographics and psychographics.

DESIGN AND ENVIRONMENTAL

Based on the performance of Class-A properties within the submarket, and need for community amenities, this site will be developed as a mixed-use residential and retail building. The land is currently zoned Mixed-Use Infill (M-U-I) with a Development District Overlay (D-D-O). While there are no specific allowable uses or guidelines for this zone, there is precedent of the County approving the referenced R-18 Residential zone uses and density. We will use the same previously allowed uses and density parameter on this site.

PRECEDENT

- Tapestry Largo Station: 9300 Loffsford Rd. Largo, MD 20774
- Zoned: MUI (D-D-O overlay)
- Lot: 6.62 Acres
- Units: 318
- DU per acre: 48
- Lot Coverage: 40%
- FAR: 2.0
- Built type: 4 over 1 podium
- Retail: 25,000 sf

Based on the previously discussed in-place zoning and lot size, below is a breakdown of the initial site design used to generate the architectural design concept.

Building Concept

The project will be a 5-story mixed-use development that includes 138 apartments and roughly 25,000 square feet of retail space. It will be constructed as a concrete podium with 4 levels of wood-framed residential. There will be an attached parking garage with an estimated 190 parking spaces. This will include 130 designated residential spaces, 40 of which will be flexible to residential and retail, and 60 designated retail spaces.

Plan Concept

The basic layout of the building is listed below, followed by simple diagrams of the project.

- 4 stories of wood framing on top of 1 level of concrete
- 70 feet tall
- Occupying roughly 78,000 square feet

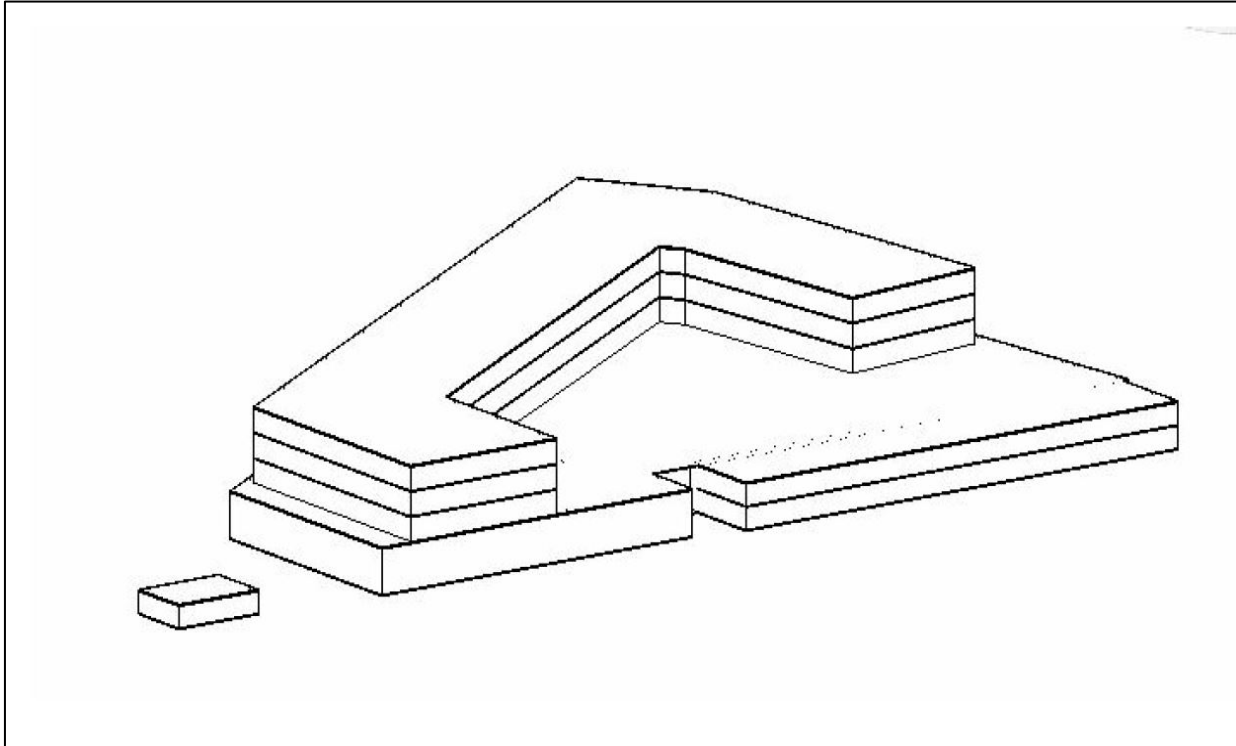


Figure 10

Design

The primary focus in designing this building is our response to the surroundings. Martin Luther King Jr. Hwy is a busy thoroughfare, and will hold the majority of our streetfront retail.

Seat Pleasant Dr. on the other hand is comprised of single family townhomes. To respond to that change and avoid overwhelming this neighborhood, that street frontage will hold 10 walk-up 3-bedroom townhomes to rent.

Figure 11 is a look at the podium level which includes ground floor walkup townhomes, a leasing office, above grade parking structure, and all retail spaces.



Figure 11

Figure 12 is a look at levels 2 through 5. Here you can see the pool and courtyard on top of the parking structure as well as the layout of the residential portion and amenity spaces. Furthermore, in response to the city's future development plans, we will include a 15,000 square foot dedicated public plaza on the corner of this lot.

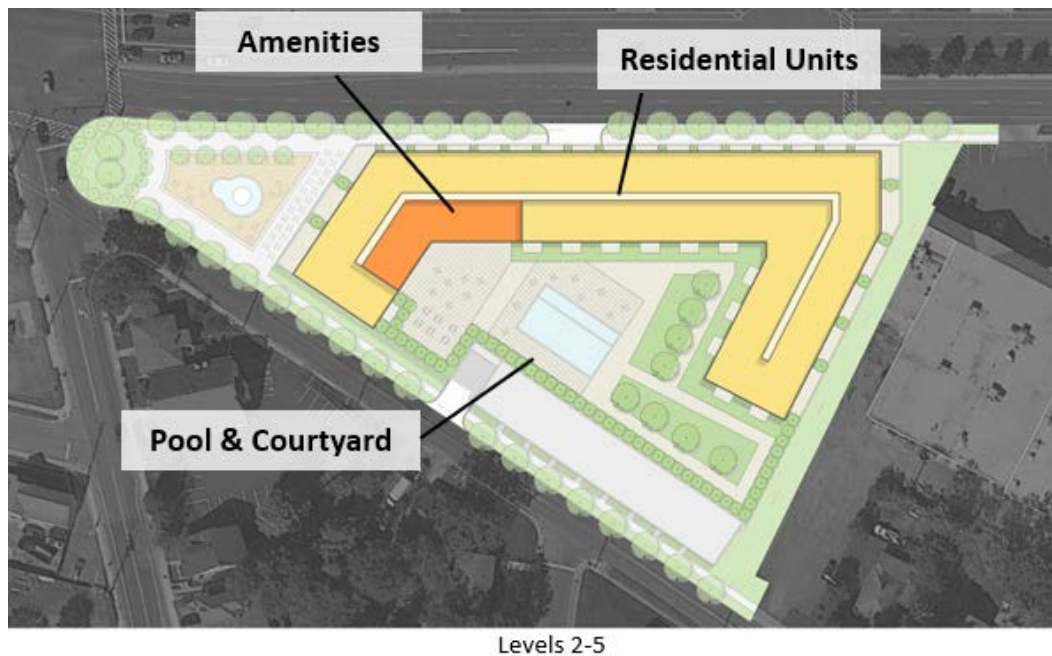


Figure 12

Residential Mix

The residential portion will consist of a mix of 1 and 2 bedrooms on floors 2-5 and 3-bedroom townhomes on ground level. Twenty percent of the apartments will be set aside as affordable units leased at 50% AMI. Below is a breakdown of the unit mix:

Conventional Mix

- 1 Bedroom 15 Units
- 2 Bedroom 87 Units
- 3 Bedroom 8 Units

Affordable Mix

- 1 Bedroom 4 Units
- 2 Bedroom 22 Units
- 3 Bedroom 2 Units

Retail mix

The ground floor retail will abut Martin Luther King Jr. Hwy and be divided into 5,000 square foot white spaces. Target retailers will focus on food and entertainment, convenience, and personal care. Below is a list of potential retailers.

- The ELENOR Bowling Lounge, Bar & Grill
This food and entertainment establishment opened their first location in Silver Spring, MD in 2019. We feel that the casual and approachable design fits in the market and is in line with what residents are looking for, and what they typically spend discretionary income on.
This is our anchor tenant who has pre-leased the corner bay facing the street and plaza.
- CVS Pharmacy
There is currently a CVS located at 5922 Martin Luther King Jr. Hwy. Our goal is for them to relocate to our space with the vision of a more urban Seat Pleasant future. Their typical footprint is 10,000 square feet and we would look for them to lease the same here. We are finalizing their LOI within the next 2 months.
- Personal Care
In line with psychographics of Seat Pleasant residents, we will look to fill the remaining 2 parcels with retailers dedicated to personal care. With a focus on local businesses, our retail brokers will aim to attract hair and beauty salons and coffee/juice bars.

Environmental

For the majority of the site, there are little to no environmental concerns; however, the corner lot is currently a long-standing gas station. It is common for their underground storage tanks to leak fuel into the surrounding soil, contaminating the soil and groundwater. We are anticipating a Phase II Environmental Survey at minimum. As part of the site improvements, we are planning to utilize an environmental specialist to remove the underground tank(s), excavate surrounding contaminated soil and groundwater, and backfill with virgin native soil. Prior to construction, the site will be returned to pre-contamination conditions.

Sustainability

The construction of the project will have sustainability in mind throughout the process, including the addition of a green area atop the parking garage. This will include both a LEED and Energy Star Certification achieved through efficient systems and materials. The Energy Star Certification is relatively inexpensive as most appliances and fixtures are now certified Energy Star in production. The certification will be achieved and maintained through annual benchmarking metrics collected by a third-party energy consultation company at a minimal annual cost.

The development team will be pursuing a LEED Silver Certification through the following construction and design considerations:

- Transportation initiatives through a shared bike program, reduced parking, and EV Charging stations.
- Sustainability through rainwater management, pollution reduction in construction, and open spaces.
- Water efficiency through submetering and indoor/outdoor use reduction strategies.
- Third party energy monitoring and metering.
- Materials and resources such as material product disclosures and declarations as well as a recycling program.
- Enhancing indoor air quality, acoustic performance, lighting, and views.
- Utilizing our in-house LEED certified developers.

The hard costs associated with the project include a 2.5% increase over non-LEED projects to account for these considerations.

Public Benefit

The new Seat Pleasant master plan has identified our site's intersection as a key area for development and growth of the city. Being cognizant of its importance, our team's goal is to utilize the corner of the lot as a public courtyard to facilitate a sense of place. This will be

achieved through proper hardscape and landscape that creates comfort and activation. We plan for the focal point of this space to be a sculpture representing the history of the city as a crossroads of transportation.

Renegade will commission local artist Rodney Carroll to complete something similar to his work below.



Furthermore, this space will add much needed place making to the corner and be flexible for city programming uses. In our charrette discussion with Seat Pleasant residents, the traffic patterns on this location were a major concern. Our design seeks to prioritize pedestrians over vehicles in this corner through a road diet that adds parallel parking along MLK Jr. Hwy, as well as pavers and cutouts that slow traffic patterns. These measures will help to facilitate a lively, walkable, urban-type area the city and residents are looking for.

JLL, our retail broker, will work closely with Renegade and the city of Seat Pleasant to identify business owners eligible to take advantage of Seat Pleasant's local business incentives and locate within our building. This increased area retail will also serve the community through added tax revenue.

Most importantly, the project will be adding 28 affordable rental homes to the city and 25,000 SF of retail space to an underserved community.

Architectural Style

The building will be of modern design with elements of the past. The primary material will be an off-white brick exterior with linear metal sheets designed to emulate the city's historic railway cars. Because there are no distinctive neighboring characteristics, but many shapes, sizes, and colors, our goal was to create a monochromatic statement piece. The following pages contain design images.

Images

The below images were created by our Architect or Record: Davis Ensor.

Initial Concept



Activated Exterior



Townhomes and Courtyard



REGULATORY PROCESS

Zoning Analysis

The site is located in the (M-U-I) Mixed-Use Infill zone with a (DDO) Development District Overlay. M-U-I is considered a “floating zone” designed to promote growth through a mix of uses.

The Prince George’s County Planning Department lists the Development District Overlay purpose as “Intended to ensure that development in a designated district meets the goals established in a Master Plan, Master Plan Amendment or Sector Plan. Development Districts may be designated for town centers, Metro areas, commercial corridors, employment centers, revitalization areas, historic areas and other special areas as identified in approved plans”.

The proposed project is within the M-U-I zoning parameters. Typically, this means it can be developed by-right; however, the Development District Overlay requires an additional review process like zoning variances.

Entitlement Process

Once the land is secured, the Renegade Developments team will begin the entitlement process. This key players in the process are below:

- The development team
- The Maryland National Capital Park and Planning Commission
- All Maryland park and planning agencies
- The city of Seat Pleasant
- The Prince George’s County Planning Board
- The public

This process will begin by submitting an application with Plans of Subdivision. This plan looks at how the project will impact property lines to fit a new development, and how that development will affect public facilities such as transportation.

Once the preliminary plan has been approved, the development team will submit a Detailed Site Plan for review. The detailed plan includes specifics on the project’s architecture, signage, landscaping, streetscaping, etc. Once the detailed site plan is approved, we will move forward with permitting and construction.

We have allocated 12 months in the schedule for pre-closing and post-closing permitting. The review process of these applications is largely identical. Below is a flowchart depicting the process from application through approval and the players involved.

**Contact
Seat
Pleasant**

Developer will contact the city of Seat Pleasant to inform them of the development application. This is an informal process to create buy-in and allows for their preliminary input.

**Submit
Application**

File Preliminary Plans of Subdivision/detailed site plans with the Maryland National Capital Park and Planning Commission – The agency of authority.

**Application
Accepted**

After initial review and acceptance, the property will be posted with a notification that it is under development review. The M-NCPPS will ensure it meets zoning requirements and notify other agencies and the city.

**Present to
City Council**

The developer will present the project to the Seat Pleasant City Council. This is the first formal time the application comes to the public.

**Planning
Committee
Session**

The developer will attend a Planning Committee meeting and present the plan and details to the Planning Committee. The Committee will make a recommendation and provide comments to the council.

**City Council
Review &
Approve**

The City Council will review the Planning Committee's comments and take action of support, support with conditions, or do not support. Most commonly the decision is to support with conditions of modification.

**Letter to M-
NCPPC**

The city will send a letter to M-NCPPC detailing the City Council's actions and requesting any conditions.

Final Report

The M-NCPPC will consolidate all comments and findings from the application review process and submit their recommendation to approve, approve with conditions, or deny the application to the Planning Board.

**Planning
Board
Hearing**

The Planning Board holds a public hearing to review the project. The board will consider the consolidated report and public testimony to make a final decision to approve, deny, or approve with required changes.

County Action

City Action

DDO Review

The development district overlay review process will primarily consist of the Seat Pleasant City Council's review and approval of the design and function of our project. This will include the building type, color, height, setbacks, and parking. We are confident that our design meets requirements outlined in the SubRegion 4 Urban Design Standard and Guidelines.

Additionally, we feel that our project meets the vision of the city's future development plan and they will be advocates for its approval.

Stakeholder Buy-In

During the application review and submittal process, the development team will make every effort to create buy-in with the city and residents of Seat Pleasant.

This buy-in will begin prior to the initial development application. While it is not necessary to notify the city of the project's application, doing so will allow them an opportunity to add initial comments that may facilitate future approvals. Additionally, it is an opportunity to create excitement for development that is in line with the city's future master plan.

Community Buy-In

During each phase of the entitlement process, there will be public review of the project. This will give Seat Pleasant residents an opportunity to voice concerns over the projects impact to the community. During these hearings, the development team will focus on the positive influences of the project. These will include the following key points.

- Job creation
- The addition of affordable housing
- The addition of retailers to serve the community
- Public use spaces
- Traffic speed reduction through streetscape
- Beautification of the intersection
- Increase in property values

Finally, during the construction process our team will engage local businesses wherever possible, this includes sourcing retailers and contractors as well as using local shops when possible.

CONSTRUCTION MANAGEMENT

GENERAL CONTEXT

The project will be completed in one phase. Building materials are based on pricing for Type IIIA and Type IA construction.

The parking structure will be an above ground garage that services both residential and retail. Although the site is fairly small, underground parking would be cost prohibitive as it would increase overall hard costs by 13%.

Interior and exterior finishes will be reflective of a class-A mixed-use property.

CONSTRUCTION COSTS

Our project's general contractor will be Renegade Construction Company (RCC), our in-house general contractors with a history of completing mixed-use developments in the DMV area. A full list of projects with cost and completion time will be provided for the partner's review at a later date.

The construction agreement between Renegade Developments and RCC, will be a Guaranteed Maximum Price (GMP) contract. The construction costs of this project are based on preliminary conversations and recent projects completed by RCC as well as the initial architectural concept and allowable building area.

We chose to pursue a GMP instead of a lump sum agreement for the following reasons related to risk reduction:

- To allow greater visibility into the specific construction costs for all partners involved.
- To better utilize the contractor's expertise in the design phase.
- To limit unreasonable costs and the need for time-consuming strategic cost-cutting or value engineering near the project's completion.
- The GMP contingency will benefit all parties involved and facilitate the project's completion on time and within budget.

Delivery Method: Our development team will act as the Construction Management Agency (Cyma) for ownership.

Procurement Method: We will utilize our in-house general contractors, RCC, as part of our company's vertical integration to streamline the build and provide competitive pricing. RCC will provide preconstruction services including working with the CMa and design team through the

design phase, cost estimation, schedules, feedback of design and feasibility, and material selections.

A summary of the total hard costs included in the current GMP proposal, as well as the anticipate schedule, are provided on the following pages:

GMP BREAKDOWN

• General Conditions:	\$1,612,254	(11,683 per DU)
• Site Improvements:	\$2,079,429	(\$30,991 per DU)
• Structures – Residential:	\$23,637,404	(\$171,285 per DU)
• Structures – Amenity:	\$1,440,508	(\$10,438 per DU)
• Structures – Garage:	\$4,627,640	(\$24,356 per space)
• Structures – Retail:	\$1,715,210	(\$68.61 PSF)
• SUBTOTAL:	\$35,112,444	(\$254,438 per DU)
• Bond and Insurance:	\$810,242	(\$5,871 per DU)
• Contract Contingency:	\$745,254	(\$5,400 per DU)
• Overhead (1%):	\$335,002	(\$2,428 per DU)
• Contractor Fee (3%):	\$1,005,006	(\$7,283 per DU)
• TOTAL:	\$38,007,947	(\$275,420 per DU)

SCHEDULE

This schedule includes a closing and approvals schedule as well as RCC's construction schedule. Below is a summary of critical dates. The total duration from Notice To Proceed (NTP) to Substantial Completion is 30 months. This does not include the 12 months of predevelopment dedicated land negotiation and due diligence.

The following page contains the key milestones and a Gantt charts for greater visualization of the project's schedule from due diligence through stabilization.

• Contract Finalization	August 2022
• Pre-Closing Permit Approvals	December 1, 2022
• Closing & NTP	January 2023
• Post-Closing Permit Approvals	July 1, 2023
• Demolition	August 2023
• Concrete Start	October 2023
• Framing Start	May 2024
• Structure Complete	August 2024
• Watertight	September 2024
• Utilities	September 2024
• Leasing and Amenities Complete	December 2024
• First Unit Occupancy	November 2024
• Substantial Completion	January 2025
• Retail Opening	March 2025
• Stabilization	January 2026

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MARKETING AND MANAGEMENT

Management

Renegade Management will act as property manager for a management fee to be paid by the property equal to 3% of Effective Gross Income, but no less than \$5,000 per month. This fee will cover all overhead resources needed to effectively manage the residential and retail operations of The Verge. This fee does not cover salaries and benefits of the onsite staff. The management team will engage in the project 90 days prior to the delivery of the first residential units.

Renegade Management is an affiliate of Renegade Developments and specializes in managing Class-A residential and retail real estate. With 10 years of experience and 5,000 units in the DMV, the management team provides expertise, economies of scale, and a track record of successful lease-ups. Renegade Management will provide the following leasing and operational services:

- Lease Up – The onsite team will lead the operations to achieve or exceed performance objectives within the confinements of the approved budget.
- Engagement – The staff will engage residents, retailers, and the community to create and nurture relationships.
- Accounting – Management will complete an annual budget for the review of ownership. They will also provide monthly operating statements.
- Cost Control – Operations will make every effort to look for savings opportunities that align with the project's goals.
- Leasing – Working alongside the marketing team, management will utilize a marketing and media plan to generate leads and leases in line with occupancy and lease-up goals.
- Contracting – The team will manage all operations contracts, including the execution of capital improvements.

Marketing

The name “The Verge” is a nod to the site's location. While it is literally on the verge of entering Washington and on the verge of entering the greater Maryland area, figuratively, we believe the area is on the verge of growth and opportunity.

The site's preliminary marketing narrative is below.

Level-Up at The Verge

Why choose when you can live at The Verge? At the center of Seat Pleasant, MD, The Verge offers a communal environment dedicated to health and wellness, relaxation, and style. Get your sweat on at the fitness center, relax in the clubroom, work from home at one of our private nooks, or soak up sun at the resort style pool. A short walk to the nearby Blue Line will provide everything Downtown DC has to offer. At the end of the day, come home to a modern, open layout, apartment. Living on The Verge means you have access to everything from the best of Prince George's County to all of DC.

Area Summary

The Verge is located in Seat Pleasant, MD within the Capital Beltway at the intersection of Washington D.C. and Maryland. Because of its proximity to the District, the area would be considered a General Urban Zone in the T4 transect. The property will therefore provide a unique place in the heart of Prince George's County while remaining close to Washington D.C. and other major workforce areas such as Andrews Air Force Base.

Core Idea

Luxury and convenience while providing a Class-A community at an affordable price and away from the busier DC. The Verge provides a family friendly environment with a focus on entertainment, style, health, and wellness.

Target Market

- Established professionals and government employees between the ages of 31 and 50
- Singles, couples, and families
- Commuters to DC, Andrews AFB, and local government agencies
- Price conscious renters looking for better fit and finishes in a growing area
- Current Seat Pleasant residents seeking a new community

Marketing Highlights

- Property website
- Ad placement in Apartments.com and Zillow networks
- Pay-per-click advertising and SEO optimization
- Robust social media presence
- Positive online reputation
- Active resident event calendar
- Relationships with nearby workforce
- Promotional email blasts

Plan Overview and Strategy

Marketing Objective	Strategies	Metrics
Develop property identity	<ul style="list-style-type: none">Well-developed websiteConsistent brand identity online and in copySocial media presence	<ul style="list-style-type: none">Activation across all platforms
Generate awareness among apartment shoppers	<ul style="list-style-type: none">Online paid mediaOptimized SEO for surrounding area keywords	<ul style="list-style-type: none">LeadsLeasesConversion ratio
Generate awareness among local businesses	<ul style="list-style-type: none">Community outreach program targeting large area employees such as Andrews AFB and Government agenciesPreferred employee program offering reduced upfront fees	<ul style="list-style-type: none">Quantity of preferred employer leadsPartnership opportunities
Generate awareness among the community	<ul style="list-style-type: none">Build strong partnerships with local retailers to support onsite leasing and prospect events	<ul style="list-style-type: none">Number of partnersNumber of resident benefits obtained for community
Increase leasing and retention via referrals	<ul style="list-style-type: none">Monthly resident eventsDiscount promotions for local businessesReputation managementSocial media engagement	<ul style="list-style-type: none">Reputation scoringnumber of resident referralsEvent feedbackNumber of social media followersPercentage of leads from social media

Website Development

Our team will implement a new website, www.liveontheverge.com, and ensure it delivers a top-notch user experience with rich content and photography.

Paid advertising

The media campaign will include paid Internet Listing Services through the Zillow and Apartment.com networks. We will also use search engine optimization and paid search ads to generate leads.

Social Media

With the help of Renegade Development's marketing team, we will create buzz around the community through social media channels with the following schedule:

- Initial preleasing "Sweepstakes" offering a large discount to one renter.
- Facebook – utilized for event management
- Weekly blog postings on the website
- Instagram postings 3-5 times weekly
- Twitter postings 2-4 times weekly
- Monthly Pinterest inspiration boards

Events

The onsite team will facilitate resident and prospect events for community engagement. These events will align with our focus on entertainment, style, health, and wellness. Virtual options will also be provided.

- Entertainment – we will host resident events at our entertainment/food retailer. This retailer will also be used to cater prospective resident events such as a monthly "Open House."
- Style – we will engage local influencers to assist with monthly style events focused on fashion and nearby retail options.
- Fitness Program – we will partner with a local gym or instructor to provide free weekly fitness classes with a virtual option.
- Community Events – we will invite residents to the courtyard or clubroom for a variety of social gatherings including:
 - Yappy Hour dog events
 - Movie/Game night
 - Back to school events
 - Holiday parties
 - Summer pool events

Hours of Operation

- Monday-Saturday: 9am-6pm
- Sunday: 12pm-4pm

Pricing Strategy

The 20 affordable apartments will be based on 50% of the HUD issued Area Median Income. The market rate unit pricing will be based off an average gross potential rent of \$1,833 per unit. The current proforma includes a budget for a revenue management system to optimize pricing for new rents and renewals. Further pricing details are listed below:

- We will offer 6–18-month lease terms
- Parking fee - \$75 monthly
- Pet fee - \$25 monthly
- Application fee - \$25 per applicant
- Security deposit – starting at \$500

Collateral Design

A branding agency will be used to develop the initial imagery and copy to be used consistently on website and collateral such as stationary, welcome folders, and floorplans.

Services

The onsite team will be customer service focused and aim to provide personalization wherever possible. This may include package management, area recommendations, or assistance with deliveries.

FINANCIAL ANALYSIS

Financing Summary

This project will be funded by 24% equity from Renegade Developments, our partner, and Low-Income Housing Tax Credits, and 76% debt from Tax-Exempt Bonds issued by the Maryland Department of Housing and Community Development.

Financing Sources	%	Amount
Equity	24%	\$12,889,028
Renegade Developments	16%	\$2,000,000
Partner	53%	\$6,768,065
LIHTCs	32%	\$4,120,963
Debt	76%	\$41,165,007
Tax-Exempt Bonds	100%	\$41,165,007
Total Sources	100%	\$54,054,035

The anticipated total returns are below:

Year 15 Return Metric	Amount
Cash Distributions Year 1-15	\$13,659,449
Net Sales Proceeds	\$27,966,310
Gross Profit Margin	
IRR	13.38%
Cash on Cash Return	17.20%
Equity Multiple	4.75
Return on Cost	6.28%
Renegade's Development Fee	\$2,965,352

Equity

Renegade Developments will contribute 16% of the required equity (\$2m) and have identified a private equity partner for the remaining 53% of required equity (\$6.76m).

LIHTC

The remaining 32% of equity will be achieved through non-competitive 4% low-income housing tax credits as part of the tax-exempt bond financing program. We will set aside 20% of the total units to be rented at 50% of the area median income as part of the LIHTC requirements. Our adjusted eligible basis is \$56,885,587 which will provide a 10-year tax credit of \$4,339,793 at a rate of \$0.94 per credit. The LIHTC compliance period is 15 years.

Tax-Exempt Bonds

Because of the lack of traditional rental demand metrics in this market, we are seeking \$41,165,007 in tax-exempt private activity bonds through the Maryland Community Development Administration. This project aligns with their goal of increasing the construction of rental housing for families with limited income.

Utilizing tax-exempt bonds will allow the project to reduce its debt service costs through a long-term, fixed interest rate mortgage. Below are the bond terms:

- 40 Years
- 2.85% Interest
- 0.25% MIP
- 0.25% Loan Servicing
- 0.4% Trustee Fee
3.39% All-In Rate

In addition to the advantageous loan terms, the bonds will be issued as a construction to permanent loan, eliminating the need for a high-interest construction loan and later conversion to permanent financing.

Assumptions

All assumptions are provided in the attached proforma. Below is a Proforma snapshot showing the key numbers:

Investment Summary

- Number of Units: 138 Apartments (110 MR / 28 Affordable)
- Retail SF: 25,000 SF of Retail
- Number of Parking Spaces: 190 Spaces (130 Residential / 60 Retail)
- Average Market Rent per SF/per Unit: \$1.86 / \$1,908
- Average Affordable Rent per SF/per Unit: \$1.39 / \$1,412
- Annual Operating Expenses: \$7,013 per Unit

Development Budget

- Total Hard Costs: \$37,262,694 (\$270,019 per DU)
- Total Soft Costs: \$13,457,256 (\$97,516 per DU)
- Total Land Costs: \$2,588,832 (\$18,759 per DU)
- Contingency: \$745,254 (2% pf GMP)
- Total Replacement Cost: \$54,054,035 (\$400,400 per DU)
 - Residential \$45,729,711 (\$331,374 per DU)
 - Retail \$8,324,324 (\$333 per GSF)

Income Assumptions

The project is a new construction mid-rise community with a mix of Class-A residential and Retail uses. Along with the 138 apartments there will be approximately 25,000/sf of ground floor retail space. We have a signed letter of intent for 5,000 sf to the retailer The Eleanor Bowling Lounge, Bar, & Grill, a Maryland based entertainment and restaurant establishment. They have agreed to a 10-year lease at \$25 per SF NNN. Additionally, we are finalizing an LOI with a nearby national pharmacy/convenience store for 10,000sf at \$20 per SF NNN.

The remainder of retail space is being marketed to local self-care businesses at \$20 per SF NNN.

Below is the assumed mix of residential unit rents. The projected escalation rate modeled is 3% for market rate apartments and 1% for affordable apartments.

Market Unit Mix	Avg. Rent	Avg. SF	\$/SF	#
1 Bedroom	\$1,550	750	\$2.07	15
2 Bedroom	\$1,875	950	\$1.97	87
3 Bedroom	\$2,300	1,500	\$1.53	8
Affordable Mix	Avg. Rent	Avg. SF	\$/SF	#
1 Bedroom	\$1,181	750	\$1.57	4
2 Bedroom	\$1,417	950	\$1.49	22
3 Bedroom	\$1,638	1,500	\$1.09	2
Total Averages	\$1,660	1,066	\$1.62	138

Expense Assumptions

The operating expenses of \$7,013 per unit are based on per unit costs from similar buildings currently managed by Renegade Management, with adjustments made to correspond to appropriate variables. These variables include Prince George's County multi-dwelling rental license of \$75 per unit, and the average Maryland real estate property tax rate of 1.06%, and an anticipated turnover rate of 40% annually. The modeled expense escalation is 2% annually.

Exit and Benefits

The project's financing requires a 15-year compliance period for the low-income units. After the compliance period elapses, the site will be listed for sale and exit as a means of achieving the desired returns.

Available cash from operations and net sales proceeds will be distributed to the project members in the following order of priority:

- First, pro rata to both members until each achieves a 9.5% IRR.
- Second, 70% to our partner and 30% to Renegade Developments until our partner has achieved an 11% IRR.

- Third, 50% to our partner and 50% to Renegade Developments until our partner reaches a 15% IRR.
- And finally, any remaining profit will be distributed 30% to our partner and 70% to Renegade Developments.

Sensitivity Analysis

The following page includes a sensitivity analysis of potential factors that may impact the project's return. We have tested both increases and decreases in NOI, Cap Rate, Total Project Cost, and Required Equity.

We believe that there is enough contingency in each of these metrics to justify proceeding with the project as planned. Highlights of the contingency are below:

Metric	Contingency
NOI	\$300,000 annually
Project Cost	\$3,000,000
Equity	\$2,500,000
Gross Sale Price	\$7,857,672
Cap Rate	1%

Risk Analysis

1. Land Acquisition

The purchase of the site lots is contingent upon a contract with all lot owners. While we do not feel that there will be an issue with most negotiations, the purchase of the Shell gas station has potential for delay as they have been long-term holders of this location.

Mitigation

We will be working closely with the city of Seat Pleasant to develop key relationships to assist with the negotiations. The city's new masterplan has identified this intersection as a focal point for the community, so we believe they will push hard for our development. Additionally, our sensitivity analysis indicates that we have the ability to increase our purchase price and equity contribution up to \$2.5m and still achieve desired returns.

2. Hard Costs

Hard costs are based on recent projects and Renegade Construction's projected pricing. This number may be impacted by increases in pricing of raw materials or labor.

Mitigation

The proforma holds a 2% construction contingency. Furthermore, our analysis indicates that our required return is safe up to a \$3m cost increase.

3. Environmental

Due to the nature of the site's gas station, we are anticipating some level of associated remediation requirements.

Mitigation

We are holding a \$150k contingency for additional testing, tank removal, soil disposal, and oversight of any required cleaning.

4. NOI Assumptions and Lease-Up

The rents and lease-up timeline are based on data from competitive properties within 3 miles; however, there has been no recent development of this size to compare to. The expenses are based off like-kind projects under Renegade's management umbrella, but nothing is within the immediate area.

Mitigation

The management company has assisted in underwriting rents and pace based off recent experience. We were conservative in the absorption model and feel that the high occupancy levels in the area are an indicator of demand. We feel that the management company offers local economies of scale that will assist in maintaining projected expenses. In addition, our sensitivity analysis shows a \$300,000 contingency for Net Operating Income.

5. Retail Leasing

This area has traditionally been underserved in retail establishments due to the modest median income of the city's residents. There is a risk that the stabilization of retail is extended as we have only one secured LOI and another near completion.

Mitigation

We believe that our two initial tenants will provide strong anchors for the project. The remaining spaces will be designed for flexibility, but also with the goal of self-care establishments. We feel that the desired mix of uses fits within the demographic's spending patterns and psychographics which will drive demand from local businesses looking to expand.

6. Timing

Each phase of development offers a variety of timing issues that can impact return. Examples of these risks include delays in contract negotiation, permitting, construction, or increased negative arbitrage from fund distributions.

Mitigation

We feel comfortable with the contingencies set aside for construction, rent-up reserves, financing costs, and fees. If necessary, we will utilize services such as expeditors or outside branding or facilitating services as needed. The sensitivity analysis shows a sizeable amount of flexibility in costs, required equity, and NOI while maintaining profitability.

CONCLUSION

The Verge is an opportunity for all participants involved. It is an opportunity for Renegade Developments and our partner to meet area demand and growth with a product mix that is engaging, compelling, and transformative. Most importantly though, it is an opportunity to lead the revitalization of a city and community through a mutually beneficial partnership.



DEAL SUMMARY

RESIDENTIAL PROGRAM	TOTAL UNITS	50% AMI	MARKET
1 BR	19	4	15
2 BR	109	22	87
3 BR Townhomes	10	2	8
TOTAL	138	28	110

USES OF FUNDS	AMOUNT
Construction Costs	\$ 38,007,947
Fees Related To Construction Costs	\$ 5,083,297
Land Acquisition Costs	\$ 2,588,832
Financing Fees and Charges	\$ 2,195,036
Developer's Fees	\$ 2,965,352
Syndication Related Costs	\$ 192,000
Guarantees and Reserves	\$ 3,021,570
TOTAL	\$54,054,035

SOURCES OF FUNDS	AMOUNT
Tax-Exempt Bonds	\$ 41,165,007
Owner Equity	\$ 2,000,000
Partner Equity	\$ 6,768,065
Low Income Housing Tax Credits	\$ 4,120,963
TOTAL	\$54,054,035

RETURN: Year 15 Exit	AMOUNT
Sale Proceeds	\$ 27,966,310
IRR	13.38%
Cash on Cash Return	17.20%
Equity Multiple	\$ 4.75
Return on Cost	6.28%
Renegade's Development Fee	\$ 2,965,352

Project Sensitivity Analysis

Proforma	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
NOI		2,161,671	2,081,562	2,473,241	2,559,012	2,622,432	2,687,812	2,755,210	2,824,691	2,896,318	2,970,158	3,052,827	3,131,301	3,218,748	3,308,891	3,394,868
Required Equity	\$ (8,768,065)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash Flow	\$ -	\$ 252,335	\$ 173,556	\$ 566,605	\$ 653,791	\$ 718,672	\$ 785,557	\$ 854,510	\$ 925,594	\$ 998,876	\$ 1,074,423	\$ 1,158,854	\$ 1,239,145	\$ 1,328,467	\$ 1,420,545	\$ 1,508,519
Sales Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,966,310
Total Cash Flow	\$ (8,768,065)	\$ 252,335	\$ 173,556	\$ 566,605	\$ 653,791	\$ 718,672	\$ 785,557	\$ 854,510	\$ 925,594	\$ 998,876	\$ 1,074,423	\$ 1,158,854	\$ 1,239,145	\$ 1,328,467	\$ 1,420,545	\$ 29,474,829

Assumptions	
Required Equity	\$ 8,768,065
Total Costs	\$ 54,054,035
Year 15 NOI	\$ 3,394,868
Exit Year	Year 15
Exit Cap Rate	5.50%
Equity Multiple	4.75

Returns	
Terminal Sale Proceeds	\$ 61,724,869
IRR	13.38%
Return on Equity	17.20%
Equity Multiple	4.75
Return on Cost	6.28%

Purchase Sensitivity	IRR	Equity Multiple
Required Equity	13.38%	4.75
\$ 7,668,065	14.75%	5.43
\$ 7,768,065	14.62%	5.36
\$ 8,268,065	13.98%	5.03
\$ 8,768,065	13.38%	4.75
\$ 9,268,065	12.83%	4.49
\$ 9,768,065	12.31%	4.26
\$ 10,268,065	11.83%	4.05
\$ 10,768,065	11.37%	3.87
\$ 11,268,065	10.94%	3.69

Return on Cost Sensitivity Analysis	
Year 15 NOI	Total Project Cost
6.28%	51,054,035
3,694,868	7.24%
3,594,868	7.04%
3,494,868	6.85%
3,394,868	6.65%
3,294,868	6.45%
3,194,868	6.26%
3,094,868	6.06%
52,054,035	7.10%
53,054,035	6.96%
54,054,035	6.84%
55,054,035	6.71%
56,054,035	6.59%
57,054,035	6.41%
58,054,035	6.30%
59,054,035	6.19%
60,054,035	6.09%
61,054,035	5.99%
62,054,035	5.89%
63,054,035	5.79%
64,054,035	5.69%
65,054,035	5.59%
66,054,035	5.49%
67,054,035	5.39%
68,054,035	5.29%
69,054,035	5.19%
70,054,035	5.09%
71,054,035	4.99%
72,054,035	4.89%
73,054,035	4.79%
74,054,035	4.69%
75,054,035	4.59%
76,054,035	4.49%
77,054,035	4.39%
78,054,035	4.29%
79,054,035	4.19%
80,054,035	4.09%
81,054,035	3.99%
82,054,035	3.89%
83,054,035	3.79%
84,054,035	3.69%
85,054,035	3.59%
86,054,035	3.49%
87,054,035	3.39%
88,054,035	3.29%
89,054,035	3.19%
90,054,035	3.09%
91,054,035	2.99%
92,054,035	2.89%
93,054,035	2.79%
94,054,035	2.69%
95,054,035	2.59%
96,054,035	2.49%
97,054,035	2.39%
98,054,035	2.29%
99,054,035	2.19%
100,054,035	2.09%
101,054,035	1.99%
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116,054,035	0.49%
117,054,035	0.39%
118,054,035	0.29%
119,054,035	0.19%
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125,054,035	-0.39%
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129,054,035	-0.79%
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137,054,035	-1.59%
138,054,035	-1.69%
139,054,035	-1.79%
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389,054,035	-26.79%
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395,054,035	-27.39%
396,054,035	-27.49%
397,054,035	-27.59%
398,054,035	-27.69%</

PROJECT SUMMARY INFORMATION

Date 4/19/21
GENERAL INFORMATION

Project Information

Project Name	The Verge		
Address	5909 Seat Pleasant Drive		
City	Seat Pleasant, MD	County	Prince George's County
Sponsor			

Funding Applied For

Low Income Housing Tax Credit	\$438,400
Multifamily Bonds (taxable)	
Multifamily Bonds (long term tax-exempt)	\$41,165,007
Multifamily Bonds (short term tax-exempt)	
Partnership Rental Housing Program	
Rental Housing Works	
Rental Housing Program Funds	
HOME Funds	
Weinberg Funds	
Other:	\$

Occupancy Restrictions

Units 30% or less of AMI	
Units at 31-40% of AMI	
Units at 41-50% of AMI	28
Units at 51-60% of AMI	
Units at 61-85% of AMI	
Units at market rates	
Staff Unit(s)	
Total Units	138

PROJECT INCOME (Effective Gross Income)

Source of Income	Total Units	Annual Gross Potential Income	Years Until Sustaining Occupancy	Annual Trending	Trended Income
Low Income Units	28	\$ 470,088		1.00%	\$ 474,789
Market Rate Units	110	\$ 2,457,300		3.00%	\$ 2,531,019
Nonresidential		\$ 525,000		%	\$ 525,000
Other Income		\$ 148,590		2.00%	\$ 151,562
Total Gross Potential Income		\$ 3,452,388			\$ 3,530,808
Vacancy Allowance					\$ (140,795)
Trended Effective Gross Income					\$ 3,390,013

PROJECT EXPENSES

Expense Categories	Annual Expense	Years Until Sustaining Occupancy	Annual Trending	Trended Expense
Rental Expenses	\$ 43,500		2.00%	\$ 44,370
Salary Expenses	\$ 262,300		2.00%	\$ 267,546
Administrative Expenses	\$ 29,725		2.00%	\$ 30,320
Management Fee (3%)	\$ 90,463			\$ 101,700
Utility Expenses	\$ 57,500		1.00%	\$ 58,075
Maintenance Expenses	\$ 92,600		2.50%	\$ 94,915
Taxes and Insurance	\$ 391,752		2.00%	\$ 399,587
Reserve for Replacement (not trended)	\$ 34,500			\$ 34,500
Total Project Expenses	\$ 1,002,340			\$ 1,031,013
Trended Net Operating Income (Effective Gross Income - Project Expenses)				\$ 2,359,000
Annual Debt Service Financing Payments				\$ (1,807,020)
Annual Cash Flow Financing Payments				\$
Remaining Cash Flow (Net Operating Income - Financing Payments)				\$ 551,980

SOURCES OF FUNDS**Debt Service Financing**

<i>Source of Funds</i>	<i>Lender</i>	<i>Debt Coverage</i>	<i>Interest Rate</i>	<i>Amortization Term</i>	<i>Loan Term</i>	<i>Annual Payment</i>	<i>Amount</i>
Taxable Bonds						\$	\$
Tax-exempt Bonds		1.15	3.05%	40 Years	40 Years	1,807,020	\$ 41,165,007
Private Loan							\$
Rental Housing Program Funds	DHCD						\$
HOME	DHCD		%				\$
HOME (<i>non-CDA</i>)			%				\$
Other			%				\$
Total Debt Service Financing						\$ 1,807,020	\$ 41,165,007

Cash Flow Financing and Grants

<i>Source of Funds</i>	<i>Lender</i>		<i>Interest Rate</i>	<i>Loan Term</i>	<i>Annual Payment</i>	<i>Amount</i>
Housing Initiative Fund	Maryland DHCD				\$	\$
Rental Housing Works	Maryland DHCD				\$	\$
HOME	Maryland DHCD		%			\$
HOME (<i>non-CDA</i>)			%			\$
Partnership Rental Housing	Maryland DHCD					\$
Weinberg						\$
Other						\$
Other						\$
Total Cash Flow Financing					\$	\$

Equity

<i>Type of Equity</i>	<i>Source of Equity</i>	<i>Amount</i>
Owner Equity		\$ 2,000,000
Partner Equity		\$ 6,768,065
Low Income Housing Tax Credit Proceeds (<i>from Tax Credit section</i>)		\$ 4,120,963
Interim Income (<i>occupied rehabilitation projects</i>)		\$
Total Equity		\$ 12,889,028
Total Sources of Funds (<i>must equal Total Uses of Funds</i>)		\$ 54,054,035

USES OF FUNDS

<i>Type of Uses</i>	<i>Amount</i>
Construction or Rehabilitation Costs	\$ 38,007,947
Fees Related to Construction or Rehabilitation	\$ 5,083,297
Financing Fees and Charges	\$ 2,195,036
Acquisition Costs	\$ 2,588,832
Total Development Costs	\$ 47,875,113
Developer's Fee	\$ 2,965,352
Syndication Related Costs	\$ 192,000
Guarantees and Reserves	\$ 3,021,570
Total Uses of Funds	\$ 54,054,035

PROJECT DESCRIPTION

Gap \$ -

Date: 4/19/2021

	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$	535,004	\$ 540,354	\$ 545,758	\$ 551,215	\$ 556,727	\$ 562,295	\$ 567,918
\$	3,608,628	\$ 3,716,887	\$ 3,828,393	\$ 3,943,245	\$ 4,061,542	\$ 4,183,389	\$ 4,308,890
\$	470,453	\$ 470,453	\$ 470,453	\$ 470,453	\$ 470,453	\$ 470,453	\$ 470,453
\$	(16,050)	\$ (16,211)	\$ (16,373)	\$ (16,536)	\$ (16,702)	\$ (16,869)	\$ (17,038)
\$	(180,431)	\$ (185,844)	\$ (191,420)	\$ (197,162)	\$ (203,077)	\$ (209,169)	\$ (215,445)
\$	4,417,603	\$ 4,525,638	\$ 4,636,811	\$ 4,751,214	\$ 4,868,943	\$ 4,990,098	\$ 5,114,778
\$	192,217	\$ 196,061	\$ 199,983	\$ 203,982	\$ 208,062	\$ 212,223	\$ 216,468
\$	4,609,820	\$ 4,721,700	\$ 4,836,794	\$ 4,955,196	\$ 5,077,005	\$ 5,202,321	\$ 5,331,246

\$	56,272	\$ 57,397	\$ 58,545	\$ 59,716	\$ 60,911	\$ 62,129	\$ 63,371
\$	339,313	\$ 346,099	\$ 353,021	\$ 360,082	\$ 367,283	\$ 374,629	\$ 382,122
\$	38,452	\$ 39,222	\$ 40,006	\$ 40,806	\$ 41,622	\$ 42,455	\$ 43,304
\$	132,528	\$ 135,769	\$ 139,104	\$ 142,536	\$ 146,068	\$ 149,703	\$ 153,443
\$	65,440	\$ 66,095	\$ 66,756	\$ 67,423	\$ 68,098	\$ 68,778	\$ 69,466
\$	127,650	\$ 130,841	\$ 134,112	\$ 137,465	\$ 140,902	\$ 144,424	\$ 148,035
\$	506,773	\$ 516,908	\$ 527,247	\$ 537,792	\$ 548,547	\$ 559,518	\$ 570,709
\$	34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500
\$	1,300,929	\$ 1,326,832	\$ 1,353,292	\$ 1,380,320	\$ 1,407,931	\$ 1,436,136	\$ 1,464,950
\$	3,308,891	\$ 3,394,868	\$ 3,483,502	\$ 3,574,876	\$ 3,669,074	\$ 3,766,184	\$ 3,866,296
\$	34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500
\$	(34,500)	\$ (34,500)	\$ (34,500)	\$ (34,500)	\$ (34,500)	\$ (34,500)	\$ (34,500)
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

\$	81,326	\$ 79,329	\$ 77,269	\$ 75,144	\$ 72,950	\$ 70,688	\$ 68,353
\$	1,807,020	\$ 1,807,020	\$ 1,807,020	\$ 1,807,020	\$ 1,807,020	\$ 1,807,020	\$ 1,807,020
\$	1,888,346	\$ 1,886,349	\$ 1,884,289	\$ 1,882,164	\$ 1,879,970	\$ 1,877,708	\$ 1,875,373
\$	1,420,545	\$ 1,508,519	\$ 1,599,213	\$ 1,692,712	\$ 1,789,104	\$ 1,888,477	\$ 1,990,923
\$	1.83	\$ 1.88	\$ 1.93	\$ 1.98	\$ 2.03	\$ 2.08	\$ 2.14

\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$	1,420,545	\$ 1,508,519	\$ 1,599,213	\$ 1,692,712	\$ 1,789,104	\$ 1,888,477	\$ 1,990,923

Year 13	Year 14	Year 15 Proceeds	Total Distributions
1,328,467	1,420,545	1,508,519	27,966,310
1,328,467	1,420,545	29,474,829	41,625,759
303,024	324,027	6,723,223	
1,025,443	1,096,518	22,751,606	

20-YEAR OPERATING PRO

FORMA:

PRO

Date: 4/19/2021

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
Income													
Affordable Units	\$ 470,088	\$ 474,789	\$ 479,537	\$ 484,332	\$ 489,175	\$ 494,067	\$ 499,008	\$ 503,998	\$ 509,038	\$ 514,128	\$ 519,270	\$ 524,462	\$ 529,707
Market Rate Units	\$ 2,477,300	\$ 2,531,019	\$ 2,606,950	\$ 2,685,158	\$ 2,765,713	\$ 2,848,684	\$ 2,934,145	\$ 3,022,169	\$ 3,112,834	\$ 3,206,219	\$ 3,302,406	\$ 3,401,478	\$ 3,503,522
Retail Income	\$ 225,000	\$ 325,000	\$ 425,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 456,750	\$ 463,500
Affordable Vacancy	\$ (14,103)	\$ (14,244)	\$ (14,366)	\$ (14,530)	\$ (14,675)	\$ (14,822)	\$ (14,970)	\$ (15,120)	\$ (15,271)	\$ (15,424)	\$ (15,578)	\$ (15,734)	\$ (15,891)
Market Vacancy	\$ (122,865)	\$ (126,551)	\$ (130,347)	\$ (134,258)	\$ (138,286)	\$ (142,434)	\$ (146,707)	\$ (151,108)	\$ (155,642)	\$ (160,311)	\$ (165,120)	\$ (170,074)	\$ (175,176)
Effective Gross Income	\$ 3,015,420	\$ 3,190,013	\$ 3,366,753	\$ 3,470,702	\$ 3,551,927	\$ 3,635,495	\$ 3,721,475	\$ 3,809,939	\$ 3,900,959	\$ 3,994,613	\$ 4,091,727	\$ 4,196,882	\$ 4,305,662
Other Income	\$ 148,590	\$ 151,562	\$ 154,593	\$ 157,685	\$ 160,839	\$ 164,055	\$ 167,336	\$ 170,683	\$ 174,097	\$ 177,579	\$ 181,130	\$ 184,753	\$ 188,448
Total Income	\$ 3,164,010	\$ 3,341,575	\$ 3,521,346	\$ 3,628,387	\$ 3,712,766	\$ 3,799,551	\$ 3,888,812	\$ 3,980,622	\$ 4,075,056	\$ 4,172,191	\$ 4,278,857	\$ 4,381,635	\$ 4,494,110

Expenses													
Retail Expenses	\$ 43,500	\$ 44,370	\$ 45,257	\$ 46,163	\$ 47,086	\$ 48,028	\$ 48,988	\$ 49,968	\$ 50,967	\$ 51,987	\$ 53,026	\$ 54,087	\$ 55,169
Salary Expenses	\$ 262,500	\$ 267,546	\$ 272,887	\$ 278,555	\$ 283,922	\$ 289,600	\$ 295,392	\$ 301,305	\$ 307,326	\$ 313,473	\$ 319,742	\$ 326,137	\$ 332,660
Administrative Expenses	\$ 29,725	\$ 30,520	\$ 30,976	\$ 31,544	\$ 32,175	\$ 32,819	\$ 33,475	\$ 34,145	\$ 34,828	\$ 35,524	\$ 36,235	\$ 36,959	\$ 37,698
Management Fee (3%)	\$ 90,463	\$ 95,700	\$ 101,003	\$ 104,121	\$ 106,558	\$ 109,065	\$ 111,644	\$ 114,298	\$ 117,029	\$ 119,838	\$ 122,932	\$ 125,906	\$ 129,170
Utility Expenses	\$ 57,500	\$ 58,075	\$ 58,656	\$ 59,242	\$ 59,835	\$ 60,433	\$ 61,037	\$ 61,648	\$ 62,264	\$ 62,887	\$ 63,516	\$ 64,151	\$ 64,792
Maintenance Expenses	\$ 92,600	\$ 94,915	\$ 97,288	\$ 99,720	\$ 102,213	\$ 104,768	\$ 107,388	\$ 110,072	\$ 112,824	\$ 115,645	\$ 118,536	\$ 121,499	\$ 124,537
Taxes and Insurance	\$ 391,752	\$ 399,587	\$ 407,579	\$ 415,730	\$ 424,045	\$ 432,526	\$ 441,176	\$ 450,000	\$ 459,000	\$ 468,180	\$ 477,544	\$ 487,094	\$ 496,836
Retail Expenses	\$ 335,000	\$ 340,000	\$ 345,000	\$ 350,000	\$ 355,000	\$ 360,000	\$ 365,000	\$ 370,000	\$ 375,000	\$ 380,000	\$ 385,000	\$ 390,000	\$ 395,000
Replacement Reserve	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500
Total Expenses	\$ 1,002,340	\$ 1,260,013	\$ 1,048,105	\$ 1,069,376	\$ 1,090,334	\$ 1,111,739	\$ 1,133,601	\$ 1,155,931	\$ 1,178,738	\$ 1,202,033	\$ 1,226,030	\$ 1,250,334	\$ 1,275,362
Net Operating Income	\$ 2,161,671	\$ 2,081,562	\$ 2,473,241	\$ 2,559,012	\$ 2,622,432	\$ 2,687,812	\$ 2,755,210	\$ 2,824,691	\$ 2,896,318	\$ 2,970,158	\$ 3,052,827	\$ 3,131,301	\$ 3,218,748
Capital Expenses	\$ -	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500
Reevee Reimbursement	\$ -	\$ (34,500)	\$ (34,500)	\$ (34,500)	\$ (34,500)	\$ (34,500)	\$ (34,500)	\$ (34,500)	\$ (34,500)	\$ (34,500)	\$ (34,500)	\$ (34,500)	\$ (34,500)
Total Capital Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Debt Service Financing													
MIP	\$ 102,316	\$ 100,987	\$ 99,615	\$ 98,201	\$ 96,741	\$ 95,234	\$ 93,680	\$ 92,077	\$ 90,422	\$ 88,715	\$ 86,953	\$ 85,136	\$ 83,261
Tax-exempt Bonds	\$ 1,807,020	\$ 1,807,020	\$ 1,807,020	\$ 1,807,020	\$ 1,807,020	\$ 1,807,020	\$ 1,807,020	\$ 1,807,020	\$ 1,807,020	\$ 1,807,020	\$ 1,807,020	\$ 1,807,020	\$ 1,807,020
Total Debt Service	\$ 1,909,336	\$ 1,908,007	\$ 1,906,635	\$ 1,905,221	\$ 1,903,761	\$ 1,902,254	\$ 1,900,700	\$ 1,899,097	\$ 1,897,442	\$ 1,895,735	\$ 1,893,973	\$ 1,892,156	\$ 1,890,281
Cash Flow	\$ 252,335	\$ 173,556	\$ 566,605	\$ 653,791	\$ 718,672	\$ 785,557	\$ 854,510	\$ 925,594	\$ 998,876	\$ 1,074,423	\$ 1,158,854	\$ 1,239,145	\$ 1,328,467
Debt Coverage Ratio	1.20	1.15	1.37	1.42	1.45	1.49	1.52	1.56	1.60	1.64	1.69	1.73	1.78
Cash Flow Financing													
Deferred Developer's Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cash Flow Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Remaining Cash Flow	\$ 252,335	\$ 173,556	\$ 566,605	\$ 653,791	\$ 718,672	\$ 785,557	\$ 854,510	\$ 925,594	\$ 998,876	\$ 1,074,423	\$ 1,158,854	\$ 1,239,145	\$ 1,328,467

Distributions	Equity	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
Sales Proceeds	(8,768,065)	252,335	173,556	566,605	653,791	718,672	785,557	854,510	925,594	998,876	1,074,423	1,158,854	1,239,145
Total Cashflow	(8,768,065)	252,335	173,556	566,605	653,791	718,672	785,557	854,510	925,594	998,876	1,074,423	1,158,854	1,239,145
Revegeade	23%		57,558	39,588	129,243	149,130	163,929	179,186	194,914	211,128	227,844	245,076	262,650
Partner	77%		194,777	133,967	437,362	504,661	554,742	606,371	714,466	771,032	829,347	894,519	956,496

Year 15 NOI	\$ 3,394,868
Cap Rate Year 15	5.50%
Terminal Sale Price	\$ 61,724,869
4% Selling Expense	\$ (2,468,995)
Net Sales Price	\$ 59,255,874
Remaining Loan Balance	\$ (31,289,564)
Cash From Sale - Before tax	\$ 27,966,310

Returns @ Yr 15 Exit	
Total Equity	\$ 8,768,065
Net Proceeds	\$ 27,966,310
IRR	13.38%
Cash on Cash	17.20%
Equity Multiple	4.75
Return on Cost	6.28%

Proforma Summary

	Year 1	Year 5	Year 10	Year 15
Income.....	\$ 3,164,010	\$ 3,521,346	\$ 3,712,766	\$ 3,888,812
Operating Expenses.....	\$ (1,002,340)	\$ (1,090,334)	\$ (1,202,033)	\$ (1,326,832)
Net Operating Income.....	\$ 2,161,671	\$ 2,622,432	\$ 2,970,158	\$ 3,394,868
Debt Service.....	\$ (1,909,336)	\$ (1,903,761)	\$ (1,895,735)	\$ (1,886,349)
Deferred Development Fee.....	\$ -	\$ -	\$ -	
Cash Flow for Distribution.....	\$ 252,335	\$ 718,672	\$ 1,074,423	\$ 1,508,519

Financing Terms

	Interest Rate	Term
Tax-exempt Bonds	2.85%	40 Years
Loan Servicing	0.25%	
Trustee fee	0.04%	
MIP	0.25%	Paid on declining balance
ALL-IN RATE	3.39%	

NET OPERATING INCOME	\$2,161,671
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Tax-Exempt Bonds - FFB**Supportable Debt**

Amortization Term (YRS)	40
Interest Rate	2.85%
Spread/MIP	0.54%
Basis Risk	0.00%
Debt Constant (k)	4.57%
All-in Rate	3.39%
Debt Service Coverage Ratio	1.15
NOI @ DSC	\$1,879,714
Max Supportable Debt	\$41,165,007
FFB Financing Amount	\$41,165,007

Market Units Comp Survey							
		Subject Site	EastBrook at Beulah Crossing	Century Summerfield at Morgan metro	Residences at Hayes	The Nannie Helen at 4800	Averages
			2015	2011	2018	2013	
			39	478	150	70	
			97%	91%	97%	100%	
# of Units	Studio				50		50
	1 Bed	65	13	234	75	20	81
	2 Bed	37	13	231	25	38	69
	3 Bed	8	13	13		12	12
SqFt per Unit	Studio				502		502
	1 Bed	750	516	755	728	683	686
	2 Bed	950	672	1,158	1,045	945	954
	3 Bed	1,500	872	1,546		1,139	1,264
Net Rent	Studio				\$ 1,267		\$ 1,267
	1 Bed	\$ 1,550	\$ 1,247	\$ 1,487	\$ 1,360	\$ 1,417	\$ 1,412
	2 Bed	\$ 1,875	\$ 1,476	\$ 1,862	\$ 1,629	\$ 1,701	\$ 1,709
	3 Bed	\$ 2,300	\$ 1,706	\$ 2,263		\$ 1,965	\$ 2,059

Average Rents		Average Rents Per SF	
Studio	\$ 1,267.00	\$	2.52
1 Bed	\$ 1,377.75	\$	2.06
2 Bed	\$ 1,667.00	\$	1.79
3 Bed	\$ 1,978.00	\$	1.63

Income	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	18 month Interim
Affordable Units Occupied	\$ 13,058	\$ 26,116	\$ 39,174	\$ 39,174	\$ 39,174	\$ 39,174	\$ 39,174	\$ 39,174	\$ 39,174	\$ 39,174	\$ 39,174	\$ 39,174	\$ 430,914
Market Rate Units Occupied	\$ 17,065	\$ 34,129	\$ 51,194	\$ 68,258	\$ 85,323	\$ 102,388	\$ 119,452	\$ 136,517	\$ 153,581	\$ 170,646	\$ 187,710	\$ 204,775	\$ 1,331,038
Other Income	\$ 904	\$ 1,807	\$ 2,711	\$ 3,223	\$ 3,735	\$ 4,247	\$ 4,759	\$ 5,271	\$ 5,783	\$ 6,295	\$ 6,807	\$ 7,318	\$ 52,859
Effective Gross Income	\$ 31,026	\$ 62,053	\$ 93,079	\$ 110,655	\$ 128,232	\$ 145,808	\$ 163,385	\$ 180,961	\$ 198,538	\$ 216,114	\$ 233,691	\$ 251,267	\$ 1,814,810

Expenses	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	18 month Interim
Rental Expenses	\$ 3,625	\$ 3,625	\$ 3,625	\$ 3,625	\$ 3,625	\$ 3,625	\$ 3,625	\$ 3,625	\$ 3,625	\$ 3,625	\$ 3,625	\$ 3,625	\$ 43,500
Salary Expenses	\$ 21,858	\$ 21,858	\$ 21,858	\$ 21,858	\$ 21,858	\$ 21,858	\$ 21,858	\$ 21,858	\$ 21,858	\$ 21,858	\$ 21,858	\$ 21,858	\$ 262,300
Administrative Expenses	\$ 2,477	\$ 2,477	\$ 2,477	\$ 2,477	\$ 2,477	\$ 2,477	\$ 2,477	\$ 2,477	\$ 2,477	\$ 2,477	\$ 2,477	\$ 2,477	\$ 29,725
Management Fee (3%)	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 60,000
Utility Expenses	\$ 4,792	\$ 4,792	\$ 4,792	\$ 4,792	\$ 4,792	\$ 4,792	\$ 4,792	\$ 4,792	\$ 4,792	\$ 4,792	\$ 4,792	\$ 4,792	\$ 57,500
Maintenance Expenses	\$ 3,858	\$ 3,858	\$ 3,858	\$ 3,858	\$ 3,858	\$ 3,858	\$ 3,858	\$ 3,858	\$ 3,858	\$ 3,858	\$ 3,858	\$ 3,858	\$ 46,300
Taxes and Insurance	\$ 32,646	\$ 32,646	\$ 32,646	\$ 32,646	\$ 32,646	\$ 32,646	\$ 32,646	\$ 32,646	\$ 32,646	\$ 32,646	\$ 32,646	\$ 32,646	\$ 391,752
Replacement Reserve	\$ 2,875	\$ 2,875	\$ 2,875	\$ 2,875	\$ 2,875	\$ 2,875	\$ 2,875	\$ 2,875	\$ 2,875	\$ 2,875	\$ 2,875	\$ 2,875	\$ 34,500
Retail Expenses	\$ 25,000	\$ 100,000	\$ 50,000										\$ 175,000
Total Expenses	\$ 77,131	\$ 77,131	\$ 77,131	\$ 77,131	\$ 77,131	\$ 77,131	\$ 77,131	\$ 77,131	\$ 77,131	\$ 77,131	\$ 77,131	\$ 77,131	\$ 925,577
Net Operating Income	\$ (46,105)	\$ (15,079)	\$ 15,947	\$ 33,524	\$ 51,100	\$ 68,677	\$ 86,253	\$ 103,830	\$ 121,406	\$ 138,983	\$ 156,560	\$ 174,136	\$ 889,233

Debt Service Financing	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	18 month Interim
MIP	\$ 8,526	\$ 7,688	\$ 7,688	\$ 7,688	\$ 7,688	\$ 7,688	\$ 7,688	\$ 7,688	\$ 7,688	\$ 7,688	\$ 7,688	\$ 7,688	\$ 93,090
Tax-exempt Bonds	\$ 150,585	\$ 150,585	\$ 150,585	\$ 150,585	\$ 150,585	\$ 150,585	\$ 150,585	\$ 150,585	\$ 150,585	\$ 150,585	\$ 150,585	\$ 150,585	\$ 1,807,020
Total Debt Service	\$ 159,111	\$ 158,273	\$ 158,273	\$ 158,273	\$ 158,273	\$ 158,273	\$ 158,273	\$ 158,273	\$ 158,273	\$ 158,273	\$ 158,273	\$ 158,273	\$ 1,900,110
Cash Flow	\$ (205,216)	\$ (173,551)	\$ (142,325)	\$ (124,749)	\$ (107,172)	\$ (89,596)	\$ (72,019)	\$ (54,443)	\$ (36,866)	\$ (19,290)	\$ (1,713)	\$ 15,863	\$ (1,010,877)
Debt Coverage Ratio													\$

Affordable units 3 months 9 per month
Market units 18 months 9 per month

Interim Income	
Residential Assumptions	
Affordable Units	3 month lease-up
Market Units	12 month lease-up
Expenses	50%
Retail Assumptions	
Lease commencement	9/1/2024
Lease Start	6/1/2025
Effective Gross Income	\$ 1,814,810
Total Expenses	\$ 925,577
Debt Service	\$ 1,900,110
12 month Interim Cash Flow	\$ (1,010,877)

PROJECT EXPENSES

Date 4/19/21

Rental Expenses

	Per Unit	Total
Advertising and Marketing		\$ 30,000
Collateral		2,500
Resident Expenses		5,000
Hospitality		2,500
Resident Activities		3,500
Total Rental Expenses	315	\$ 43,500

Salary Expenses

Property Manager		\$ 70,000
Assistant Manager		45,000
Maintenance Supervisor		55,000
Maintenance Technician		45,000
Benefits		47,300
Total Salary Expenses	1,901	\$ 262,300

Administrative Expenses

Employee Relations		\$ 2,000
Licenses and Fees		1,800
Software		6,000
Office Supplies		1,000
Bi-Annual Rental License **Prince Georges County Rental License: \$75 per unit every 2 years**		5,175
Legal Expenses		5,000
Dues and Subscriptions		750
Telephone & Internet		8,000
Total Administrative Expenses	215	\$ 29,725

Management Fee

Management Fee	(Effective Gross Income x Annual Rate of 3.00%)	90,463
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UTILITY EXPENSES *(paid by owner)*

Electricity		40,000
Gas		13,000
Water/Sewer		45,000
Water/Sewer Reimbursement		(40,500)
Total Utility Expenses	417	\$ 57,500

OPERATING AND MAINTENANCE EXPENSES

% Turnover # of Units

Estimated Annual Turnover Rate

40%

55

Turnover Cleaning	\$ 5,520
Turnover Painting	13,800
Turnover Carpet	8,280
Exterminating Supplies	3,000
Trash Removal	13,000
Landscaping	6,000
Snow Removal	5,000
HVAC Repair	2,500
Appliance Repair	2,000
Pool Contract	18,000
Security/Fire Prevention	6,000
General Building Repair	3,000
Electrical	2,500
Plumbing	4,000
Total Operating and Maintenance Expenses	671 \$ 92,600

TAXES AND INSURANCE

Real Estate Taxes	*Based on average MD tax rate of 1.06%	\$ 359,992
Payment in Lieu of Real Estate Taxes	Total: _____ Years: _____ Annual: _____	
Personal Property tax		500
Property Insurance		30,000
Tax Credit Monitoring Fees	\$45 per unit or \$55 for income averaging	1,260
Total Taxes and Insurance	2,839	\$ 391,752

Reserve for Replacement	*\$250 per unit Annually	\$ 34,500
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Total Operating Expenses	\$ 967,840
Net Operating Income (<i>Effective Gross Income - Total Operating Expenses</i>)	\$ 2,347,581

Per Unit Operating Expenses less Reserve for Replacement	\$ 7,013
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USES OF FUNDS**TOTAL DEVELOPMENT COSTS****Construction or Rehabilitation Costs**

<i>Type of Uses</i>	<i>Percentage</i>	<i>Total Budgeted Cost</i>	<i>Acquisition Basis*</i>	<i>Construction Basis*</i>	<i>Not in Basis*</i>
01 Net Construction Costs		33,500,190		33,500,190	\$
02 General Requirements	4.81%	1,612,254			1,612,254
03 Builder's Profit	3.00%	1,005,006			1,005,006
04 Builder's General Overhead	1.00%	335,002		335,002	
05 Bond Risk		299,874		299,874	
06 Other: CCIP & SDI Insurance		510,368			510,368
07 Total Construction Contract		\$ 37,262,694	\$	\$ 34,135,066	3,127,628
08 Construction Contingency	2.00%	745,254			745,254
09 Total Construction Costs		\$ 38,007,947	\$	\$ 34,135,066	\$ 3,872,882

Fees Related to Construction or Rehabilitation

<i>Type of Uses</i>	<i>Percentage</i>	<i>Total Budgeted Cost</i>	<i>Acquisition Basis*</i>	<i>Construction Basis*</i>	<i>Not in Basis*</i>
10 Architect's Design Fee	5.00%	\$ 1,900,397		\$ 1,900,397	
11 Architect's Supervision Fee					
12 Architect Reimbursable Additional Design					
13 Real Estate Attorney		100,000			100,000
14 Civil Engineering Fee	0.50%	167,501		\$ 167,501	
15 Marketing		75,000			75,000
16 Surveys, Soil Borings, Appraisa, Environmental		150,000		\$ 150,000	
17 Interior Design		187,000			187,000
18 FFE		350,000		\$ 350,000	
19 Other: Retail Bay 1 Leasing Commission & TI		162,500		\$ 162,500	
20 Other: CM		1,581,192		\$ 1,581,192	
21 Tap Fees		345,800		\$ 345,800	
22 Other: Contingency		63,907			63,907
23 Total Fees		\$ 5,083,297	\$	\$ 4,657,390	\$ 425,907

Financing Fees and Charges

<i>Type of Uses</i>	<i>Total Budgeted Cost</i>	<i>Acquisition Basis*</i>	<i>Construction Basis*</i>	<i>Not in Basis*</i>
24 Construction Interest	\$ -	\$		\$
25 Real Estate Taxes				
26 Insurance Premium	30,000		\$ 30,000	
27 Mortgage Insurance Premium	68,750			68,750
28 Title and Recording	257,500			257,500
29 Financing / Commitment Fees	411,650			411,650
30 CDA RHW/RHP Commitment Fee				
31 HOC Loan Servicing Fee				
32 Trustee Fee				
33 Lender Admin Fee	22,750		\$ 22,750	
34 RE Pre Construction Fee	105,882			
35 DHCA Closing Fees	50,000			
36 Other Lender Closing Fee (M&T)	168,000			168,000
37 Financing Costs Contingency	165,204			165,204
38 Lender Legal Fees	80,000			80,000
39 Other Issuance Costs Adjusted to 2%	823,300			823,300
40 Other: Fiscal Agent Fees	12,000			12,000
41 Total Financing Fees and Charges	\$ 2,195,036	\$	\$ 52,750	\$ 1,986,404

* Complete for Tax Credit Applications Only

Acquisition Costs

	<i>Type of Uses</i>	<i>Total Budgeted Cost</i>	<i>Acquisition Basis*</i>	<i>Construction Basis*</i>	<i>Not in Basis*</i>
42	Building Acquisition		\$		\$
43	Land Acquisition	2,136,000			2,136,000
44	Title & Recording	452,832			452,832
45	Carrying Charges				
46	Relocation Costs				
47	Off-Site Improvements				
48	Other				
49	Total Acquisition Costs	\$ 2,588,832	\$	\$	\$ 2,588,832
50	Total Development Costs (TDC)	\$ 47,875,113	\$	\$ 38,845,206	\$ 8,874,025

OTHER USES OF FUNDS**Developer's Fee**

	<i>Type of Uses</i>	<i>Total Budgeted Cost</i>	<i>Acquisition Basis*</i>	<i>Construction Basis*</i>	<i>Not in Basis*</i>
51	Fee on Non-Acquisition Costs (<i>calculate below</i>)	\$ 2,706,469		2,706,469	\$
52	Fee on Acquisition Costs (<i>calculate below</i>)	258,883			258,883
53	Total Developer's Fee	\$ 2,965,352	\$	\$ 2,706,469	\$ 258,883
		4,636,501			

Syndication Related Costs

	<i>Type of Uses</i>	<i>Total Budgeted Cost</i>	<i>Acquisition Basis*</i>	<i>Construction Basis*</i>	<i>Not in Basis*</i>
54	Syndication Fee		\$		\$
55	Legal (<i>syndication only</i>)	50,000			50,000
56	Bridge Loan Fees				
57	Bridge Loan Interest				
58	Organizational Costs				
59	Tax Credit Application Fee	42,000			42,000
60	Tax Credit Allocation Fee				
61	Tax Credit Reservation Fee				
62	Accounting and Auditing Fee	25,000			25,000
63	Partnership Management Fee				
64	Other	75,000			75,000
65	Total Syndication Related Costs	\$ 192,000	\$	\$	\$ 192,000

Guarantees and Reserves (*funded amounts only*)

	<i>Type of Uses</i>	<i>Total Budgeted Cost</i>	<i>Acquisition Basis*</i>	<i>Construction Basis*</i>	<i>Not in Basis*</i>
66	Initial Deposit to Replacement Reserves	75,000			\$ 75,000
67	Operating Reserve (LIHTC requirement)	38,750			38,750
69	Negative Arbitrage	1,896,944			1,896,944
70	Interim Rent-up Reserve	1,010,877			1,010,877
71	Total Guarantees and Reserves	\$ 3,021,570			\$ 3,021,570
72	Total Uses of Funds	\$ 54,054,035	\$	\$ 41,551,675	\$ 12,346,478

* Complete for Tax Credit Applications Only

MAXIMUM DEVELOPER'S FEE**Fee on Non-acquisition Costs**

Total Development Costs *(from line 50 above)*
Less Acquisition Costs *(from line 49 above)*
Less Construction Contingency *(from line 08 above)*
Less Financing (Soft Cost) Contingency *(from line 29 above)*
Non-acquisition Costs
Lesser of \$10,000,000 or Non-acquisition Costs *(enter on both lines)*
Non-acquisition Fee Basis
Fee Percentage
Fee on Non-acquisition Costs

<i>Fee on Costs Over \$10 Million</i>	<i>Fee on Costs \$10 Million or Less</i>
\$ 47,875,113	
(2,588,832)	
(745,254)	
(411,650)	
44,129,377	
10,000,000	10,000,000
34,129,377	10,000,000
5%	10%
\$ 1,706,469	\$ 1,000,000

Total = \$ 2,706,469

Fee on Acquisition Costs

Acquisition Costs *(from line 45 above)*
Lesser of \$10,000,000 or Acquisition Costs *(enter on both lines)*
Acquisition Fee Basis
Fee Percentage
Fee on Acquisition Costs

\$ 2,588,832	
2,588,832	2,588,832
	2,588,832
5%	10%
\$	\$ 258,883

Total = \$ 258,883

Total Developer's Fee *(Fee on Non-acquisition Costs + Fee on Acquisition Cost)*

\$ 2,965,352

See Guide, Section 3.9.8.3 for Limitations on Developer's Fees

Date 4/19/2021

SOURCES OF FUNDS

DEBT

Debt Service Financing

Type of Funds	Source of Funds	Debt Coverage	Annual Payment	Interest Rate	Amortization Term	Loan Term	Loan Amount
Taxable Bonds							
Tax-exempt Bonds (Long Term Only)		1.15	\$ 1,807,020	3.05%	40 Years	40 Years	\$41,165,007
Private Loan							
Rental Housing Program	Maryland DHCD						
HOME	Maryland DHCD			%			
HOME (non-DHCD)				%			
Other				%			
Credit Enhancement			\$ 102,316				
Total Debt Service Financing			\$ 1,909,336				\$ 41,165,007

Anticipated Short-Term Bond, if any:

Cash Flow Financing and Grants

Type of Funds	Source of Funds		Annual Payment	Interest Rate	Term	Loan Amount
Housing Initiative Fund	Maryland DHCD					
Rental Housing Works	Maryland DHCD					
HOME	Maryland DHCD			%		
HOME (non-DHCD)				%		
Partnership Rental Housing	Maryland DHCD					
Weinberg	Maryland DHCD					
Other						
Total Cash Flow Financing			\$			\$
Total Debt (Debt Service + Cash Flow Financing)			\$ 1,909,336			\$ 41,165,007

EQUITY

Type of Equity	Source of Equity		Amount
Owner Equity	Renegade Developments		\$ 2,000,000
Partner Equity			\$ 6,768,065
Low Income Housing Tax Credit Proceeds (from Tax Credit section)			\$ 4,120,963
10 Yr Deferred Developer's Fee			
Interim Income (occupied rehabilitation projects)			
Total Equity			\$ 12,889,028
Total Sources of Funds (Total Debt + Equity)			\$ 54,054,035

Complete This Section Only If Applying For Low Income Housing Tax Credits

☐ Substantial Rehabilitation (as defined in Tax Credit Regulations--Department's standard is different)

SYNDICATION INFORMATION**Name of Syndicator**

Contact

Phone

()

-

Type of Offering (mark one box only)☐ Public☐ Private**Type of Investors** (mark one box only)☐ Individuals☐ Fund☐ Corporation**Schedule for Funds to be Paid**

Percent Paid	Amount Paid	Date Paid
%	\$	/ /
%	\$	/ /
%	\$	/ /
%	\$	/ /
%	\$	/ /
%	\$	/ /

CALCULATION OF TAX CREDIT AMOUNT**Maximum Low-Income Housing Tax Credit Based on Eligible Costs**

Description	Acquisition Basis	Construction Basis
Total Uses of Funds (from Uses of Funds worksheet)	\$	\$ 41,551,675
Less: Federal Grants Financing Qualifying Costs (list below)		
Less: Other Non-qualifying Financing	()	()
Less: Value of Commercial Space	()	()
Less: Non-qualifying Units of Higher Quality		()
Less: Federal Historic Tax Credit		0
Adjusted Project Costs	\$	\$ 41,551,675
Adjustment for Federal QCT/DDA or State Basis Boost (130% maximum)		130%
CENSUS TRACT/DDA 0		
Eligible Basis	\$	\$ 54,017,178
Applicable Fraction (calculate below)	20%	20%
Qualified Basis	\$	\$ 10,960,007
Applicable Percentage (enter correct percentage per IRS rules)	4%	4%
Low Income Housing Tax Credit Eligible	\$	\$ 438,400

Estimated Low-Income Housing Tax Credit Syndication Proceeds

Description	Amount
Combined Low Income Housing Tax Credit Eligible (result from previous table)	\$ 438,400
Tax Credit Period (10 years)	x 10
Total Tax Credit Received Over Period	\$ 4,384,003
Raise Ratio from Syndicator's Proposal	0.94
Gross Proceeds from Low Income Housing Tax Credit	\$ 4,120,963
Less: Gross Proceeds from Historic Tax Credit (calculate below)	0
Total Equity from Syndication Proceeds	\$ 4,120,963

Maximum Low-Income Housing Tax Credit Based on Proceeds Needed

Description	Amount
Proceeds Needed (enter lesser of Total Equity from Syndication Proceeds or Financing Gap)	4,120,963
Less: Gross Proceeds from Historic Tax Credit (calculate below)	()
Low Income Housing Tax Credit Syndication Proceeds (to Sources of Funds worksheet)	\$ 4,120,963
Raise Ratio from Syndicator's Proposal	
Total Tax Credit Received Over Period	\$ 4,384,003
Tax Credit Period (10 years)	÷ 10
Maximum Low-Income Housing Tax Credit	\$ 438,400

Sources of Federal Financing

Show all direct and indirect federal funds financing qualified costs below

Rural Housing and Community Development Service
Community Development Block Grant
Rental Rehabilitation Program
Urban Development Assistance Grant
Housing Development Assistance Grant
HOME Investment Program
Other _____
Total Federal Funds

Amount	Amount Deducted from Eligible Basis
\$	\$

Applicable Fraction

The applicable fraction is the lesser of the following formulas (mark one box only)

☒ Percent of Units
Low Income Units 28
Total Units 138
Unit Percentage 20.29%

☐ Percent of Square Footage
Low Income Sq. Ft.
Total Residential Units Sq. Ft.
Sq. Ft. Percentage

Gross Proceeds from Historic Tax Credits

Historic Tax Credit
Raise Ratio from Syndicator's Proposal
Gross Proceeds from Historic Tax Credit (to Sources of Funds worksheet)

Federal HTC	State HTC	Total HTC
\$	\$	\$
x	x	
\$	\$	\$

FUNDING DATE	6/1/2022
AMORTIZATION START DATE	6/1/2022

LOAN AMOUNT	\$41,165,007
TERM (YEARS)	40.00
Interest Rate	2.85%
Loan Servicing	0.25%
Trustee fee	0.04%
MIP	0.25%
ALL-IN RATE	3.39%

PMT	Beginning Balance	Interest	Principal	P&I
1	\$41,165,007.43	\$107,543.58	\$43,041.42	\$150,585
2	\$41,121,966.01	\$107,431.14	\$43,153.87	\$150,585
3	\$41,078,812.14	\$107,318.40	\$43,266.61	\$150,585
4	\$41,035,545.54	\$107,205.36	\$43,379.64	\$150,585
5	\$40,992,165.90	\$107,092.03	\$43,492.97	\$150,585
6	\$40,948,672.93	\$106,978.41	\$43,606.59	\$150,585
7	\$40,905,066.33	\$106,864.49	\$43,720.52	\$150,585
8	\$40,861,345.82	\$106,750.27	\$43,834.74	\$150,585
9	\$40,817,511.08	\$106,635.75	\$43,949.25	\$150,585
10	\$40,773,561.83	\$106,520.93	\$44,064.07	\$150,585
11	\$40,729,497.76	\$106,405.81	\$44,179.19	\$150,585
12	\$40,685,318.57	\$106,290.39	\$44,294.61	\$150,585
13	\$40,641,023.96	\$106,174.68	\$44,410.33	\$150,585
14	\$40,596,613.63	\$106,058.65	\$44,526.35	\$150,585
15	\$40,552,087.28	\$105,942.33	\$44,642.67	\$150,585
16	\$40,507,444.61	\$105,825.70	\$44,759.30	\$150,585
17	\$40,462,685.31	\$105,708.77	\$44,876.24	\$150,585
18	\$40,417,809.07	\$105,591.53	\$44,993.48	\$150,585
19	\$40,372,815.59	\$105,473.98	\$45,111.02	\$150,585
20	\$40,327,704.57	\$105,356.13	\$45,228.87	\$150,585
21	\$40,282,475.70	\$105,237.97	\$45,347.03	\$150,585
22	\$40,237,128.66	\$105,119.50	\$45,465.50	\$150,585
23	\$40,191,663.16	\$105,000.72	\$45,584.28	\$150,585
24	\$40,146,078.88	\$104,881.63	\$45,703.37	\$150,585
25	\$40,100,375.51	\$104,762.23	\$45,822.77	\$150,585
26	\$40,054,552.74	\$104,642.52	\$45,942.48	\$150,585
27	\$40,008,610.25	\$104,522.49	\$46,062.51	\$150,585
28	\$39,962,547.74	\$104,402.16	\$46,182.85	\$150,585
29	\$39,916,364.90	\$104,281.50	\$46,303.50	\$150,585
30	\$39,870,061.40	\$104,160.54	\$46,424.47	\$150,585
31	\$39,823,636.93	\$104,039.25	\$46,545.75	\$150,585
32	\$39,777,091.18	\$103,917.65	\$46,667.35	\$150,585
33	\$39,730,423.83	\$103,795.73	\$46,789.27	\$150,585
34	\$39,683,634.56	\$103,673.50	\$46,911.51	\$150,585
35	\$39,636,723.05	\$103,550.94	\$47,034.06	\$150,585
36	\$39,589,688.99	\$103,428.06	\$47,156.94	\$150,585
37	\$39,542,532.05	\$103,304.86	\$47,280.14	\$150,585
38	\$39,495,251.91	\$103,181.35	\$47,403.66	\$150,585
39	\$39,447,848.26	\$103,057.50	\$47,527.50	\$150,585
40	\$39,400,320.76	\$102,933.34	\$47,651.66	\$150,585
41	\$39,352,669.10	\$102,808.85	\$47,776.15	\$150,585
42	\$39,304,892.94	\$102,684.03	\$47,900.97	\$150,585
43	\$39,256,991.97	\$102,558.89	\$48,026.11	\$150,585
44	\$39,208,965.86	\$102,433.42	\$48,151.58	\$150,585
45	\$39,160,814.28	\$102,307.63	\$48,277.37	\$150,585
46	\$39,112,536.91	\$102,181.50	\$48,403.50	\$150,585
47	\$39,064,133.41	\$102,055.05	\$48,529.95	\$150,585
48	\$39,015,603.45	\$101,928.26	\$48,656.74	\$150,585
49	\$38,966,946.72	\$101,801.15	\$48,783.85	\$150,585
50	\$38,918,162.86	\$101,673.70	\$48,911.30	\$150,585
51	\$38,869,251.56	\$101,545.92	\$49,039.08	\$150,585
52	\$38,820,212.48	\$101,417.81	\$49,167.20	\$150,585
53	\$38,771,045.28	\$101,289.36	\$49,295.65	\$150,585
54	\$38,721,749.63	\$101,160.57	\$49,424.43	\$150,585
55	\$38,672,325.20	\$101,031.45	\$49,553.55	\$150,585
56	\$38,622,771.65	\$100,901.99	\$49,683.01	\$150,585
57	\$38,573,088.64	\$100,772.19	\$49,812.81	\$150,585
58	\$38,523,275.83	\$100,642.06	\$49,942.94	\$150,585
59	\$38,473,332.89	\$100,511.58	\$50,073.42	\$150,585
60	\$38,423,259.47	\$100,380.77	\$50,204.24	\$150,585
61	\$38,373,055.23	\$100,249.61	\$50,335.40	\$150,585
62	\$38,322,719.84	\$100,118.11	\$50,466.90	\$150,585
63	\$38,272,252.94	\$99,986.26	\$50,598.74	\$150,585
64	\$38,221,654.20	\$99,854.07	\$50,730.93	\$150,585
65	\$38,170,923.27	\$99,721.54	\$50,863.47	\$150,585
66	\$38,120,059.80	\$99,588.66	\$50,996.35	\$150,585
67	\$38,069,063.46	\$99,455.43	\$51,129.57	\$150,585
68	\$38,017,933.88	\$99,321.85	\$51,263.15	\$150,585
69	\$37,966,670.73	\$99,187.93	\$51,397.07	\$150,585
70	\$37,915,273.66	\$99,053.65	\$51,531.35	\$150,585
71	\$37,863,742.31	\$98,919.03	\$51,665.98	\$150,585
72	\$37,812,076.33	\$98,784.05	\$51,800.95	\$150,585
73	\$37,760,275.38	\$98,648.72	\$51,936.28	\$150,585
74	\$37,708,339.10	\$98,513.04	\$52,071.97	\$150,585

Principal	\$41,165,007
INTEREST RATE	3.14%
TERM (MOS)	480
MONTHLY PAYMENT (P&I)	\$150,585.00

Ending Balance	Mortgage DS Payment	MIP	Total DS Payment
\$41,121,966.01	\$150,585.00	\$8,576.04	\$159,161.05
\$41,078,812.14	\$150,585.00	\$8,567.08	\$159,152.08
\$41,035,545.54	\$150,585.00	\$8,558.09	\$159,143.09
\$40,992,165.90	\$150,585.00	\$8,549.07	\$159,134.07
\$40,948,672.93	\$150,585.00	\$8,540.03	\$159,125.04
\$40,905,066.33	\$150,585.00	\$8,530.97	\$159,115.98
\$40,861,345.82	\$150,585.00	\$8,521.89	\$159,106.89
\$40,817,511.08	\$150,585.00	\$8,512.78	\$159,097.78
\$40,773,561.83	\$150,585.00	\$8,503.65	\$159,088.65
\$40,729,497.76	\$150,585.00	\$8,494.49	\$159,079.49
\$40,685,318.57	\$150,585.00	\$8,485.31	\$159,070.31
\$40,641,023.96	\$150,585.00	\$8,476.11	\$159,061.11
\$40,596,613.63	\$150,585.00	\$8,466.88	\$159,051.88
\$40,552,087.28	\$150,585.00	\$8,457.63	\$159,042.63
\$40,507,444.61	\$150,585.00	\$8,448.35	\$159,033.35
\$40,462,685.31	\$150,585.00	\$8,439.05	\$159,024.05
\$40,417,809.07	\$150,585.00	\$8,429.73	\$159,014.73
\$40,372,815.59	\$150,585.00	\$8,420.38	\$159,005.38
\$40,327,704.57	\$150,585.00	\$8,411.00	\$158,996.01
\$40,282,475.70	\$150,585.00	\$8,401.61	\$158,986.61
\$40,237,128.66	\$150,585.00	\$8,392.18	\$158,977.18
\$40,191,663.16	\$150,585.00	\$8,382.74	\$158,967.74
\$40,146,078.88	\$150,585.00	\$8,373.26	\$158,958.27
\$40,100,375.51	\$150,585.00	\$8,363.77	\$158,948.77
\$40,054,552.74	\$150,585.00	\$8,354.24	\$158,939.25
\$40,008,610.25	\$150,585.00	\$8,344.70	\$158,929.70
\$39,962,547.74	\$150,585.00	\$8,335.13	\$158,920.13
\$39,916,364.90	\$150,585.00	\$8,325.53	\$158,910.53
\$39,870,061.40	\$150,585.00	\$8,315.91	\$158,900.91
\$39,823,636.93	\$150,585.00	\$8,306.26	\$158,891.26
\$39,777,091.18	\$150,585.00	\$8,296.59	\$158,881.59
\$39,730,423.83	\$150,585.00	\$8,286.89	\$158,871.90
\$39,683,634.56	\$150,585.00	\$8,277.17	\$158,862.17
\$39,636,723.05	\$150,585.00	\$8,267.42	\$158,852.43
\$39,589,688.99	\$150,585.00	\$8,257.65	\$158,842.65
\$39,542,532.05	\$150,585.00	\$8,247.85	\$158,832.85
\$39,495,251.91	\$150,585.00	\$8,238.03	\$158,823.03
\$39,447,848.26	\$150,585.00	\$8,228.18	\$158,813.18
\$39,400,320.76	\$150,585.00	\$8,218.30	\$158,803.30
\$39,352,669.10	\$150,585.00	\$8,208.40	\$158,793.40
\$39,304,892.94	\$150,585.00	\$8,198.47	\$158,783.47
\$39,256,991.97	\$150,585.00	\$8,188.52	\$158,773.52
\$39,208,965.86	\$150,585.00	\$8,178.54	\$158,763.54
\$39,160,814.28	\$150,585.00	\$8,168.53	\$158,753.54
\$39,112,536.91	\$150,585.00	\$8,158.50	\$158,743.51
\$39,064,133.41	\$150,585.00	\$8,148.45	\$158,733.45
\$39,015,603.45	\$150,585.00	\$8,138.36	\$158,723.36
\$38,966,946.72	\$150,585.00	\$8,128.25	\$158,713.25
\$38,918,162.86	\$150,585.00	\$8,118.11	\$158,703.12
\$38,869,251.56	\$150,585.00	\$8,107.95	\$158,692.95
\$38,820,212.48	\$150,585.00	\$8,097.76	\$158,682.76
\$38,771,045.28	\$150,585.00	\$8,087.54	\$158,672.55
\$38,721,749.63	\$150,585.00	\$8,077.30	\$158,662.30
\$38,672,325.20	\$150,585.00	\$8,067.03	\$158,652.03
\$38,622,771.65	\$150,585.00	\$8,056.73	\$158,641.74
\$38,573,088.64	\$150,585.00	\$8,046.41	\$158,631.41
\$38,523,275.83	\$150,585.00	\$8,036.06	\$158,621.06
\$38,473,332.89	\$150,585.00	\$8,025.68	\$158,610.68
\$38,423,259.47	\$150,585.00	\$8,015.28	\$158,600.28
\$38,373,055.23	\$150,585.00	\$8,004.85	\$158,589.85
\$38,322,719.84	\$150,585.00	\$7,994.39	\$158,579.39
\$38,272,252.94	\$150,585.00	\$7,983.90	\$158,568.90
\$38,221,654.20	\$150,585.00	\$7,973.39	\$158,558.39
\$38,170,923.27	\$150,585.00	\$7,962.84	\$158,547.85
\$38,120,059.80	\$150,585.00	\$7,952.28	\$158,537.28
\$38,069,063.46	\$150,585.00	\$7,941.68	\$158,526.68
\$38,017,933.88	\$150,585.00	\$7,931.05	\$158,516.06
\$37,966,670.73	\$150,585.00	\$7,920.40	\$158,505.41
\$37,915,273.66	\$150,585.00	\$7,909.72	\$158,494.73
\$37,863,742.31	\$150,585.00	\$7,899.02	\$158,484.02
\$37,812,076.33	\$150,585.00	\$7,888.28	\$158,473.28
\$37,760,275.38	\$150,585.00	\$7,877.52	\$158,462.52
\$37,708,339.10	\$150,585.00	\$7,866.72	\$158,451.73
\$37,656,267.13	\$150,585.00	\$7,855.90	\$158,440.91

Annual MIP Payment

Year 1	102,316
Year 2	100,987
Year 3	99,615
Year 4	98,201
Year 5	96,741
Year 6	95,234
Year 7	93,680
Year 8	92,077
Year 9	90,422
Year 10	88,715
Year 11	86,953
Year 12	85,136
Year 13	83,261
Year 14	81,326
Year 15	79,329
Year 16	77,269
Year 17	75,144
Year 18	72,950
Year 19	70,688
Year 20	68,353

75	\$37,656,267.13	\$98,377.00	\$52,208.00	\$150,585
76	\$37,604,059.13	\$98,240.60	\$52,344.40	\$150,585
77	\$37,551,714.73	\$98,103.85	\$52,481.15	\$150,585
78	\$37,499,233.58	\$97,966.75	\$52,618.25	\$150,585
79	\$37,446,615.33	\$97,829.28	\$52,755.72	\$150,585
80	\$37,393,859.61	\$97,691.46	\$52,893.54	\$150,585
81	\$37,340,966.06	\$97,553.27	\$53,031.73	\$150,585
82	\$37,287,934.34	\$97,414.73	\$53,170.27	\$150,585
83	\$37,234,764.06	\$97,275.82	\$53,309.18	\$150,585
84	\$37,181,454.88	\$97,136.55	\$53,448.45	\$150,585
85	\$37,128,006.43	\$96,996.92	\$53,588.09	\$150,585
86	\$37,074,418.34	\$96,856.92	\$53,728.08	\$150,585
87	\$37,020,690.26	\$96,716.55	\$53,868.45	\$150,585
88	\$36,966,821.81	\$96,575.82	\$54,009.18	\$150,585
89	\$36,912,812.63	\$96,434.72	\$54,150.28	\$150,585
90	\$36,858,662.35	\$96,293.26	\$54,291.75	\$150,585
91	\$36,804,370.61	\$96,151.42	\$54,433.58	\$150,585
92	\$36,749,937.02	\$96,009.21	\$54,575.79	\$150,585
93	\$36,695,361.23	\$95,866.63	\$54,718.37	\$150,585
94	\$36,640,642.86	\$95,723.68	\$54,861.32	\$150,585
95	\$36,585,781.54	\$95,580.35	\$55,004.65	\$150,585
96	\$36,530,776.89	\$95,436.65	\$55,148.35	\$150,585
97	\$36,475,628.54	\$95,292.58	\$55,292.42	\$150,585
98	\$36,420,336.12	\$95,148.13	\$55,436.87	\$150,585
99	\$36,364,899.24	\$95,003.30	\$55,581.70	\$150,585
100	\$36,309,317.54	\$94,858.09	\$55,726.91	\$150,585
101	\$36,253,590.63	\$94,712.51	\$55,872.50	\$150,585
102	\$36,197,718.13	\$94,566.54	\$56,018.46	\$150,585
103	\$36,141,699.67	\$94,420.19	\$56,164.81	\$150,585
104	\$36,085,534.86	\$94,273.46	\$56,311.54	\$150,585
105	\$36,029,223.32	\$94,126.35	\$56,458.66	\$150,585
106	\$35,972,764.66	\$93,978.85	\$56,606.15	\$150,585
107	\$35,916,158.51	\$93,830.96	\$56,754.04	\$150,585
108	\$35,859,404.47	\$93,682.69	\$56,902.31	\$150,585
109	\$35,802,502.16	\$93,534.04	\$57,050.97	\$150,585
110	\$35,745,451.20	\$93,384.99	\$57,200.01	\$150,585
111	\$35,688,251.18	\$93,235.56	\$57,349.45	\$150,585
112	\$35,630,901.74	\$93,085.73	\$57,499.27	\$150,585
113	\$35,573,402.47	\$92,935.51	\$57,649.49	\$150,585
114	\$35,515,752.98	\$92,784.90	\$57,800.10	\$150,585
115	\$35,457,952.88	\$92,633.90	\$57,951.10	\$150,585
116	\$35,400,001.78	\$92,482.50	\$58,102.50	\$150,585
117	\$35,341,899.28	\$92,330.71	\$58,254.29	\$150,585
118	\$35,283,644.99	\$92,178.52	\$58,406.48	\$150,585
119	\$35,225,238.51	\$92,025.94	\$58,559.07	\$150,585
120	\$35,166,679.45	\$91,872.95	\$58,712.05	\$150,585
121	\$35,107,967.40	\$91,719.56	\$58,865.44	\$150,585
122	\$35,049,101.96	\$91,565.78	\$59,019.22	\$150,585
123	\$34,990,082.73	\$91,411.59	\$59,173.41	\$150,585
124	\$34,930,909.32	\$91,257.00	\$59,328.00	\$150,585
125	\$34,871,581.32	\$91,102.01	\$59,483.00	\$150,585
126	\$34,812,098.33	\$90,946.61	\$59,638.40	\$150,585
127	\$34,752,459.93	\$90,790.80	\$59,794.20	\$150,585
128	\$34,692,665.73	\$90,634.59	\$59,950.41	\$150,585
129	\$34,632,715.32	\$90,477.97	\$60,107.03	\$150,585
130	\$34,572,608.28	\$90,320.94	\$60,264.06	\$150,585
131	\$34,512,344.22	\$90,163.50	\$60,421.50	\$150,585
132	\$34,451,922.72	\$90,005.65	\$60,579.35	\$150,585
133	\$34,391,343.36	\$89,847.38	\$60,737.62	\$150,585
134	\$34,330,605.75	\$89,688.71	\$60,896.29	\$150,585
135	\$34,269,709.45	\$89,529.62	\$61,055.39	\$150,585
136	\$34,208,654.07	\$89,370.11	\$61,214.89	\$150,585
137	\$34,147,439.17	\$89,210.18	\$61,374.82	\$150,585
138	\$34,086,064.35	\$89,049.84	\$61,535.16	\$150,585
139	\$34,024,529.20	\$88,889.08	\$61,695.92	\$150,585
140	\$33,962,833.28	\$88,727.90	\$61,857.10	\$150,585
141	\$33,900,976.18	\$88,566.30	\$62,018.70	\$150,585
142	\$33,838,957.47	\$88,404.28	\$62,180.73	\$150,585
143	\$33,776,776.75	\$88,241.83	\$62,343.17	\$150,585
144	\$33,714,433.58	\$88,078.96	\$62,506.04	\$150,585
145	\$33,651,927.53	\$87,915.66	\$62,669.34	\$150,585
146	\$33,589,258.19	\$87,751.94	\$62,833.07	\$150,585
147	\$33,526,425.12	\$87,587.79	\$62,997.22	\$150,585
148	\$33,463,427.91	\$87,423.21	\$63,161.80	\$150,585
149	\$33,400,266.11	\$87,258.20	\$63,326.81	\$150,585
150	\$33,336,939.30	\$87,092.75	\$63,492.25	\$150,585
151	\$33,273,447.06	\$86,926.88	\$63,658.12	\$150,585
152	\$33,209,788.93	\$86,760.57	\$63,824.43	\$150,585
153	\$33,145,964.51	\$86,593.83	\$63,991.17	\$150,585
154	\$33,081,973.34	\$86,426.66	\$64,158.35	\$150,585
155	\$33,017,814.99	\$86,259.04	\$64,325.96	\$150,585
156	\$32,953,489.03	\$86,090.99	\$64,494.01	\$150,585
157	\$32,888,995.02	\$85,922.50	\$64,662.50	\$150,585
158	\$32,824,332.51	\$85,753.57	\$64,831.43	\$150,585
159	\$32,759,501.08	\$85,584.20	\$65,000.81	\$150,585
160	\$32,694,500.28	\$85,414.38	\$65,170.62	\$150,585
161	\$32,629,329.66	\$85,244.12	\$65,340.88	\$150,585
162	\$32,563,988.78	\$85,073.42	\$65,511.58	\$150,585
163	\$32,498,477.20	\$84,902.27	\$65,682.73	\$150,585

\$37,604,059.13	\$150,585.00	\$7,845.06	\$158,430.06
\$37,551,714.73	\$150,585.00	\$7,834.18	\$158,419.18
\$37,499,233.58	\$150,585.00	\$7,823.27	\$158,408.28
\$37,446,615.33	\$150,585.00	\$7,812.34	\$158,397.34
\$37,393,859.61	\$150,585.00	\$7,801.38	\$158,386.38
\$37,340,966.06	\$150,585.00	\$7,790.39	\$158,375.39
\$37,287,934.34	\$150,585.00	\$7,779.37	\$158,364.37
\$37,234,764.06	\$150,585.00	\$7,768.32	\$158,353.32
\$37,181,454.88	\$150,585.00	\$7,757.24	\$158,342.24
\$37,128,006.43	\$150,585.00	\$7,746.14	\$158,331.14
\$37,074,418.34	\$150,585.00	\$7,735.00	\$158,320.00
\$37,020,690.26	\$150,585.00	\$7,723.84	\$158,308.84
\$36,966,821.81	\$150,585.00	\$7,712.64	\$158,297.65
\$36,912,812.63	\$150,585.00	\$7,701.42	\$158,286.42
\$36,858,662.35	\$150,585.00	\$7,690.17	\$158,275.17
\$36,804,370.61	\$150,585.00	\$7,678.89	\$158,263.89
\$36,749,937.02	\$150,585.00	\$7,667.58	\$158,252.58
\$36,695,361.23	\$150,585.00	\$7,656.24	\$158,241.24
\$36,640,642.86	\$150,585.00	\$7,644.87	\$158,229.87
\$36,585,781.54	\$150,585.00	\$7,633.47	\$158,218.47
\$36,530,776.89	\$150,585.00	\$7,622.04	\$158,207.04
\$36,475,628.54	\$150,585.00	\$7,610.58	\$158,195.58
\$36,420,336.12	\$150,585.00	\$7,599.09	\$158,184.09
\$36,364,899.24	\$150,585.00	\$7,587.57	\$158,172.57
\$36,309,317.54	\$150,585.00	\$7,576.02	\$158,161.02
\$36,253,590.63	\$150,585.00	\$7,564.44	\$158,149.44
\$36,197,718.13	\$150,585.00	\$7,552.83	\$158,137.83
\$36,141,699.67	\$150,585.00	\$7,541.19	\$158,126.19
\$36,085,534.86	\$150,585.00	\$7,529.52	\$158,114.52
\$36,029,223.32	\$150,585.00	\$7,517.82	\$158,102.82
\$35,972,764.66	\$150,585.00	\$7,506.09	\$158,091.09
\$35,916,158.51	\$150,585.00	\$7,494.33	\$158,079.33
\$35,859,404.47	\$150,585.00	\$7,482.53	\$158,067.54
\$35,802,502.16	\$150,585.00	\$7,470.71	\$158,055.71
\$35,745,451.20	\$150,585.00	\$7,458.85	\$158,043.86
\$35,688,251.18	\$150,585.00	\$7,446.97	\$158,031.97
\$35,630,901.74	\$150,585.00	\$7,435.05	\$158,020.05
\$35,573,402.47	\$150,585.00	\$7,423.10	\$158,008.11
\$35,515,752.98	\$150,585.00	\$7,411.13	\$157,996.13
\$35,457,952.88	\$150,585.00	\$7,399.12	\$157,984.12
\$35,400,001.78	\$150,585.00	\$7,387.07	\$157,972.08
\$35,341,899.28	\$150,585.00	\$7,375.00	\$157,960.00
\$35,283,644.99	\$150,585.00	\$7,362.90	\$157,947.90
\$35,225,238.51	\$150,585.00	\$7,350.76	\$157,935.76
\$35,166,679.45	\$150,585.00	\$7,338.59	\$157,923.59
\$35,107,967.40	\$150,585.00	\$7,326.39	\$157,911.39
\$35,049,101.96	\$150,585.00	\$7,314.16	\$157,899.16
\$34,990,082.73	\$150,585.00	\$7,301.90	\$157,886.90
\$34,930,909.32	\$150,585.00	\$7,289.60	\$157,874.60
\$34,871,581.32	\$150,585.00	\$7,277.27	\$157,862.27
\$34,812,098.33	\$150,585.00	\$7,264.91	\$157,849.91
\$34,752,459.93	\$150,585.00	\$7,252.52	\$157,837.52
\$34,692,665.73	\$150,585.00	\$7,240.10	\$157,825.10
\$34,632,715.32	\$150,585.00	\$7,227.64	\$157,812.64
\$34,572,608.28	\$150,585.00	\$7,215.15	\$157,800.15
\$34,512,344.22	\$150,585.00	\$7,202.63	\$157,787.63
\$34,451,922.72	\$150,585.00	\$7,190.07	\$157,775.07
\$34,391,343.36	\$150,585.00	\$7,177.48	\$157,762.49
\$34,330,605.75	\$150,585.00	\$7,164.86	\$157,749.87
\$34,269,709.45	\$150,585.00	\$7,152.21	\$157,737.21
\$34,208,654.07	\$150,585.00	\$7,139.52	\$157,724.52
\$34,147,439.17	\$150,585.00	\$7,126.80	\$157,711.81
\$34,086,064.35	\$150,585.00	\$7,114.05	\$157,699.05
\$34,024,529.20	\$150,585.00	\$7,101.26	\$157,686.27
\$33,962,833.28	\$150,585.00	\$7,088.44	\$157,673.45
\$33,900,976.18	\$150,585.00	\$7,075.59	\$157,660.59
\$33,838,957.47	\$150,585.00	\$7,062.70	\$157,647.71
\$33,776,776.75	\$150,585.00	\$7,049.78	\$157,634.78
\$33,714,433.58	\$150,585.00	\$7,036.83	\$157,621.83
\$33,651,927.53	\$150,585.00	\$7,023.84	\$157,608.84
\$33,589,258.19	\$150,585.00	\$7,010.82	\$157,595.82
\$33,526,425.12	\$150,585.00	\$6,997.76	\$157,582.76
\$33,463,427.91	\$150,585.00	\$6,984.67	\$157,569.67
\$33,400,266.11	\$150,585.00	\$6,971.55	\$157,556.55
\$33,336,939.30	\$150,585.00	\$6,958.39	\$157,543.39
\$33,273,447.06	\$150,585.00	\$6,945.20	\$157,530.20
\$33,209,788.93	\$150,585.00	\$6,931.97	\$157,516.97
\$33,145,964.51	\$150,585.00	\$6,918.71	\$157,503.71
\$33,081,973.34	\$150,585.00	\$6,905.41	\$157,490.41
\$33,017,814.99	\$150,585.00	\$6,892.08	\$157,477.08
\$32,953,489.03	\$150,585.00	\$6,878.71	\$157,463.71
\$32,888,995.02	\$150,585.00	\$6,865.31	\$157,450.31
\$32,824,332.51	\$150,585.00	\$6,851.87	\$157,436.88
\$32,759,501.08	\$150,585.00	\$6,838.40	\$157,423.40
\$32,694,500.28	\$150,585.00	\$6,824.90	\$157,409.90
\$32,629,329.66	\$150,585.00	\$6,811.35	\$157,396.36
\$32,563,988.78	\$150,585.00	\$6,797.78	\$157,382.78
\$32,498,477.20	\$150,585.00	\$6,784.16	\$157,369.17
\$32,432,794.46	\$150,585.00	\$6,770.52	\$157,355.52

164	\$32,432,794.46	\$84,730.68	\$65,854.33	\$150,585
165	\$32,366,940.14	\$84,558.63	\$66,026.37	\$150,585
166	\$32,300,913.77	\$84,386.14	\$66,198.86	\$150,585
167	\$32,234,714.90	\$84,213.19	\$66,371.81	\$150,585
168	\$32,168,343.09	\$84,039.80	\$66,545.21	\$150,585
169	\$32,101,797.89	\$83,865.95	\$66,719.06	\$150,585
170	\$32,035,078.83	\$83,691.64	\$66,893.36	\$150,585
171	\$31,968,185.47	\$83,516.88	\$67,068.12	\$150,585
172	\$31,901,117.36	\$83,341.67	\$67,243.33	\$150,585
173	\$31,833,874.02	\$83,166.00	\$67,419.01	\$150,585
174	\$31,766,455.02	\$82,989.86	\$67,595.14	\$150,585
175	\$31,698,859.88	\$82,813.27	\$67,771.73	\$150,585
176	\$31,631,088.15	\$82,636.22	\$67,948.78	\$150,585
177	\$31,563,139.36	\$82,458.70	\$68,126.30	\$150,585
178	\$31,495,013.06	\$82,280.72	\$68,304.28	\$150,585
179	\$31,426,708.78	\$82,102.28	\$68,482.73	\$150,585
180	\$31,358,226.06	\$81,923.37	\$68,661.64	\$150,585
181	\$31,289,564.42	\$81,743.99	\$68,841.02	\$150,585
182	\$31,220,723.40	\$81,564.14	\$69,020.86	\$150,585
183	\$31,151,702.54	\$81,383.82	\$69,201.18	\$150,585
184	\$31,082,501.36	\$81,203.03	\$69,381.97	\$150,585
185	\$31,013,119.40	\$81,021.77	\$69,563.23	\$150,585
186	\$30,943,556.17	\$80,840.04	\$69,744.96	\$150,585
187	\$30,873,811.21	\$80,657.83	\$69,927.17	\$150,585
188	\$30,803,884.04	\$80,475.15	\$70,109.86	\$150,585
189	\$30,733,774.18	\$80,291.99	\$70,293.02	\$150,585
190	\$30,663,481.16	\$80,108.34	\$70,476.66	\$150,585
191	\$30,593,004.51	\$79,924.22	\$70,660.78	\$150,585
192	\$30,522,343.73	\$79,739.62	\$70,845.38	\$150,585
193	\$30,451,498.35	\$79,554.54	\$71,030.46	\$150,585
194	\$30,380,467.89	\$79,368.97	\$71,216.03	\$150,585
195	\$30,309,251.86	\$79,182.92	\$71,402.08	\$150,585
196	\$30,237,849.78	\$78,996.38	\$71,588.62	\$150,585
197	\$30,166,261.16	\$78,809.36	\$71,775.64	\$150,585
198	\$30,094,485.51	\$78,621.84	\$71,963.16	\$150,585
199	\$30,022,522.35	\$78,433.84	\$72,151.16	\$150,585
200	\$29,950,371.19	\$78,245.34	\$72,339.66	\$150,585
201	\$29,878,031.53	\$78,056.36	\$72,528.64	\$150,585
202	\$29,805,502.89	\$77,866.88	\$72,718.13	\$150,585
203	\$29,732,784.76	\$77,676.90	\$72,908.10	\$150,585
204	\$29,659,876.66	\$77,486.43	\$73,098.57	\$150,585
205	\$29,586,778.09	\$77,295.46	\$73,289.54	\$150,585
206	\$29,513,488.54	\$77,103.99	\$73,481.01	\$150,585
207	\$29,440,007.53	\$76,912.02	\$73,672.98	\$150,585
208	\$29,366,334.55	\$76,719.55	\$73,865.45	\$150,585
209	\$29,292,469.09	\$76,526.58	\$74,058.43	\$150,585
210	\$29,218,410.67	\$76,333.10	\$74,251.90	\$150,585
211	\$29,144,158.76	\$76,139.11	\$74,445.89	\$150,585
212	\$29,069,712.87	\$75,944.62	\$74,640.38	\$150,585
213	\$28,995,072.50	\$75,749.63	\$74,835.38	\$150,585
214	\$28,920,237.12	\$75,554.12	\$75,030.88	\$150,585
215	\$28,845,206.24	\$75,358.10	\$75,226.90	\$150,585
216	\$28,769,979.34	\$75,161.57	\$75,423.43	\$150,585
217	\$28,694,555.91	\$74,964.53	\$75,620.47	\$150,585
218	\$28,618,935.43	\$74,766.97	\$75,818.03	\$150,585
219	\$28,543,117.40	\$74,568.89	\$76,016.11	\$150,585
220	\$28,467,101.29	\$74,370.30	\$76,214.70	\$150,585
221	\$28,390,886.59	\$74,171.19	\$76,413.81	\$150,585
222	\$28,314,472.78	\$73,971.56	\$76,613.44	\$150,585
223	\$28,237,859.34	\$73,771.41	\$76,813.59	\$150,585
224	\$28,161,045.74	\$73,570.73	\$77,014.27	\$150,585
225	\$28,084,031.47	\$73,369.53	\$77,215.47	\$150,585
226	\$28,006,816.00	\$73,167.81	\$77,417.20	\$150,585
227	\$27,929,398.81	\$72,965.55	\$77,619.45	\$150,585
228	\$27,851,779.36	\$72,762.77	\$77,822.23	\$150,585
229	\$27,773,957.13	\$72,559.46	\$78,025.54	\$150,585
230	\$27,695,931.59	\$72,355.62	\$78,229.38	\$150,585
231	\$27,617,702.21	\$72,151.25	\$78,433.76	\$150,585
232	\$27,539,268.46	\$71,946.34	\$78,638.66	\$150,585
233	\$27,460,629.79	\$71,740.90	\$78,844.11	\$150,585
234	\$27,381,785.69	\$71,534.92	\$79,050.09	\$150,585
235	\$27,302,735.60	\$71,328.40	\$79,256.61	\$150,585
236	\$27,223,478.99	\$71,121.34	\$79,463.66	\$150,585
237	\$27,144,015.33	\$70,913.74	\$79,671.26	\$150,585
238	\$27,064,344.07	\$70,705.60	\$79,879.40	\$150,585
239	\$26,984,464.67	\$70,496.91	\$80,088.09	\$150,585
240	\$26,904,376.58	\$70,287.68	\$80,297.32	\$150,585
241	\$26,824,079.26	\$70,077.91	\$80,507.10	\$150,585
242	\$26,743,572.16	\$69,867.58	\$80,717.42	\$150,585
243	\$26,662,854.74	\$69,656.71	\$80,928.29	\$150,585
244	\$26,581,926.45	\$69,445.28	\$81,139.72	\$150,585
245	\$26,500,786.73	\$69,233.31	\$81,351.70	\$150,585
246	\$26,419,435.03	\$69,020.77	\$81,564.23	\$150,585
247	\$26,337,870.81	\$68,807.69	\$81,777.31	\$150,585
248	\$26,256,093.49	\$68,594.04	\$81,990.96	\$150,585
249	\$26,174,102.53	\$68,379.84	\$82,205.16	\$150,585
250	\$26,091,897.37	\$68,165.08	\$82,419.92	\$150,585
251	\$26,009,477.45	\$67,949.76	\$82,635.24	\$150,585
252	\$25,926,842.21	\$67,733.88	\$82,851.13	\$150,585

\$32,366,940.14	\$150,585.00	\$6,756.83	\$157,341.83
\$32,300,913.77	\$150,585.00	\$6,743.11	\$157,328.11
\$32,234,714.90	\$150,585.00	\$6,729.36	\$157,314.36
\$32,168,343.09	\$150,585.00	\$6,715.57	\$157,300.57
\$32,101,797.89	\$150,585.00	\$6,701.74	\$157,286.74
\$32,035,078.83	\$150,585.00	\$6,687.87	\$157,272.88
\$31,968,185.47	\$150,585.00	\$6,673.97	\$157,258.98
\$31,901,117.36	\$150,585.00	\$6,660.04	\$157,245.04
\$31,833,874.02	\$150,585.00	\$6,646.07	\$157,231.07
\$31,766,455.02	\$150,585.00	\$6,632.06	\$157,217.06
\$31,698,859.88	\$150,585.00	\$6,618.01	\$157,203.01
\$31,631,088.15	\$150,585.00	\$6,603.93	\$157,188.93
\$31,563,139.36	\$150,585.00	\$6,589.81	\$157,174.81
\$31,495,013.06	\$150,585.00	\$6,575.65	\$157,160.66
\$31,426,708.78	\$150,585.00	\$6,561.46	\$157,146.46
\$31,358,226.06	\$150,585.00	\$6,547.23	\$157,132.23
\$31,289,564.42	\$150,585.00	\$6,532.96	\$157,117.97
\$31,220,723.40	\$150,585.00	\$6,518.66	\$157,103.66
\$31,151,702.54	\$150,585.00	\$6,504.32	\$157,089.32
\$31,082,501.36	\$150,585.00	\$6,489.94	\$157,074.94
\$31,013,119.40	\$150,585.00	\$6,475.52	\$157,060.52
\$30,943,556.17	\$150,585.00	\$6,461.07	\$157,046.07
\$30,873,811.21	\$150,585.00	\$6,446.57	\$157,031.58
\$30,803,884.04	\$150,585.00	\$6,432.04	\$157,017.05
\$30,733,774.18	\$150,585.00	\$6,417.48	\$157,002.48
\$30,663,481.16	\$150,585.00	\$6,402.87	\$156,987.87
\$30,593,004.51	\$150,585.00	\$6,388.23	\$156,973.23
\$30,522,343.73	\$150,585.00	\$6,373.54	\$156,958.54
\$30,451,498.35	\$150,585.00	\$6,358.82	\$156,943.82
\$30,380,467.89	\$150,585.00	\$6,344.06	\$156,929.06
\$30,309,251.86	\$150,585.00	\$6,329.26	\$156,914.27
\$30,237,849.78	\$150,585.00	\$6,314.43	\$156,899.43
\$30,166,261.16	\$150,585.00	\$6,299.55	\$156,884.55
\$30,094,485.51	\$150,585.00	\$6,284.64	\$156,869.64
\$30,022,522.35	\$150,585.00	\$6,269.68	\$156,854.69
\$29,950,371.19	\$150,585.00	\$6,254.69	\$156,839.69
\$29,878,031.53	\$150,585.00	\$6,239.66	\$156,824.66
\$29,805,502.89	\$150,585.00	\$6,224.59	\$156,809.59
\$29,732,784.76	\$150,585.00	\$6,209.48	\$156,794.48
\$29,659,876.66	\$150,585.00	\$6,194.33	\$156,779.33
\$29,586,778.09	\$150,585.00	\$6,179.14	\$156,764.14
\$29,513,488.54	\$150,585.00	\$6,163.91	\$156,748.91
\$29,440,007.53	\$150,585.00	\$6,148.64	\$156,733.65
\$29,366,334.55	\$150,585.00	\$6,133.33	\$156,718.34
\$29,292,469.09	\$150,585.00	\$6,117.99	\$156,702.99
\$29,218,410.67	\$150,585.00	\$6,102.60	\$156,687.60
\$29,144,158.76	\$150,585.00	\$6,087.17	\$156,672.17
\$29,069,712.87	\$150,585.00	\$6,071.70	\$156,656.70
\$28,995,072.50	\$150,585.00	\$6,056.19	\$156,641.19
\$28,920,237.12	\$150,585.00	\$6,040.64	\$156,625.64
\$28,845,206.24	\$150,585.00	\$6,025.05	\$156,610.05
\$28,769,979.34	\$150,585.00	\$6,009.42	\$156,594.42
\$28,694,555.91	\$150,585.00	\$5,993.75	\$156,578.75
\$28,618,935.43	\$150,585.00	\$5,978.03	\$156,563.03
\$28,543,117.40	\$150,585.00	\$5,962.28	\$156,547.28
\$28,467,101.29	\$150,585.00	\$5,946.48	\$156,531.48
\$28,390,886.59	\$150,585.00	\$5,930.65	\$156,515.65
\$28,314,472.78	\$150,585.00	\$5,914.77	\$156,499.77
\$28,237,859.34	\$150,585.00	\$5,898.85	\$156,483.85
\$28,161,045.74	\$150,585.00	\$5,882.89	\$156,467.89
\$28,084,031.47	\$150,585.00	\$5,866.88	\$156,451.89
\$28,006,816.00	\$150,585.00	\$5,850.84	\$156,435.84
\$27,929,398.81	\$150,585.00	\$5,834.75	\$156,419.76
\$27,851,779.36	\$150,585.00	\$5,818.62	\$156,403.63
\$27,773,957.13	\$150,585.00	\$5,802.45	\$156,387.46
\$27,695,931.59	\$150,585.00	\$5,786.24	\$156,371.24
\$27,617,702.21	\$150,585.00	\$5,769.99	\$156,354.99
\$27,539,268.46	\$150,585.00	\$5,753.69	\$156,338.69
\$27,460,629.79	\$150,585.00	\$5,737.35	\$156,322.35
\$27,381,785.69	\$150,585.00	\$5,720.96	\$156,305.97
\$27,302,735.60	\$150,585.00	\$5,704.54	\$156,289.54
\$27,223,478.99	\$150,585.00	\$5,688.07	\$156,273.07
\$27,144,015.33	\$150,585.00	\$5,671.56	\$156,256.56
\$27,064,344.07	\$150,585.00	\$5,655.00	\$156,240.01
\$26,984,464.67	\$150,585.00	\$5,638.41	\$156,223.41
\$26,904,376.58	\$150,585.00	\$5,621.76	\$156,206.77
\$26,824,079.26	\$150,585.00	\$5,605.08	\$156,190.08
\$26,743,572.16	\$150,585.00	\$5,588.35	\$156,173.35
\$26,662,854.74	\$150,585.00	\$5,571.58	\$156,156.58
\$26,581,926.45	\$150,585.00	\$5,554.76	\$156,139.76
\$26,500,786.73	\$150,585.00	\$5,537.90	\$156,122.90
\$26,419,435.03	\$150,585.00	\$5,521.00	\$156,106.00
\$26,337,870.81	\$150,585.00	\$5,504.05	\$156,089.05
\$26,256,093.49	\$150,585.00	\$5,487.06	\$156,072.06
\$26,174,102.53	\$150,585.00	\$5,470.02	\$156,055.02
\$26,091,897.37	\$150,585.00	\$5,452.94	\$156,037.94
\$26,009,477.45	\$150,585.00	\$5,435.81	\$156,020.81
\$25,926,842.21	\$150,585.00	\$5,418.64	\$156,003.64
\$25,843,991.08	\$150,585.00	\$5,401.43	\$155,986.43

253	\$25,843,991.08	\$67,517.43	\$83,067.58	\$150,585
254	\$25,760,923.51	\$67,300.41	\$83,284.59	\$150,585
255	\$25,677,638.92	\$67,082.83	\$83,502.17	\$150,585
256	\$25,594,136.75	\$66,864.68	\$83,720.32	\$150,585
257	\$25,510,416.43	\$66,645.96	\$83,939.04	\$150,585
258	\$25,426,477.39	\$66,426.67	\$84,158.33	\$150,585
259	\$25,342,319.06	\$66,206.81	\$84,378.19	\$150,585
260	\$25,257,940.87	\$65,986.37	\$84,598.63	\$150,585
261	\$25,173,342.23	\$65,765.36	\$84,819.65	\$150,585
262	\$25,088,522.59	\$65,543.77	\$85,041.24	\$150,585
263	\$25,003,481.35	\$65,321.60	\$85,263.41	\$150,585
264	\$24,918,217.95	\$65,098.84	\$85,486.16	\$150,585
265	\$24,832,731.79	\$64,875.51	\$85,709.49	\$150,585
266	\$24,747,022.30	\$64,651.60	\$85,933.41	\$150,585
267	\$24,661,088.89	\$64,427.09	\$86,157.91	\$150,585
268	\$24,574,930.98	\$64,202.01	\$86,382.99	\$150,585
269	\$24,488,547.99	\$63,976.33	\$86,608.67	\$150,585
270	\$24,401,939.32	\$63,750.07	\$86,834.94	\$150,585
271	\$24,315,104.38	\$63,523.21	\$87,061.79	\$150,585
272	\$24,228,042.59	\$63,295.76	\$87,289.24	\$150,585
273	\$24,140,753.35	\$63,067.72	\$87,517.28	\$150,585
274	\$24,053,236.07	\$62,839.08	\$87,745.92	\$150,585
275	\$23,965,490.14	\$62,609.84	\$87,975.16	\$150,585
276	\$23,877,514.98	\$62,380.01	\$88,204.99	\$150,585
277	\$23,789,309.99	\$62,149.57	\$88,435.43	\$150,585
278	\$23,700,874.56	\$61,918.53	\$88,666.47	\$150,585
279	\$23,612,208.09	\$61,686.89	\$88,898.11	\$150,585
280	\$23,523,309.98	\$61,454.65	\$89,130.35	\$150,585
281	\$23,434,179.63	\$61,221.79	\$89,363.21	\$150,585
282	\$23,344,816.42	\$60,988.33	\$89,596.67	\$150,585
283	\$23,255,219.75	\$60,754.26	\$89,830.74	\$150,585
284	\$23,165,389.01	\$60,519.58	\$90,065.42	\$150,585
285	\$23,075,323.59	\$60,284.28	\$90,300.72	\$150,585
286	\$22,985,022.87	\$60,048.37	\$90,536.63	\$150,585
287	\$22,894,486.24	\$59,811.85	\$90,773.16	\$150,585
288	\$22,803,713.08	\$59,574.70	\$91,010.30	\$150,585
289	\$22,712,702.78	\$59,336.94	\$91,248.07	\$150,585
290	\$22,621,454.71	\$59,098.55	\$91,486.45	\$150,585
291	\$22,529,968.26	\$58,859.54	\$91,725.46	\$150,585
292	\$22,438,242.80	\$58,619.91	\$91,965.09	\$150,585
293	\$22,346,277.71	\$58,379.65	\$92,205.35	\$150,585
294	\$22,254,072.36	\$58,138.76	\$92,446.24	\$150,585
295	\$22,161,626.12	\$57,897.25	\$92,687.75	\$150,585
296	\$22,068,938.37	\$57,655.10	\$92,929.90	\$150,585
297	\$21,976,008.46	\$57,412.32	\$93,172.68	\$150,585
298	\$21,882,835.78	\$57,168.91	\$93,416.09	\$150,585
299	\$21,789,419.69	\$56,924.86	\$93,660.14	\$150,585
300	\$21,695,759.55	\$56,680.17	\$93,904.83	\$150,585
301	\$21,601,854.72	\$56,434.85	\$94,150.16	\$150,585
302	\$21,507,704.56	\$56,188.88	\$94,396.12	\$150,585
303	\$21,413,308.44	\$55,942.27	\$94,642.73	\$150,585
304	\$21,318,665.70	\$55,695.01	\$94,889.99	\$150,585
305	\$21,223,775.72	\$55,447.11	\$95,137.89	\$150,585
306	\$21,128,637.83	\$55,198.57	\$95,386.44	\$150,585
307	\$21,033,251.39	\$54,949.37	\$95,635.63	\$150,585
308	\$20,937,615.76	\$54,699.52	\$95,885.48	\$150,585
309	\$20,841,730.28	\$54,449.02	\$96,135.98	\$150,585
310	\$20,745,594.30	\$54,197.87	\$96,387.14	\$150,585
311	\$20,649,207.16	\$53,946.05	\$96,638.95	\$150,585
312	\$20,552,568.21	\$53,693.58	\$96,891.42	\$150,585
313	\$20,455,676.79	\$53,440.46	\$97,144.55	\$150,585
314	\$20,358,532.25	\$53,186.67	\$97,398.34	\$150,585
315	\$20,261,133.91	\$52,932.21	\$97,652.79	\$150,585
316	\$20,163,481.12	\$52,677.09	\$97,907.91	\$150,585
317	\$20,065,573.21	\$52,421.31	\$98,163.69	\$150,585
318	\$19,967,409.52	\$52,164.86	\$98,420.14	\$150,585
319	\$19,868,989.38	\$51,907.73	\$98,677.27	\$150,585
320	\$19,770,312.11	\$51,649.94	\$98,935.06	\$150,585
321	\$19,671,377.05	\$51,391.47	\$99,193.53	\$150,585
322	\$19,572,183.52	\$51,132.33	\$99,452.67	\$150,585
323	\$19,472,730.84	\$50,872.51	\$99,712.49	\$150,585
324	\$19,373,018.35	\$50,612.01	\$99,972.99	\$150,585
325	\$19,273,045.36	\$50,350.83	\$100,234.17	\$150,585
326	\$19,172,811.19	\$50,088.97	\$100,496.03	\$150,585
327	\$19,072,315.16	\$49,826.42	\$100,758.58	\$150,585
328	\$18,971,556.58	\$49,563.19	\$101,021.81	\$150,585
329	\$18,870,534.77	\$49,299.27	\$101,285.73	\$150,585
330	\$18,769,249.04	\$49,034.66	\$101,550.34	\$150,585
331	\$18,667,698.70	\$48,769.36	\$101,815.64	\$150,585
332	\$18,565,883.06	\$48,503.37	\$102,081.63	\$150,585
333	\$18,463,801.42	\$48,236.68	\$102,348.32	\$150,585
334	\$18,361,453.10	\$47,969.30	\$102,615.71	\$150,585
335	\$18,258,837.40	\$47,701.21	\$102,883.79	\$150,585
336	\$18,155,953.61	\$47,432.43	\$103,152.57	\$150,585
337	\$18,052,801.04	\$47,162.94	\$103,422.06	\$150,585
338	\$17,949,378.98	\$46,892.75	\$103,692.25	\$150,585
339	\$17,845,686.73	\$46,621.86	\$103,963.15	\$150,585
340	\$17,741,723.58	\$46,350.25	\$104,234.75	\$150,585
341	\$17,637,488.83	\$46,077.94	\$104,507.06	\$150,585

\$25,760,923.51	\$150,585.00	\$5,384.16	\$155,969.17
\$25,677,638.92	\$150,585.00	\$5,366.86	\$155,951.86
\$25,594,136.75	\$150,585.00	\$5,349.51	\$155,934.51
\$25,510,416.43	\$150,585.00	\$5,332.11	\$155,917.11
\$25,426,477.39	\$150,585.00	\$5,314.67	\$155,899.67
\$25,342,319.06	\$150,585.00	\$5,297.18	\$155,882.18
\$25,257,940.87	\$150,585.00	\$5,279.65	\$155,864.65
\$25,173,342.23	\$150,585.00	\$5,262.07	\$155,847.07
\$25,088,522.59	\$150,585.00	\$5,244.45	\$155,829.45
\$25,003,481.35	\$150,585.00	\$5,226.78	\$155,811.78
\$24,918,217.95	\$150,585.00	\$5,209.06	\$155,794.06
\$24,832,731.79	\$150,585.00	\$5,191.30	\$155,776.30
\$24,747,022.30	\$150,585.00	\$5,173.49	\$155,758.49
\$24,661,088.89	\$150,585.00	\$5,155.63	\$155,740.63
\$24,574,930.98	\$150,585.00	\$5,137.73	\$155,722.73
\$24,488,547.99	\$150,585.00	\$5,119.78	\$155,704.78
\$24,401,939.32	\$150,585.00	\$5,101.78	\$155,686.78
\$24,315,104.38	\$150,585.00	\$5,083.74	\$155,668.74
\$24,228,042.59	\$150,585.00	\$5,065.65	\$155,650.65
\$24,140,753.35	\$150,585.00	\$5,047.51	\$155,632.51
\$24,053,236.07	\$150,585.00	\$5,029.32	\$155,614.33
\$23,965,490.14	\$150,585.00	\$5,011.09	\$155,596.09
\$23,877,514.98	\$150,585.00	\$4,992.81	\$155,577.81
\$23,789,309.99	\$150,585.00	\$4,974.48	\$155,559.48
\$23,700,874.56	\$150,585.00	\$4,956.11	\$155,541.11
\$23,612,208.09	\$150,585.00	\$4,937.68	\$155,522.68
\$23,523,309.98	\$150,585.00	\$4,919.21	\$155,504.21
\$23,434,179.63	\$150,585.00	\$4,900.69	\$155,485.69
\$23,344,816.42	\$150,585.00	\$4,882.12	\$155,467.12
\$23,255,219.75	\$150,585.00	\$4,863.50	\$155,448.51
\$23,165,389.01	\$150,585.00	\$4,844.84	\$155,429.84
\$23,075,323.59	\$150,585.00	\$4,826.12	\$155,411.12
\$22,985,022.87	\$150,585.00	\$4,807.36	\$155,392.36
\$22,894,486.24	\$150,585.00	\$4,788.55	\$155,373.55
\$22,803,713.08	\$150,585.00	\$4,769.68	\$155,354.69
\$22,712,702.78	\$150,585.00	\$4,750.77	\$155,335.78
\$22,621,454.71	\$150,585.00	\$4,731.81	\$155,316.82
\$22,529,968.26	\$150,585.00	\$4,712.80	\$155,297.81
\$22,438,242.80	\$150,585.00	\$4,693.74	\$155,278.75
\$22,346,277.71	\$150,585.00	\$4,674.63	\$155,259.64
\$22,254,072.36	\$150,585.00	\$4,655.47	\$155,240.48
\$22,161,626.12	\$150,585.00	\$4,636.27	\$155,221.27
\$22,068,938.37	\$150,585.00	\$4,617.01	\$155,202.01
\$21,976,008.46	\$150,585.00	\$4,597.70	\$155,182.70
\$21,882,835.78	\$150,585.00	\$4,578.34	\$155,163.34
\$21,789,419.69	\$150,585.00	\$4,558.92	\$155,143.93
\$21,695,759.55	\$150,585.00	\$4,539.46	\$155,124.46
\$21,601,854.72	\$150,585.00	\$4,519.95	\$155,104.95
\$21,507,704.56	\$150,585.00	\$4,500.39	\$155,085.39
\$21,413,308.44	\$150,585.00	\$4,480.77	\$155,065.77
\$21,318,665.70	\$150,585.00	\$4,461.11	\$155,046.11
\$21,223,775.72	\$150,585.00	\$4,441.39	\$155,026.39
\$21,128,637.83	\$150,585.00	\$4,421.62	\$155,006.62
\$21,033,251.39	\$150,585.00	\$4,401.80	\$154,986.80
\$20,937,615.76	\$150,585.00	\$4,381.93	\$154,966.93
\$20,841,730.28	\$150,585.00	\$4,362.00	\$154,947.01
\$20,745,594.30	\$150,585.00	\$4,342.03	\$154,927.03
\$20,649,207.16	\$150,585.00	\$4,322.00	\$154,907.00
\$20,552,568.21	\$150,585.00	\$4,301.92	\$154,886.92
\$20,455,676.79	\$150,585.00	\$4,281.79	\$154,866.79
\$20,358,532.25	\$150,585.00	\$4,261.60	\$154,846.60
\$20,261,133.91	\$150,585.00	\$4,241.36	\$154,826.36
\$20,163,481.12	\$150,585.00	\$4,221.07	\$154,806.07
\$20,065,573.21	\$150,585.00	\$4,200.73	\$154,785.73
\$19,967,409.52	\$150,585.00	\$4,180.33	\$154,765.33
\$19,868,989.38	\$150,585.00	\$4,159.88	\$154,744.88
\$19,770,312.11	\$150,585.00	\$4,139.37	\$154,724.37
\$19,671,377.05	\$150,585.00	\$4,118.82	\$154,703.82
\$19,572,183.52	\$150,585.00	\$4,098.20	\$154,683.21
\$19,472,730.84	\$150,585.00	\$4,077.54	\$154,662.54
\$19,373,018.35	\$150,585.00	\$4,056.82	\$154,641.82
\$19,273,045.36	\$150,585.00	\$4,036.05	\$154,621.05
\$19,172,811.19	\$150,585.00	\$4,015.22	\$154,600.22
\$19,072,315.16	\$150,585.00	\$3,994.34	\$154,579.34
\$18,971,556.58	\$150,585.00	\$3,973.40	\$154,558.40
\$18,870,534.77	\$150,585.00	\$3,952.41	\$154,537.41
\$18,769,249.04	\$150,585.00	\$3,931.36	\$154,516.36
\$18,667,698.70	\$150,585.00	\$3,910.26	\$154,495.26
\$18,565,883.06	\$150,585.00	\$3,889.10	\$154,474.11
\$18,463,801.42	\$150,585.00	\$3,867.89	\$154,452.89
\$18,361,453.10	\$150,585.00	\$3,846.63	\$154,431.63
\$18,258,837.40	\$150,585.00	\$3,825.30	\$154,410.30
\$18,155,953.61	\$150,585.00	\$3,803.92	\$154,388.93
\$18,052,801.04	\$150,585.00	\$3,782.49	\$154,367.49
\$17,949,378.98	\$150,585.00	\$3,761.00	\$154,346.00
\$17,845,686.73	\$150,585.00	\$3,739.45	\$154,324.46
\$17,741,723.58	\$150,585.00	\$3,717.85	\$154,302.85
\$17,637,488.83	\$150,585.00	\$3,696.19	\$154,281.19
\$17,532,981.77	\$150,585.00	\$3,674.48	\$154,259.48

342	\$17,532,981.77	\$45,804.91	\$104,780.09	\$150,585
343	\$17,428,201.68	\$45,531.18	\$105,053.83	\$150,585
344	\$17,323,147.86	\$45,256.72	\$105,328.28	\$150,585
345	\$17,217,819.58	\$44,981.55	\$105,603.45	\$150,585
346	\$17,112,216.13	\$44,705.66	\$105,879.34	\$150,585
347	\$17,006,336.79	\$44,429.05	\$106,155.95	\$150,585
348	\$16,900,180.84	\$44,151.72	\$106,433.28	\$150,585
349	\$16,793,747.56	\$43,873.67	\$106,711.34	\$150,585
350	\$16,687,036.23	\$43,594.88	\$106,990.12	\$150,585
351	\$16,580,046.11	\$43,315.37	\$107,269.63	\$150,585
352	\$16,472,776.48	\$43,035.13	\$107,549.87	\$150,585
353	\$16,365,226.60	\$42,754.15	\$107,830.85	\$150,585
354	\$16,257,395.76	\$42,472.45	\$108,112.56	\$150,585
355	\$16,149,283.20	\$42,190.00	\$108,395.00	\$150,585
356	\$16,040,888.20	\$41,906.82	\$108,678.18	\$150,585
357	\$15,932,210.02	\$41,622.90	\$108,962.10	\$150,585
358	\$15,823,247.91	\$41,338.24	\$109,246.77	\$150,585
359	\$15,714,001.15	\$41,052.83	\$109,532.17	\$150,585
360	\$15,604,468.97	\$40,766.68	\$109,818.33	\$150,585
361	\$15,494,650.65	\$40,479.77	\$110,105.23	\$150,585
362	\$15,384,545.42	\$40,192.12	\$110,392.88	\$150,585
363	\$15,274,152.54	\$39,903.72	\$110,681.28	\$150,585
364	\$15,163,471.26	\$39,614.57	\$110,970.43	\$150,585
365	\$15,052,500.83	\$39,324.66	\$111,260.34	\$150,585
366	\$14,941,240.49	\$39,033.99	\$111,551.01	\$150,585
367	\$14,829,689.48	\$38,742.56	\$111,842.44	\$150,585
368	\$14,717,847.04	\$38,450.38	\$112,134.63	\$150,585
369	\$14,605,712.41	\$38,157.42	\$112,427.58	\$150,585
370	\$14,493,284.83	\$37,863.71	\$112,721.30	\$150,585
371	\$14,380,563.54	\$37,569.22	\$113,015.78	\$150,585
372	\$14,267,547.76	\$37,273.97	\$113,311.03	\$150,585
373	\$14,154,236.72	\$36,977.94	\$113,607.06	\$150,585
374	\$14,040,629.66	\$36,681.14	\$113,903.86	\$150,585
375	\$13,926,725.81	\$36,383.57	\$114,201.43	\$150,585
376	\$13,812,524.38	\$36,085.22	\$114,499.78	\$150,585
377	\$13,698,024.59	\$35,786.09	\$114,798.91	\$150,585
378	\$13,583,225.68	\$35,486.18	\$115,098.83	\$150,585
379	\$13,468,126.86	\$35,185.48	\$115,399.52	\$150,585
380	\$13,352,727.33	\$34,884.00	\$115,701.00	\$150,585
381	\$13,237,026.33	\$34,581.73	\$116,003.27	\$150,585
382	\$13,121,023.06	\$34,278.67	\$116,306.33	\$150,585
383	\$13,004,716.73	\$33,974.82	\$116,610.18	\$150,585
384	\$12,888,106.55	\$33,670.18	\$116,914.82	\$150,585
385	\$12,771,191.73	\$33,364.74	\$117,220.26	\$150,585
386	\$12,653,971.47	\$33,058.50	\$117,526.50	\$150,585
387	\$12,536,444.96	\$32,751.46	\$117,833.54	\$150,585
388	\$12,418,611.42	\$32,443.62	\$118,141.38	\$150,585
389	\$12,300,470.04	\$32,134.98	\$118,450.02	\$150,585
390	\$12,182,020.02	\$31,825.53	\$118,759.47	\$150,585
391	\$12,063,260.55	\$31,515.27	\$119,069.73	\$150,585
392	\$11,944,190.81	\$31,204.20	\$119,380.80	\$150,585
393	\$11,824,810.01	\$30,892.32	\$119,692.69	\$150,585
394	\$11,705,117.32	\$30,579.62	\$120,005.38	\$150,585
395	\$11,585,111.94	\$30,266.10	\$120,318.90	\$150,585
396	\$11,464,793.04	\$29,951.77	\$120,633.23	\$150,585
397	\$11,344,159.81	\$29,636.62	\$120,948.38	\$150,585
398	\$11,223,211.43	\$29,320.64	\$121,264.36	\$150,585
399	\$11,101,947.06	\$29,003.84	\$121,581.17	\$150,585
400	\$10,980,365.90	\$28,686.21	\$121,898.80	\$150,585
401	\$10,858,467.10	\$28,367.75	\$122,217.26	\$150,585
402	\$10,736,249.85	\$28,048.45	\$122,536.55	\$150,585
403	\$10,613,713.30	\$27,728.33	\$122,856.68	\$150,585
404	\$10,490,856.62	\$27,407.36	\$123,177.64	\$150,585
405	\$10,367,678.98	\$27,085.56	\$123,499.44	\$150,585
406	\$10,244,179.54	\$26,762.92	\$123,822.08	\$150,585
407	\$10,120,357.46	\$26,439.43	\$124,145.57	\$150,585
408	\$9,996,211.89	\$26,115.10	\$124,469.90	\$150,585
409	\$9,871,741.99	\$25,789.93	\$124,795.08	\$150,585
410	\$9,746,946.91	\$25,463.90	\$125,121.10	\$150,585
411	\$9,621,825.81	\$25,137.02	\$125,447.98	\$150,585
412	\$9,496,377.83	\$24,809.29	\$125,775.72	\$150,585
413	\$9,370,602.11	\$24,480.70	\$126,104.30	\$150,585
414	\$9,244,497.81	\$24,151.25	\$126,433.75	\$150,585
415	\$9,118,064.06	\$23,820.94	\$126,764.06	\$150,585
416	\$8,991,300.00	\$23,489.77	\$127,095.23	\$150,585
417	\$8,864,204.77	\$23,157.73	\$127,427.27	\$150,585
418	\$8,736,777.50	\$22,824.83	\$127,760.17	\$150,585
419	\$8,609,017.33	\$22,491.06	\$128,093.94	\$150,585
420	\$8,480,923.38	\$22,156.41	\$128,428.59	\$150,585
421	\$8,352,494.79	\$21,820.89	\$128,764.11	\$150,585
422	\$8,223,730.69	\$21,484.50	\$129,100.51	\$150,585
423	\$8,094,630.18	\$21,147.22	\$129,437.78	\$150,585
424	\$7,965,192.40	\$20,809.07	\$129,775.94	\$150,585
425	\$7,835,416.46	\$20,470.03	\$130,114.98	\$150,585
426	\$7,705,301.49	\$20,130.10	\$130,454.90	\$150,585
427	\$7,574,846.58	\$19,789.29	\$130,795.72	\$150,585
428	\$7,444,050.87	\$19,447.58	\$131,137.42	\$150,585
429	\$7,312,913.45	\$19,104.99	\$131,480.02	\$150,585
430	\$7,181,433.43	\$18,761.49	\$131,823.51	\$150,585

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\$17,323,147.86	\$150,585.00	\$3,630.88	\$154,215.88
\$17,217,819.58	\$150,585.00	\$3,608.99	\$154,193.99
\$17,112,216.13	\$150,585.00	\$3,587.05	\$154,172.05
\$17,006,336.79	\$150,585.00	\$3,565.05	\$154,150.05
\$16,900,180.84	\$150,585.00	\$3,542.99	\$154,127.99
\$16,793,747.56	\$150,585.00	\$3,520.87	\$154,105.87
\$16,687,036.23	\$150,585.00	\$3,498.70	\$154,083.70
\$16,580,046.11	\$150,585.00	\$3,476.47	\$154,061.47
\$16,472,776.48	\$150,585.00	\$3,454.18	\$154,039.18
\$16,365,226.60	\$150,585.00	\$3,431.83	\$154,016.83
\$16,257,395.76	\$150,585.00	\$3,409.42	\$153,994.42
\$16,149,283.20	\$150,585.00	\$3,386.96	\$153,971.96
\$16,040,888.20	\$150,585.00	\$3,364.43	\$153,949.44
\$15,932,210.02	\$150,585.00	\$3,341.85	\$153,926.85
\$15,823,247.91	\$150,585.00	\$3,319.21	\$153,904.21
\$15,714,001.15	\$150,585.00	\$3,296.51	\$153,881.51
\$15,604,468.97	\$150,585.00	\$3,273.75	\$153,858.75
\$15,494,650.65	\$150,585.00	\$3,250.93	\$153,835.93
\$15,384,545.42	\$150,585.00	\$3,228.05	\$153,813.05
\$15,274,152.54	\$150,585.00	\$3,205.11	\$153,790.12
\$15,163,471.26	\$150,585.00	\$3,182.12	\$153,767.12
\$15,052,500.83	\$150,585.00	\$3,159.06	\$153,744.06
\$14,941,240.49	\$150,585.00	\$3,135.94	\$153,720.94
\$14,829,689.48	\$150,585.00	\$3,112.76	\$153,697.76
\$14,717,847.04	\$150,585.00	\$3,089.52	\$153,674.52
\$14,605,712.41	\$150,585.00	\$3,066.22	\$153,651.22
\$14,493,284.83	\$150,585.00	\$3,042.86	\$153,627.86
\$14,380,563.54	\$150,585.00	\$3,019.43	\$153,604.44
\$14,267,547.76	\$150,585.00	\$2,995.95	\$153,580.95
\$14,154,236.72	\$150,585.00	\$2,972.41	\$153,557.41
\$14,040,629.66	\$150,585.00	\$2,948.80	\$153,533.80
\$13,926,725.81	\$150,585.00	\$2,925.13	\$153,510.13
\$13,812,524.38	\$150,585.00	\$2,901.40	\$153,486.40
\$13,698,024.59	\$150,585.00	\$2,877.61	\$153,462.61
\$13,583,225.68	\$150,585.00	\$2,853.76	\$153,438.76
\$13,468,126.86	\$150,585.00	\$2,829.84	\$153,414.84
\$13,352,727.33	\$150,585.00	\$2,805.86	\$153,390.86
\$13,237,026.33	\$150,585.00	\$2,781.82	\$153,366.82
\$13,121,023.06	\$150,585.00	\$2,757.71	\$153,342.72
\$13,004,716.73	\$150,585.00	\$2,733.55	\$153,318.55
\$12,888,106.55	\$150,585.00	\$2,709.32	\$153,294.32
\$12,771,191.73	\$150,585.00	\$2,685.02	\$153,270.02
\$12,653,971.47	\$150,585.00	\$2,660.66	\$153,245.67
\$12,536,444.96	\$150,585.00	\$2,636.24	\$153,221.25
\$12,418,611.42	\$150,585.00	\$2,611.76	\$153,196.76
\$12,300,470.04	\$150,585.00	\$2,587.21	\$153,172.21
\$12,182,020.02	\$150,585.00	\$2,562.60	\$153,147.60
\$12,063,260.55	\$150,585.00	\$2,537.92	\$153,122.92
\$11,944,190.81	\$150,585.00	\$2,513.18	\$153,098.18
\$11,824,810.01	\$150,585.00	\$2,488.37	\$153,073.38
\$11,705,117.32	\$150,585.00	\$2,463.50	\$153,048.50
\$11,585,111.94	\$150,585.00	\$2,438.57	\$153,023.57
\$11,464,793.04	\$150,585.00	\$2,413.56	\$152,998.57
\$11,344,159.81	\$150,585.00	\$2,388.50	\$152,973.50
\$11,223,211.43	\$150,585.00	\$2,363.37	\$152,948.37
\$11,101,947.06	\$150,585.00	\$2,338.17	\$152,923.17
\$10,980,365.90	\$150,585.00	\$2,312.91	\$152,897.91
\$10,858,467.10	\$150,585.00	\$2,287.58	\$152,872.58
\$10,736,249.85	\$150,585.00	\$2,262.18	\$152,847.18
\$10,613,713.30	\$150,585.00	\$2,236.72	\$152,821.72
\$10,490,856.62	\$150,585.00	\$2,211.19	\$152,796.19
\$10,367,678.98	\$150,585.00	\$2,185.60	\$152,770.60
\$10,244,179.54	\$150,585.00	\$2,159.93	\$152,744.94
\$10,120,357.46	\$150,585.00	\$2,134.20	\$152,719.21
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\$8,480,923.38	\$150,585.00	\$1,793.55	\$152,378.55
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\$8,223,730.69	\$150,585.00	\$1,740.10	\$152,325.11
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\$7,574,846.58	\$150,585.00	\$1,605.27	\$152,190.27
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\$7,312,913.45	\$150,585.00	\$1,550.84	\$152,135.85
\$7,181,433.43	\$150,585.00	\$1,523.52	\$152,108.53
\$7,049,609.93	\$150,585.00	\$1,496.13	\$152,081.13

431	\$7,049,609.93	\$18,417.11	\$132,167.90	\$150,585
432	\$6,917,442.03	\$18,071.82	\$132,513.18	\$150,585
433	\$6,784,928.84	\$17,725.63	\$132,859.38	\$150,585
434	\$6,652,069.47	\$17,378.53	\$133,206.47	\$150,585
435	\$6,518,863.00	\$17,030.53	\$133,554.47	\$150,585
436	\$6,385,308.53	\$16,681.62	\$133,903.38	\$150,585
437	\$6,251,405.14	\$16,331.80	\$134,253.21	\$150,585
438	\$6,117,151.94	\$15,981.06	\$134,603.94	\$150,585
439	\$5,982,547.99	\$15,629.41	\$134,955.60	\$150,585
440	\$5,847,592.40	\$15,276.84	\$135,308.17	\$150,585
441	\$5,712,284.23	\$14,923.34	\$135,661.66	\$150,585
442	\$5,576,622.57	\$14,568.93	\$136,016.08	\$150,585
443	\$5,440,606.50	\$14,213.58	\$136,371.42	\$150,585
444	\$5,304,235.08	\$13,857.31	\$136,727.69	\$150,585
445	\$5,167,507.39	\$13,500.11	\$137,084.89	\$150,585
446	\$5,030,422.50	\$13,141.98	\$137,443.02	\$150,585
447	\$4,892,979.48	\$12,782.91	\$137,802.09	\$150,585
448	\$4,755,177.38	\$12,422.90	\$138,162.10	\$150,585
449	\$4,617,015.28	\$12,061.95	\$138,523.05	\$150,585
450	\$4,478,492.23	\$11,700.06	\$138,884.94	\$150,585
451	\$4,339,607.29	\$11,337.22	\$139,247.78	\$150,585
452	\$4,200,359.51	\$10,973.44	\$139,611.56	\$150,585
453	\$4,060,747.95	\$10,608.70	\$139,976.30	\$150,585
454	\$3,920,771.65	\$10,243.02	\$140,341.99	\$150,585
455	\$3,780,429.67	\$9,876.37	\$140,708.63	\$150,585
456	\$3,639,721.04	\$9,508.77	\$141,076.23	\$150,585
457	\$3,498,644.81	\$9,140.21	\$141,444.79	\$150,585
458	\$3,357,200.01	\$8,770.69	\$141,814.32	\$150,585
459	\$3,215,385.70	\$8,400.20	\$142,184.81	\$150,585
460	\$3,073,200.89	\$8,028.74	\$142,556.26	\$150,585
461	\$2,930,644.62	\$7,656.31	\$142,928.69	\$150,585
462	\$2,787,715.93	\$7,282.91	\$143,302.09	\$150,585
463	\$2,644,413.84	\$6,908.53	\$143,676.47	\$150,585
464	\$2,500,737.37	\$6,533.18	\$144,051.83	\$150,585
465	\$2,356,685.54	\$6,156.84	\$144,428.16	\$150,585
466	\$2,212,257.38	\$5,779.52	\$144,805.48	\$150,585
467	\$2,067,451.90	\$5,401.22	\$145,183.78	\$150,585
468	\$1,922,268.12	\$5,021.93	\$145,563.08	\$150,585
469	\$1,776,705.04	\$4,641.64	\$145,943.36	\$150,585
470	\$1,630,761.68	\$4,260.36	\$146,324.64	\$150,585
471	\$1,484,437.04	\$3,878.09	\$146,706.91	\$150,585
472	\$1,337,730.13	\$3,494.82	\$147,090.18	\$150,585
473	\$1,190,639.95	\$3,110.55	\$147,474.46	\$150,585
474	\$1,043,165.49	\$2,725.27	\$147,859.73	\$150,585
475	\$895,305.76	\$2,338.99	\$148,246.02	\$150,585
476	\$747,059.75	\$1,951.69	\$148,633.31	\$150,585
477	\$598,426.44	\$1,563.39	\$149,021.61	\$150,585
478	\$449,404.82	\$1,174.07	\$149,410.93	\$150,585
479	\$299,993.89	\$783.73	\$149,801.27	\$150,585
480	\$150,192.62	\$392.38	\$150,192.62	\$150,585

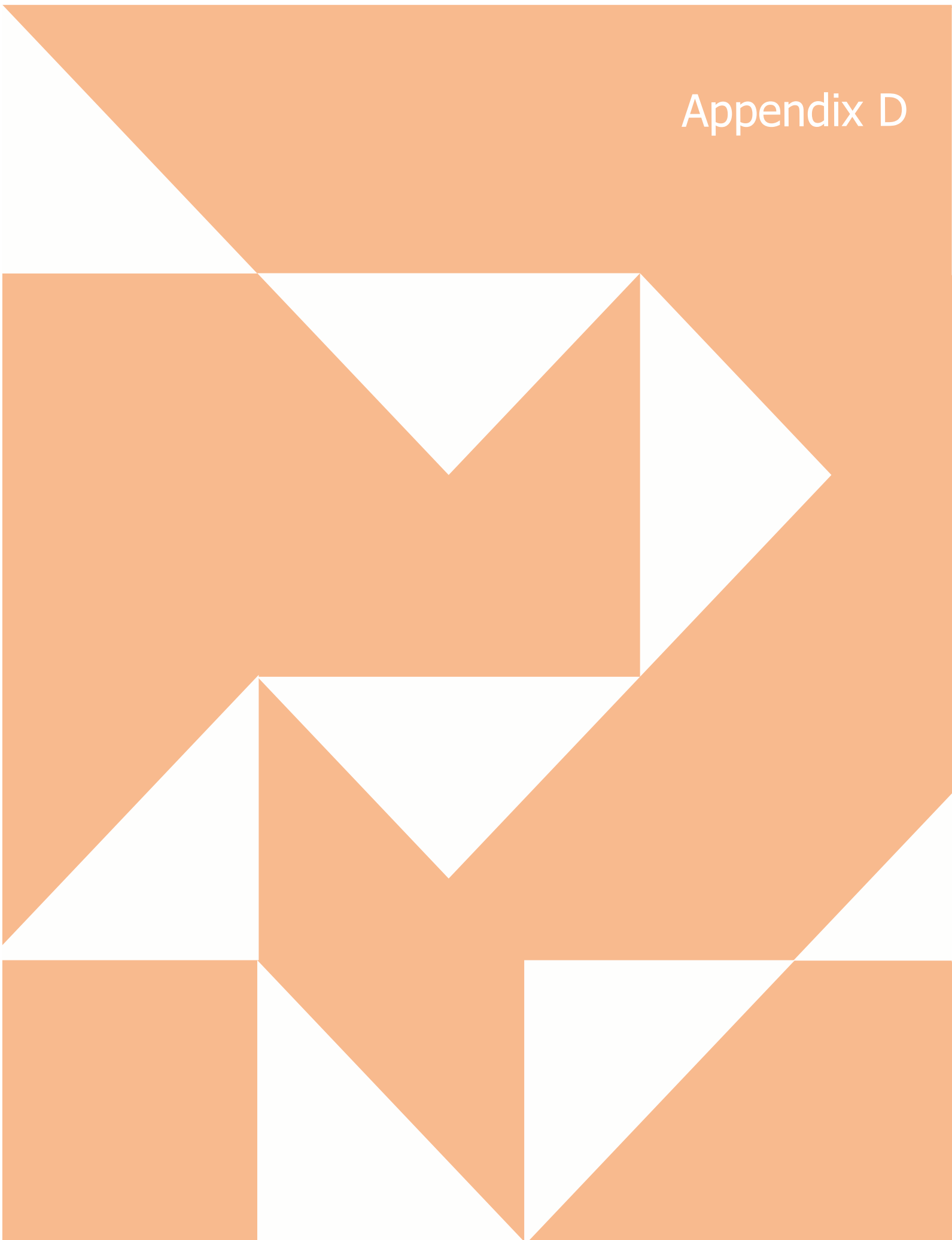
\$6,917,442.03	\$150,585.00	\$1,468.67	\$152,053.67
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\$6,385,308.53	\$150,585.00	\$1,358.10	\$151,943.10
\$6,251,405.14	\$150,585.00	\$1,330.27	\$151,915.27
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\$5,982,547.99	\$150,585.00	\$1,274.41	\$151,859.41
\$5,847,592.40	\$150,585.00	\$1,246.36	\$151,831.37
\$5,712,284.23	\$150,585.00	\$1,218.25	\$151,803.25
\$5,576,622.57	\$150,585.00	\$1,190.06	\$151,775.06
\$5,440,606.50	\$150,585.00	\$1,161.80	\$151,746.80
\$5,304,235.08	\$150,585.00	\$1,133.46	\$151,718.46
\$5,167,507.39	\$150,585.00	\$1,105.05	\$151,690.05
\$5,030,422.50	\$150,585.00	\$1,076.56	\$151,661.57
\$4,892,979.48	\$150,585.00	\$1,048.00	\$151,633.01
\$4,755,177.38	\$150,585.00	\$1,019.37	\$151,604.37
\$4,617,015.28	\$150,585.00	\$990.66	\$151,575.66
\$4,478,492.23	\$150,585.00	\$961.88	\$151,546.88
\$4,339,607.29	\$150,585.00	\$933.02	\$151,518.02
\$4,200,359.51	\$150,585.00	\$904.08	\$151,489.09
\$4,060,747.95	\$150,585.00	\$875.07	\$151,460.08
\$3,920,771.65	\$150,585.00	\$845.99	\$151,430.99
\$3,780,429.67	\$150,585.00	\$816.83	\$151,401.83
\$3,639,721.04	\$150,585.00	\$787.59	\$151,372.59
\$3,498,644.81	\$150,585.00	\$758.28	\$151,343.28
\$3,357,200.01	\$150,585.00	\$728.88	\$151,313.89
\$3,215,385.70	\$150,585.00	\$699.42	\$151,284.42
\$3,073,200.89	\$150,585.00	\$669.87	\$151,254.87
\$2,930,644.62	\$150,585.00	\$640.25	\$151,225.25
\$2,787,715.93	\$150,585.00	\$610.55	\$151,195.55
\$2,644,413.84	\$150,585.00	\$580.77	\$151,165.78
\$2,500,737.37	\$150,585.00	\$550.92	\$151,135.92
\$2,356,685.54	\$150,585.00	\$520.99	\$151,105.99
\$2,212,257.38	\$150,585.00	\$490.98	\$151,075.98
\$2,067,451.90	\$150,585.00	\$460.89	\$151,045.89
\$1,922,268.12	\$150,585.00	\$430.72	\$151,015.72
\$1,776,705.04	\$150,585.00	\$400.47	\$150,985.47
\$1,630,761.68	\$150,585.00	\$370.15	\$150,955.15
\$1,484,437.04	\$150,585.00	\$339.74	\$150,924.74
\$1,337,730.13	\$150,585.00	\$309.26	\$150,894.26
\$1,190,639.95	\$150,585.00	\$278.69	\$150,863.70
\$1,043,165.49	\$150,585.00	\$248.05	\$150,833.05
\$895,305.76	\$150,585.00	\$217.33	\$150,802.33
\$747,059.75	\$150,585.00	\$186.52	\$150,771.52
\$598,426.44	\$150,585.00	\$155.64	\$150,740.64
\$449,404.82	\$150,585.00	\$124.67	\$150,709.67
\$299,993.89	\$150,585.00	\$93.63	\$150,678.63
\$150,192.62	\$150,585.00	\$62.50	\$150,647.50
\$0.00	\$150,585.00	\$31.29	\$150,616.29

NEGATIVE ARBITRAGE

Inputs	
Bond Amount	\$41,165,007
Construction Costs	\$43,091,245
Interest Rate	3.39%
GIC	2.00%
Arbitrage	(\$1,896,944)

Month	Beginning Bond Balance	Assumed Draw	Ending Bond Balance	Interest Earned On Balance	Interest Paid on Full Loan	Net Interest Due
0	\$41,165,007	\$267,000	\$40,898,007	\$68,163	\$107,544	(\$39,380)
1	\$40,898,007	\$408,980	\$40,489,027	\$67,482	\$107,431	(\$39,949)
2	\$40,489,027	\$1,022,450	\$39,466,577	\$65,778	\$107,318	(\$41,541)
3	\$39,466,577	\$1,226,940	\$38,239,637	\$63,733	\$107,205	(\$43,473)
4	\$38,239,637	\$1,635,920	\$36,603,717	\$61,006	\$107,092	(\$46,086)
5	\$36,603,717	\$2,106,247	\$34,497,469	\$57,496	\$106,978	(\$49,483)
6	\$34,497,469	\$2,249,390	\$32,248,079	\$53,747	\$106,864	(\$53,118)
7	\$32,248,079	\$2,392,533	\$29,855,545	\$49,759	\$106,750	(\$56,991)
8	\$29,855,545	\$2,453,880	\$27,401,665	\$45,669	\$106,636	(\$60,966)
9	\$27,401,665	\$2,862,861	\$24,538,804	\$40,898	\$106,521	(\$65,623)
10	\$24,538,804	\$2,944,657	\$21,594,148	\$35,990	\$106,406	(\$70,416)
11	\$21,594,148	\$3,067,351	\$18,526,797	\$30,878	\$106,290	(\$75,412)
12	\$18,526,797	\$3,271,841	\$15,254,957	\$25,425	\$106,175	(\$80,750)
13	\$15,254,957	\$2,453,880	\$12,801,076	\$21,335	\$106,059	(\$84,724)
14	\$12,801,076	\$1,840,410	\$10,960,666	\$18,268	\$105,942	(\$87,675)
15	\$10,960,666	\$2,044,900	\$8,915,766	\$14,860	\$105,826	(\$90,966)
16	\$8,915,766	\$1,840,410	\$7,075,355	\$11,792	\$105,709	(\$93,917)
17	\$7,075,355	\$1,840,410	\$5,234,945	\$8,725	\$105,592	(\$96,867)
18	\$5,234,945	\$1,635,920	\$3,599,025	\$5,998	\$105,474	(\$99,476)
19	\$3,599,025	\$1,022,450	\$2,576,574	\$4,294	\$105,356	(\$101,062)
20	\$2,576,574	\$940,654	\$1,635,920	\$2,727	\$105,238	(\$102,511)
21	\$1,635,920	\$531,674	\$1,104,246	\$1,840	\$105,119	(\$103,279)
22	\$1,104,246	\$490,776	\$613,470	\$1,022	\$105,001	(\$103,978)
23	\$613,470	\$408,980	\$204,490	\$341	\$104,882	(\$104,541)
24	\$204,490	\$204,490	\$0	\$0	\$104,762	(\$104,762)
TOTAL		\$41,165,007			\$2,654,170	(\$1,896,944)

Appendix D



Feasibility Report

Pleasant Square

Restoring a vibrant and healthy modern community ecology



Yuan Hu

May 18, 2021

RDEV 690 Capstone Project

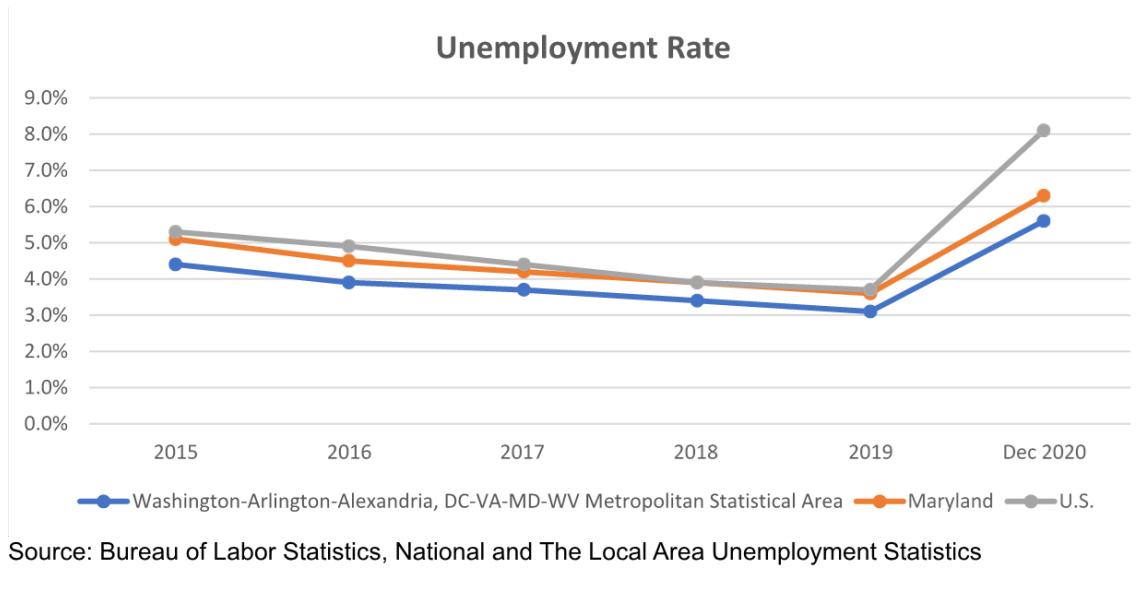
Colvin Institute of Real Estate Development

University of Maryland

Section I General Context

Macroeconomic Conditions

- **Unemployment rate**



The outbreak of COVID-19 halted the 10-year lasting economic growth and declining unemployment rate. Before Covid-19, the country was experiencing sustained economic growth since the Great Recession with the national average unemployment rate declined from 5.3 percent in 2015 to 3.7 percent in 2019. After the outbreak of the virus, the economy fell to the bottom in an instant, and the unemployment rate of the U.S. reached a record high at 14.8 percent in April 2020.

With the widespread vaccination and the implementation of economic stimulus bills, the economy has been recovering rapidly. As of January 2021, the national unemployment rate has dropped to 6.3 percent, returning to the level of 2014.

The regional unemployment data shows the local economies are less affected by the pandemic. In general, the average unemployment rate in Washington Metropolitan Area is lower than the rate in the United States. Besides, the impact of the pandemic on the regional economy is also smaller than the impact on the national economy. The unemployment rate in the Washington metropolitan area increased by 2.4 percent, from 3.1 percent in 2019 to 5.6 percent in December 2020, less than the increase in the United States (4.4 percent).

- ***Inflation***

According to the projection of the Congressional Budget Office (CBO), **the effects of the pandemic point to a significant drop in inflation over the next few years, reducing development risks caused by rising construction costs.**

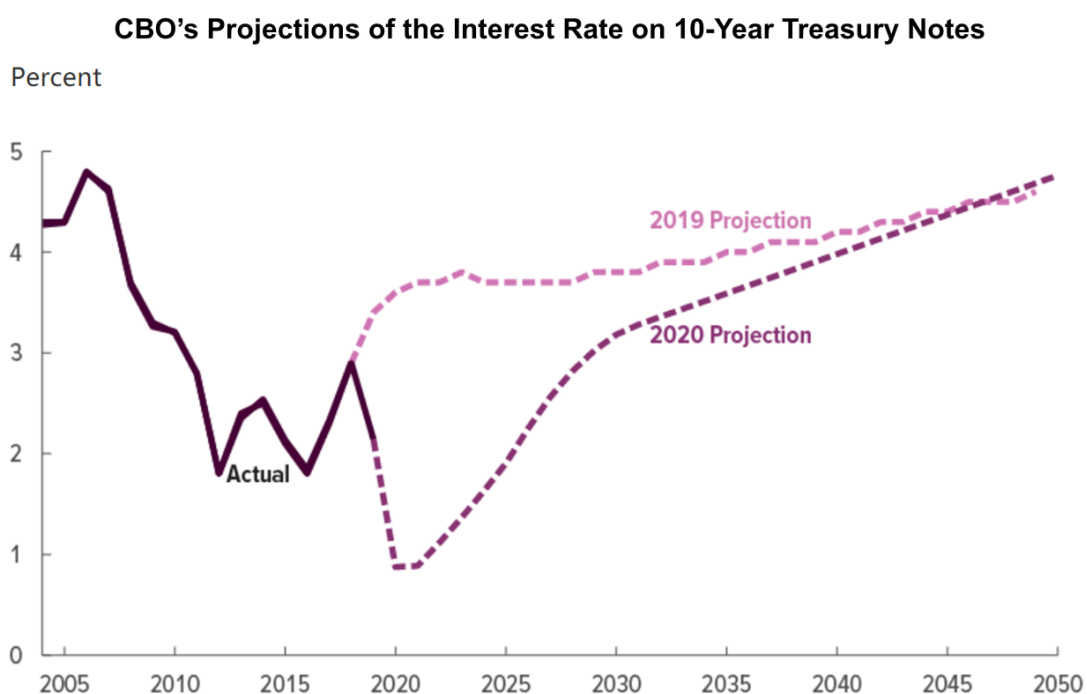
Over the 2020–2024 period, CBO expects the CPI-U to grow at an average annual rate of 1.7 percent, significantly less than the average of 2.4 percent that the agency projected last year for the same period. The agency expects the GDP price index to grow at an average annual rate of 1.5 percent over the first five years of the projection period.

- ***Interest rate***

. The nominal interest rate on 10-year Treasury notes is projected to average 3.3 percent over the 2020–2050 period and to reach 4.8 percent in 2050. The real

interest rate on 10-year Treasury notes is projected to average 1.1 percent over that period and to be 2.5 percent in 2050.

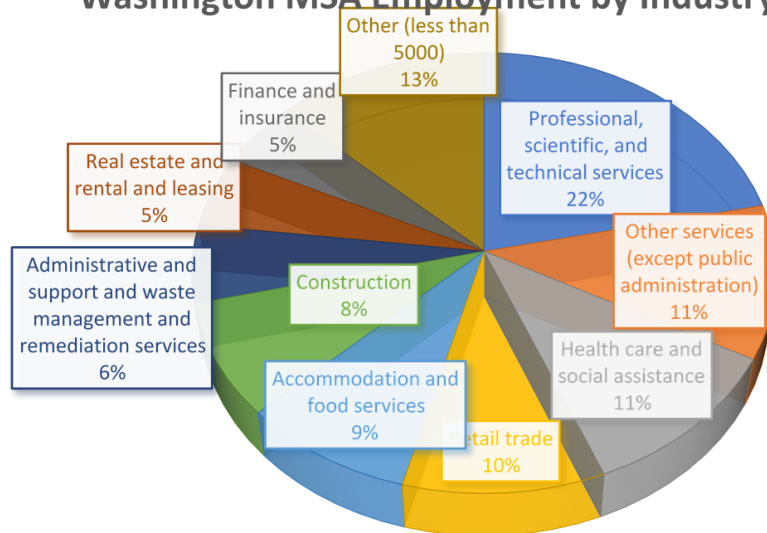
The 10-year Treasury bond interest rate has a high impact on the loan interest rate and the expected return of investors. Therefore, the current economic environment with low-interest rates is conducive to financing for real estate development.



Source: Congressional Budget Office

Regional Economic Drivers

Washington MSA Employment by Industry (2018)



Source: U.S. Census Bureau, County Business Patterns: 2018

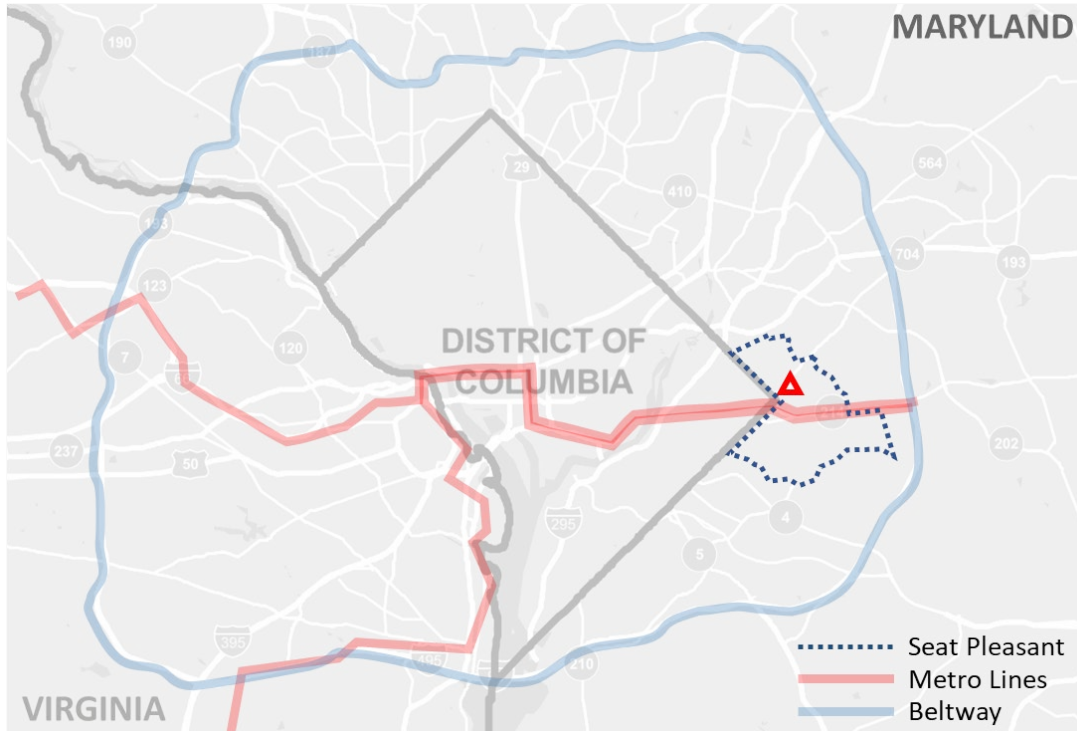
Establishments in the Washington metropolitan area have maintained a steady growth rate while maintaining a relatively large number. The total number of establishments in Washington MSA increased by 4.7 percent, from 147,986 in 2014 to 154,938 in 2018.

According to the number of establishments, professional scientific & technical services, other services, health care, retail trade, and accommodation and food services are the top five industries, occupying more than 60 percent of the total establishments.

Among these industries, professional, scientific, & technical services and health care have the highest growth, contributing to more than 1000 new establishments during the four years. From 2014 to 2018, the fastest-growing industries are **real estate and rental and leasing** (13.6%), **health care and social assistance** (9.1%), **accommodation and food services** (7.6%), and **construction** (6.6%) which may continually drive the area's economy in the future.

Section II Site Analysis

Site Position



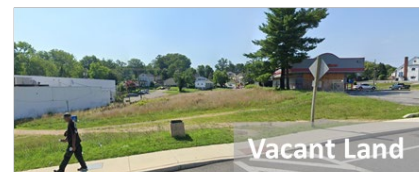
The site is located at 5909 Martin Luther King Junior Highway, Seat Pleasant, Maryland. Adjacent to the east corner of D.C. and near the midpoint of Prince George's County, the City of Seat Pleasant is a true crossroads for the region.

Inside Beltway, the site has a convenient transportation condition. There are two metro lines (sliver and blue) that link the site to other hot spots in Washington metropolitan area, such as downtown dc, Arlington, Pentagon City, and Tysons.

The metropolitan area has a population of more than 6 million with a 14% annual growth rate. The regional economics drivers are professional services, health care, retail, accommodation, and food services.

By taking advantage of its location, the site will have great potential to attract and share regional economic growth.

Site Condition



- ***Accessibility***

The site has abundant public transportation resources with a walk score of 61 by CoStar. There are two metro stations within one mile from the site: Capitol Heights station (0.6 mile) and Addison Road Station (0.8 mile). There are three bus stops on site, serving 3 bus routes (A12, V14 and 18)

The site is located at one of the busiest intersections in the area, with traffic counts of 18,419 for Martin Luther King Junior Highway, 12,841 for Addison Road and 3,786 for

Seat Pleasant Drive. Besides, there are only 3.8 miles to Beltway from the site.

Good accessibility of the site is a positive impact on retail development.

- ***Neighborhood uses***

The City of Seat Pleasant is suburban area dominated by single families. It can be found that there is a significant lack of quality retail and public space in the surrounding residential area.

- ***Topography***

The site is high in the west and low in the east, with a height difference of 26 feet. Reasonable use of height difference to create interesting spaces and reduce the amount of earthwork in construction is the key to the design.

- ***Existing properties***

The land area of the site is 2.7 acres. Five different properties need to be acquired, including a gas station, 2 takeout restaurants (one of them has been closed for a long time), a convenience store (with limited consumers), and a vacant land. Each of the properties has a different owner.

Low site utilization efficiency is conducive to buying existing property at a lower price for redevelopment.

Section III Market Analysis

Demographic Analysis

Demographic Conditions						
Address: 5909 Martin Luther King Jr Hwy, Seat Pleasant, MD 20743	Seat Pleasant*			Prince George`s County		
	2010	2019	Annual Growth	2010	2019	Annual Growth
Population	33,753	33,197	-0.2%	863,420	908,670	0.7%
Households	12,350	12,605	0.3%	301,906	311,343	0.4%
Average Household Size	2.64	2.62	-0.1%	2.76	2.86	0.5%
Household Median Income	56,824	64,497	1.9%	71,260	84,920	2.7%

Source: U.S. Census Bureau, 2010 Census & 2015-2019 American Community Survey

*The statistics used here is from District 18, Seat Pleasant, not the Seat Pleasant city.

The growth of Seat Pleasant is behind Prince George`s County in terms of population, households, and household median income.

- **Population**

Seat Pleasant has a population of 33,197 in 2019, with a slightly decreasing trend. Compared to the number in 2010, the district lost 556 population in the past ten years.

The population is dominated by middle-aged people with a median age of 39.9 years. 28.5% of the population have ages below 25 years. 41.8% of the population have ages between 25 years and 54 years. 29.7% of the population have ages above 54 years.

In terms of race, the area is dominated by blacks, accounting for 86.4% of the total population. Development Projects that can attract a diverse population will be prioritized and encouraged.

- ***Household***

Seat Pleasant has 12,605 households in 2019, with a slightly increasing trend. Compared to the number in 2010, there is a net inflow of 255 households.

The average household size is 2.62. More than 63% of the households have sizes below 2 households.

The median household income is \$64,497 in 2019, close to the national median household income of \$68,703. The growth rate of household income is 1.9%, close to the county's growth rate. **The relatively high growth rate of household income means residents' demand for higher-quality retail and consumption, which is the main economic driver from the local level.**

In terms of the tenure of households, 42.9% of households are renters, while 57.4% of households are owners. Compared to the share of Prince George's County (65.6% owners), Seat Pleasant has a higher percentage of owners, which may be due to different household income levels.

Proposed Project

- **Program uses**

Uses Proposed	Size (sf)	Space #	Total (sf)	Share %
Shopping				
Grocery (1F)	15,000	1	15,000	19%
Main Street Retailers (1F)	2,000	4	8,000	10%
Entertainment & Sport				
Cinema (2F)	12,000	1	12,000	15%
Bowling alley (2F)	4,000	1	4,000	5%
Fitness Center (2, 3F)	8,000	1	8,000	10%
Food & Beverage				
Full Service Restaurants (2F)	6,000	1	6,000	8%
Restaurants (1F)	2,500	3	7,500	10%
Beverage (1F)	2,000	1	2,000	3%
Service				
Neighborhood Sevrvices (2F)	1,500	4	6,000	8%
Health care (2F)	2,000	1	2,000	3%
Flex Office - Incubators (3F)	2,000	4	8,000	10%
Gross Leasable Area			78,500	

This project will be a commercial complex with a gross leasable area of 78,500 square feet and open spaces of 45,000 square feet. The site is in an area dominated by residential areas, where the growth of population and employment is slow, so the main economic driving force of the site comes from the increase in income of local residents. With the increase in income, residents have higher requirements for retail quality, and the existing mid- and low-end retail in the region cannot meet the demand. At a charrette held in February 2021, many residents emphasized their demand for high-quality retail and catering as well as public space. They often have to drive 20 minutes

to the surrounding retail centers in order to get a better shopping experience. Therefore, building high-quality retail (four-star and above) and public spaces can satisfy their needs and expectations.

- **Project vision**

SEED provides sustainable, effective and energetic development projects. Pleasant Square, a retail and entertainment complex, will grow together with Seat Pleasant and stimulate the vitality of the community by providing high-quality shopping, dining, and entertainment experience. The existence of multiple public spaces in the site enhances these experiences by providing a comfortable and open environment. Rich amenities not only improve the life quality of the existing residents, but also attract more people to settle down, bringing population growth and improving the regional economy. In the process, investors, as seeders, can also obtain long-term stable returns on their capital.

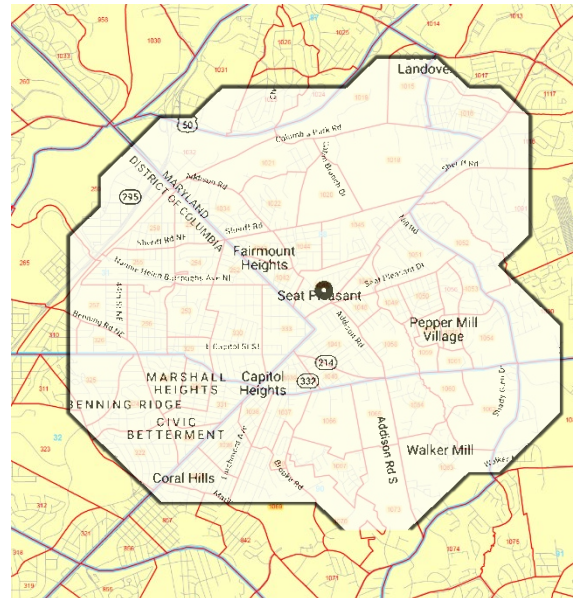
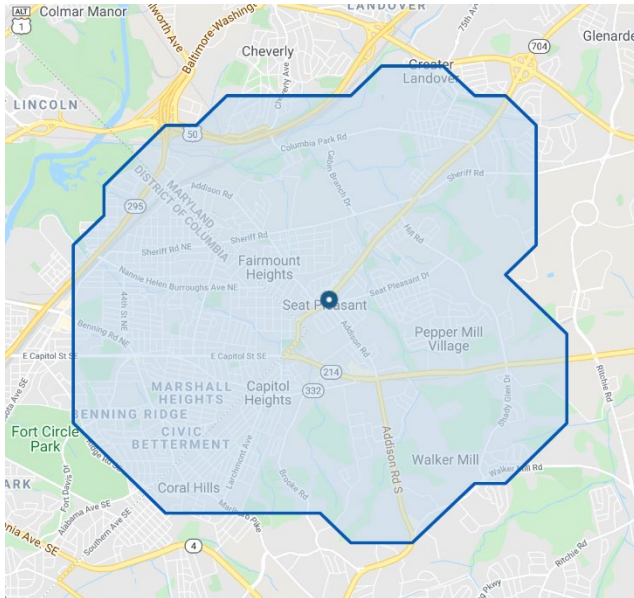
In the end, a vibrant, diversity and healthy modern community ecology will be formed.

PLEASANT
SQUARE



Retail Market Analysis

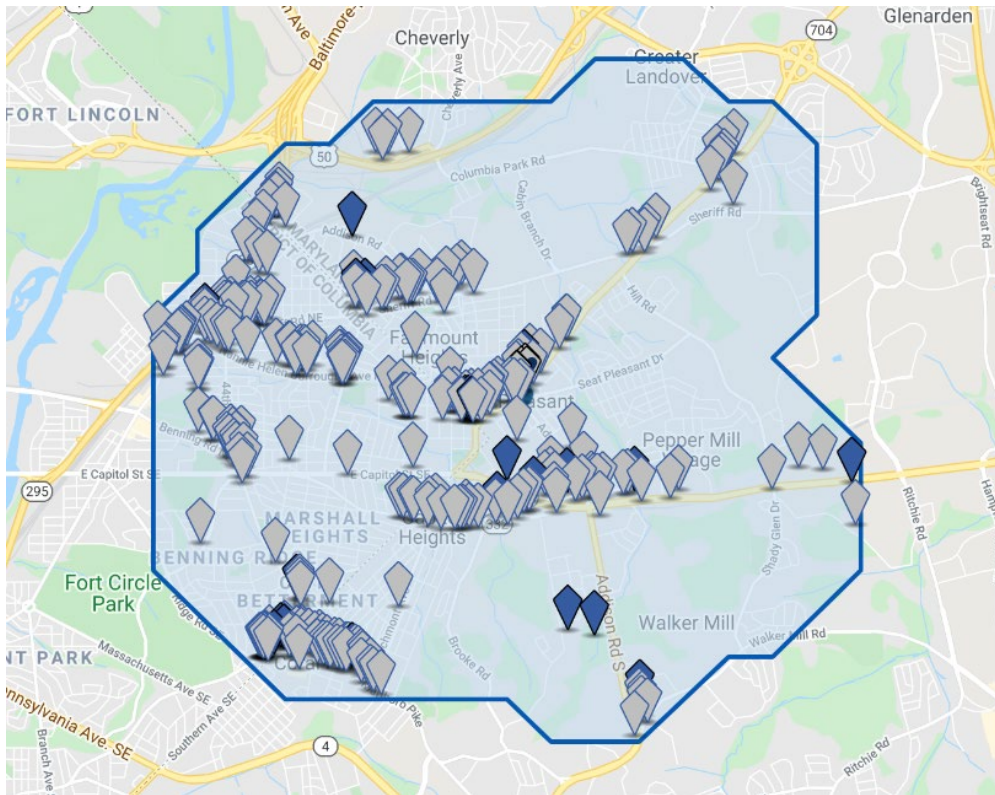
Starting from the site, the area that can be reached by car in 10 minutes during rush hours is defined as the primary market area. This area roughly contains 63 traffic analysis zones (TAZ): 251-258, 322, 324-333, 1016, 1018-1022, 1034-1070 and 1073.



According to Metropolitan Washington Council of Governments, we have compiled and calculated the growth and growth rates of population, household and employment in the market area in the next 5 years.

MWCOG Projection of Growth				
Primary Market Area	2020	2025	Annual Growth	Growth Rate
# of Households	31,562	32,246	137	0.4%
# of Population	81,731	84,068	467	0.6%
# of Employment	12,712	13,407	139	1.1%

- **Supply**



There are 292 existing retail properties totaling more than 1.5 million square feet and an 8,602 square feet restaurant under construction, which are mainly distributed along major roads with high traffic volume.

Due to the pandemic, vacant space in the retail market area is at a relatively high level, while rents growth has stagnated. The current average vacancy rate was 4.3%, higher than the 3.3% vacancy rate in the same period last year. There are 66,800 square feet of available space, which is higher than the average available space of 61,629 square feet in the past 10 years. The average rent in the market is \$21.21 per square foot, which is slightly down from the historical high in the first quarter of 2020 (\$21.44 per SF). Before that, market rents had grown at an average annual growth rate of 2.3% for years, from

\$18.05 per square foot in 2011 to \$21.33 per square foot in 2019.

The retail properties in the area are mainly old buildings with small areas and lower rating. More than 84 percent of retail buildings were built before 1980 and accounted for 63% of the total retail area, while retail properties built after 2000 accounted for only 2% of the inventory. 83% of retail properties are less than 30,000 square feet, of which 266 retail buildings are less than 10,000 square feet. All retail properties in the area are less than four stars according to CoStar rating. Among them, two-star retail takes the largest proportion, with 172 buildings covering an area of nearly 700,000 square feet, accounting for 46% of the total retail area; followed by three-star retail, occupying 39% of inventory.

- **Demand**

Retail Category	Spending, USA, 2019	Spending/Total HH income	Spending, Primary Market Area, 2025	Site Capture (base)	Competition Impact	Adjusted Cap Rate	Captured Expenditure	Average Sales PSF	Demand (\$F)	Demand Share
GAFO	1,800,333,763	15.9%	460,870,264	10%	-9%	1%	4,608,703	300	15,362	10%
Food & Beverage	1,447,747,362	12.8%	370,611,118	28%	-18%	10%	37,061,112	425	87,203	57%
Neighborhood Goods & services	842,330,251	7.4%	215,629,442	40%	-28%	12%	25,875,533	500	51,751	34%

The demand for retail is mainly concentrated in food & beverage and neighborhood goods & services which together account for 90% of the total demand.

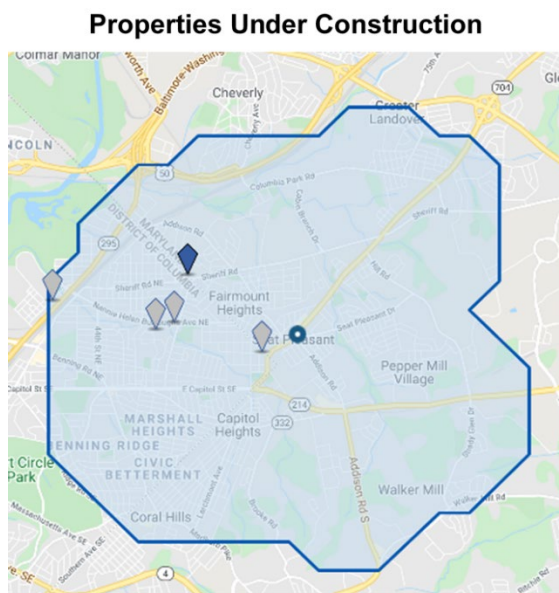
Taking the ratio of household retail spending to total household income in the United States in 2019 as a reference, combined with the population and income growth in the market area, the retail sales forecast by category in the market area in 2025 is calculated. After considering the competition brought by existing retail properties in the area, the retail spending expectations are adjusted. Finally, a **totaling of 154,316 square feet of retail demand** is realized. Among them, the demand for food & beverage is the most, with

62,550 square feet (57%), followed by the demand for neighborhood goods & services, with 37,121 square feet (34%).

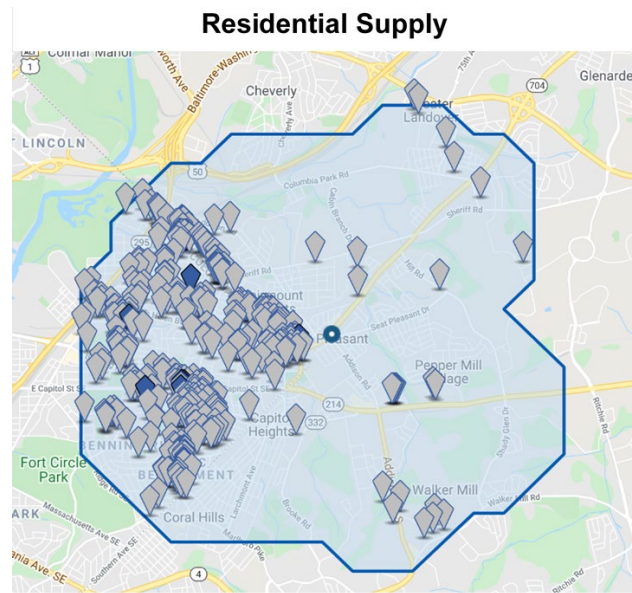
- **Conclusion**

It is feasible to construct new retail space. On the one hand, the existing supply in the retail market cannot meet demand in terms of quantity, with a **net demand of 78,914 square feet**. On the other hand, the existing retail supply cannot meet residents` demand for high-quality retail.

Residential Market Analysis



Source: CoStar



Source: CoStar

Due to the limited area of the site, only high-density multi-family residential is considered in the residential market analysis.

There are 319 multi-family residential buildings in the market area with 11,883 units. The average unit area is 801 square feet and the average rent is \$1254. These multi-

family spaces are mainly concentrated in the Washington, DC on the west side of the site.

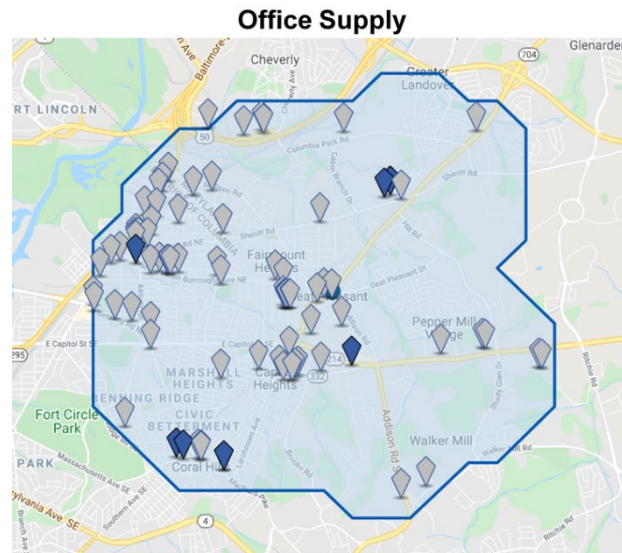
After the outbreak of the pandemic, urban residents tend to migrate to the suburbs for health and safety considerations. The multi-family market area where the site is located is less affected, with a slight increase in vacant units. There are currently **554 vacant units**, with a vacancy rate of 4.7%. Judging from long-term historical data, this vacancy rate is healthy and at an average level.

All multi-family residential units in the area were built in the last century, and the equipment and supporting facilities are relatively backward. There are currently five multi-family projects under construction, all of which will be delivered in 2021, **releasing 513 units** to the market. Due to the slow population growth, the limited **new demand (141 units in next four years)** will be fully absorbed by the new supply and the existing **vacant multi-family units**.

Demand of Households and Project Units		
	Primary Market Area	Prince George`s County
Annual Household Growth	137	1,919
Tenure Allocation	51.97%	34.38%
Vacancy Rate	3.7%	5.3%
Demand (Units)	68	625
Capture Rate	15%	4%
Annual Captured Units	10.0	25.3
Time to deliver (Year)	4	4
Total Captured Units	40	101

In conclusion, it is not wise to introduce multi-family in the site, due to poor market performance expectations.

Office Market Analysis



Source: CoStar

There are 83 existing office properties in the area, with a total of nearly 730 thousand square feet of office space. These properties are mainly located in places with convenient transportation, including subway stations and intersections of major roads.

There is a significant oversupply of office space in the market area. Excluding a 192,000-square-foot four-star office with insufficient information, the current office market has a vacant area of 80,081 square feet, with a vacancy rate of 14.9%. This unhealthy high vacancy rate was not caused by Covid-19 but started as early as 2004. During these 16 years, the average vacancy rate was 16%.

Similar to retail, office properties in the area are mainly composed of small-scale, low-star, and old office spaces. Only one existing and one proposed four-star office properties are in the market area.

In general, the time to build office space on the site is not yet ripe. First, **the site is not attractive to enterprises** for three reasons: 1) the office inventory is too small to form agglomeration effect; 2) the quality of supporting services and facilities is poor; 3) the transit score (0 points rated by CoStar) of the site is extremely low, though it is somewhat walkable (61 points rated by CoStar). Second, **the vacancy rate has been at a relatively high level for a long time** and did not show an obvious downward trend. Finally, employment growth in the area is relatively slow, generating **less demand for office space**. Therefore, it will take a long time to absorb the current vacant office space.

Comparable analysis

There are two types of comparable projects. Properties are comparable geographically have lower quality with a rent of \$22 per square foot, including three 3-star neighborhood centers with more than 50,000 square feet, all of which were built between 1985 and 1995. Their vacancy rates are lower than the average vacancy rate (4.3%) in the retail market. There is no existing 4-star retail in the area. Only one four-star retail is proposed, which will be built in 2022 with 55,000 square feet.

Properties are comparable in terms of tenancy and quality have a better location than the site with a rent of \$36 per square foot. They are all located next to the metro station and outside the market area.

Two types of comparable projects have low vacancy rates.

Property Name	Addison Plaza	4531 Telfair Blvd	6401 America Blvd	6621 Baltimore Ave
Size (sf)	93,554	41,372	139,990	55,817
Location Comparable	Comparable	Superior	Superior	Superior
Quality Comparable	Inferior	Comparable	Comparable	Comparable
Tenancy Comparable	Inferior	Comparable	Comparable	Superior
Built Year	1986	2020	2016	2017
Vacany Rate	3.8%	39.5%	0.0%	2.2%
Rent (\$/sf)	22.0	42.5	36.0	36.0



Low Quality

High Quality

Section IV Design & Environmental Analysis

Design



As the gateway to Seat Pleasant City in the future, this affordable lifestyle center will reshape the traditional American neighborhood center form. This should be a modern, open, high-quality, and sustainable landmark project, which will stimulate the vitality of the community.

The building should conform to the terrain and set up multiple entrances and exits at different heights and directions, so that customers can easily enter and easily go to different areas in the building. The entrance of the underground parking lot will be located on the Martin Luther King Hwy side with heavy. There should be no significant

conflict between traffic and people. For the sustainability of the project, at least 20% of the parking spaces should be designed to retain the possibility of upgrading electric vehicle charging in the future. Loading space for uber should be considered. Bicycle parking spaces are not considered for the time being, and will be set up separately if needed in the future.



There are two squares on the field. An entrance plaza will replace the existing gas station on the high ground on the west side of the site. There will be attractive things to be set up in this square (such as sculptures or fountains). Another square is located in the center of the site, surrounded by outdoor dining tables of restaurants and retail stores. The central square can provide activity space for residents and consumers at ordinary times and can also hold events or celebrations on festivals. In addition, multiple terraces can be set up to provide more space for activities.

In order to realize the green and sustainable vision, this project will be built with LEED Gold standards. This will bring additional construction costs. According to Jim Nicolow` study, “Measuring the Cost to Become LEED Certified” (2008), teams can conservatively budget 2 percent for construction costs and \$150,000 in soft costs for Certified through Gold level certification on most projects, if LEED certification is pursued at the beginning of the project.

In the future, as the cash flow improves, solar panels will be added to the roof as capital improvement to obtain sustainable energy for daily energy use of the project.

- ***Environmental Concern***

Located at the crossroads, the gas station on the west side of the site has an excellent location and a large flow of people, suitable for being transformed into an entrance plaza of the retail project.

However, the gas station has underground oil tanks, which may cause the leakage of hazardous materials. Therefore, experts need to be asked to conduct environmental analysis and dismantle, which will bring additional costs. So far, it is difficult to estimate the specific amount of expenditure.

To reduce carbon emission, charging station and bicycle parking will be added on the site. Also, Drop-offs for rideshare and bus stop will be set on site to encourage low carbon traffic.

In order to realize the green and sustainable vision, this project will be built with LEED Gold standards. This will bring additional construction costs. According to Jim Nicolow` study, “Measuring the Cost to Become LEED Certified” (2008), teams can conservatively budget 2 percent for construction costs and \$150,000 in soft costs for Certified through Gold level certification on most projects, if LEED certification is pursued at the beginning of the project.

In the future, as the cash flow improves, solar panels will be added to the roof as capital improvement to obtain sustainable energy for daily energy use of the project.

- ***Social and Economic Benefit***

For local community, this development proposal provided a grocery store, quality restaurants. These uses can meet their needs and provide convenience for their lives.

Outside of the building, we create 45,000 sf of open spaces, providing the residents and consumers places to relax and connect.

This pleasant environment will attract population and business. As a result, tax revenue will be increased, helping the city to provide better services and achieve their

versions. Also, as a commercial property, the project will directly provide job opportunities and tax revenue by itself.



The site is in M-U-I (Mixed Use - Infill) zone. Most plots near Martin Luther King Junior Highway in the surrounding area are also the M-U-I zone. These M-U-I plots are surround by R-55 Zone (One-Family Detached Residential) and R-18 Zone (Multifamily Medium Density Residential).

According to the Prince George's County Planning Board, M-U-I zone was created to allow **flexibility in the process of reviewing** infill development and to create community environments enhanced by a mix of residential, **commercial, recreational, open space**, employment, and institutional uses.

Regulations

As for the proposed uses, the regulations governing location, setbacks, size, height, lot size, density, and other dimensional requirements in the M-U-I Zone are same as **C-S-C Zone regulations**.

- ***Uses***

All uses permitted by right or by Special Exception in the C-S-C Zone are permitted by right in the M-U-I Zone. All the uses in this proposal are permitted in C-S-C Zone, including: **Eating or drinking establishment**, **Office** (e.g., Office of a medical practitioner or medical clinic), **Services** (e.g., Barber or beauty shop), **Generally Retail** (e.g., Arts, crafts, and hobby supply store and Book or camera store), **Recreational** (e.g., Bowling alley and Theatre)

- ***Setback***

There is a 10 feet setback from street for the site plus an additional set back equal to one third (1/3) of the total building height if the building is thirty (30) or more feet high.

- ***Density***

No maximum density requirement for M-U-I zones.

- ***Parking***

A parking space will be required per 250 square feet of retail and office. 5% parking reduction is eligible since there are onsite bus stops. 40 Spaces reduction is qualified for a multi-purpose use. A totaling of 259 parking spaces is need for the project.

Development Approval Processes

As a by-right development, no rezoning is needed.

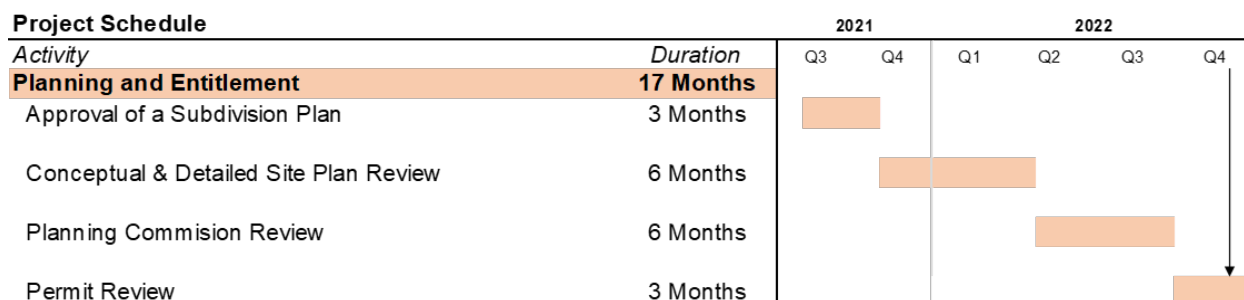
In Prince George's County, the type and density of potential development is regulated by the terms of the various zoning categories. Before a landowner or developer can actually begin construction on his property, he generally must **obtain approval of a plan of subdivision**, and record plats in compliance with Subdivision Regulations (Subtitle 24 of the County Code). The Planning Board has full and final responsibility for administration of the Subdivision Regulations.

In certain zones and when required by conditions of zoning approval, Conceptual and Detailed Site Plans must be approved. In the M-U-I Zone, an owner proposing mixed residential and commercial development on the same lot or parcel may not obtain permits before a **Detailed Site Plan** is approved in accordance with this Section.

The **necessary permits** must always be obtained prior to the beginning of construction.

In conclusion, the approval process in M-U-I zone is as follow:

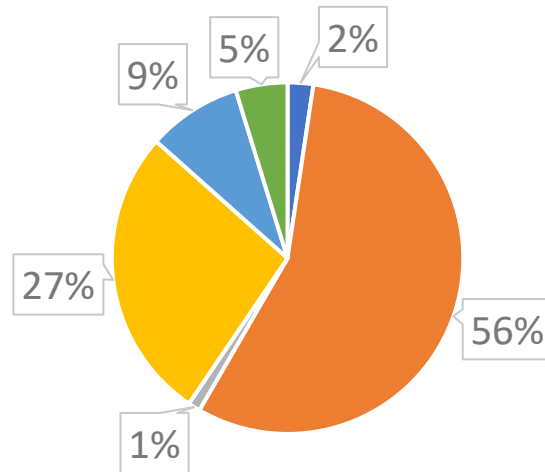
- Subdivision Process
- Conceptual & Detailed Site Plan Review
- District Development Plan
- Permit Review
- Approval of Request for Water & Sewer Service



Section VI Construction Analysis

Construction Costs

- Site Development
- Building Cost
- LEED Premium
- Parking Cost
- Soft Costs
- Contingency



Project Schedule

Activity	Duration	2021		2022				2023			
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Construction	12 Months										
Demolition, Excavation and Footing	2 Months										
Building Structure	4 Months										
Building Skin and Roofing	2 Months										
Mechanical and Electrical	2 Months										
Finishes, Site Improvement and Inspection	4 Months										

The project will be built with bricks, steel, and concrete. The total construction cost will be 28.5 million dollars, with \$364 per square foot. Hard costs will be \$24,735,000, accounting 86% of total construction cost. Soft costs take 9% of total construction costs. Remaining 5% of construction costs will be the contingency.

The construction will be completed in one year, from demolition to inspection. The scale of the project is not large with only 78,500 square feet and does not need to be constructed in phases. The part of building that under construction will affect the normal business of the delivered parts of building. Besides, the rapid completion of construction

will help reduce the construction cycle, saving labor cost and interest payment of construction loan.

The construction materials for this project are mainly reinforced concrete and steel. The first floor of the multi-storey building will adopt a reinforced concrete structure. This is because the first floor of a building usually carries a large load, and the large load-bearing capacity is the characteristic of concrete, although it will be very labor intensive. The part above the first floor of the multi-story building and the single-story building will be constructed with steel structures. The construction time of the steel structure is short, so the required workload is small, thereby reducing the construction cost. At the same time, the steel structure is easy to recycle in the future and is more environmentally friendly.

Based on the project's vision, the parking lot will be built underground. Underground parking can reduce the occupation of ground space, thereby creating more pedestrian-friendly public spaces. The absence of obvious parking spaces or parking facilities will encourage people to come to the site through environmentally friendly means of transportation, such as public transportation, bicycles, and Uber. In addition, the underground parking lot will retain the ability to upgrade when it is designed to reserve space for the future placement of charging piles. However, the underground parking lot will bring a heavy cost burden to the project. The cost of the underground parking lot is \$120 per square foot. 246 underground parking spaces will cost \$8,850,780, which

accounts for nearly 18% of the total project budget. Parking fees will be charged to partially compensate for its construction costs.

Cost Assumptions		
Land Costs		
Acquisition Cost	\$ 3,600,000	
Closing Costs	5%	% of Acquisition Cost
Demolition Cost	\$ 135,000	
Predevelopment Costs		
Architects, Developers, Engineers	6.5%	of Building costs
Plumbing, Water, Steam Permits	\$ 100,000	
Land, Soil, Environmental Tests	\$ 50,000	
Real Estate Tax	\$ 70,000	2 Years: 2022-2023
Construction Costs		
Hard Costs		
Site development	\$ 250,000	per Acre
Building Cost	\$ 200	per SF
LEED Premium	2%	of Building costs
Parking Cost	\$ 100	per SF
Soft Costs	10%	% of Hard Costs
Construction Contingency	5%	of Construction costs
Construction Cost Basis	\$ 35,000,000	

Section VII Marketing and Management Proposal

Marketing

Uses Proposed	Size (sf)	Space #	Total (sf)	Share %	Potential Tenants	Lease Term
Shopping					<i>Quality but Affordable Brands</i>	
Grocery (1F)	15,000	1	15,000	19%	Trader Joe's	12 Years
Main Street Retailers (1F)	2,000	4	8,000	10%	Uniqlo, Nike	6 Years
Entertainment & Sport						
Cinema (2F)	12,000	1	12,000	15%	AMC or Cinemark	12 Years
Bowling alley (2F)	4,000	1	4,000	5%	Local Business	6 Years
Fitness Center (2, 3F)	8,000	1	8,000	10%	Planet Fitness	6 Years
Food & Beverage						
Full Service Restaurants (2F)	6,000	1	6,000	8%	Casual dining chain (Olive Garden)	12 Years
Restaurants (1F)	2,500	3	7,500	10%	Local Food Makers, Bar, Ethnic, food hall	6 Years
Beverage (1F)	2,000	1	2,000	3%	Starbucks	12 Years
Service						
Neighborhood Services (2F)	1,500	4	6,000	8%	Portraits, Salon, Tailor, cram school	6 Years
Health care (2F)	2,000	1	2,000	3%	2 Doctors	6 Years
Flex Office - Incubators (3F)	2,000	4	8,000	10%	Developer, Startups, Non-profit	3 Years
Gross Leasable Area			78,500			

According to the size and vision of the project, this project belongs to neighborhood center. From previous analysis, we know that the surrounding neighborhoods are residential areas, mainly composed of families with middle age and modest income. They need convenient, affordable, and quality goods and services. The potential anchor tenants maybe Trade Joe's or Safeway. In addition to the grocery store, AMC could be another anchor tenant. Other In-line tenants could be chain brand or local enterprises.

An outdoor professional team will be responsible for leasing. Since it is our first development project, the project's success is significant to us. A professional leasing team has rich experience and relationships, as well as a better understanding of the market. They can find suitable tenants faster, which can help us save a lot of time and reduce unnecessary risks.

The pre-leasing activity will begin from predevelopment period, providing ample time to find tenants and reducing lease-up period. It is conservatively estimated to take two years to reach stabilized occupancy. The expected absorption and turnover vacancy rate will be 33%.

The lease cost consists of tenant improvements and leasing commissions. New tenants will receive allowances of \$15 per square feet based on their net rentable area when the lease start. 6% commission fee is paid to broker for each new lease when the lease is signed. Upon expiration, 75% tenants will renew their leases. Renewal TI allowance and commission fee will be half of the new leases.

All leases will be NNN structure. The base rent is set at market level and percentage rent is based on the sales. In addition to paying rents, tenants also need to pay part of operating expenses based on their pro rata share of rentable area. To encourage tenants to move in and reduce their financial pressure, 3-month free rent may be provided to new tenants with 12-year leases. 2-month free rent may be provided to new tenants with 6-year leases. 1-month free rent may be provided to new tenants with 3-year leases.

Management

To help tenants get enough sales, we need to do marketing work at project level to attract customers. We will create and launch a custom-made website that allows users

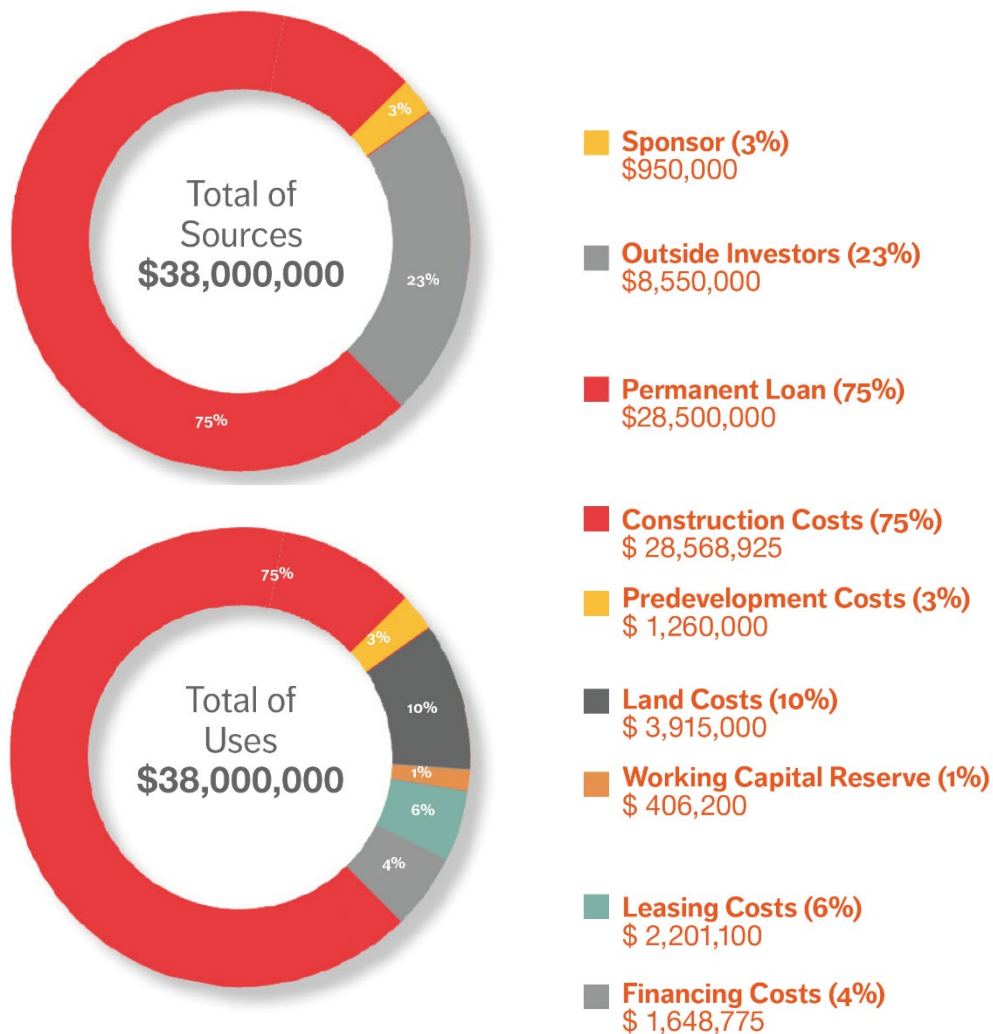
to find, view and interact with key information about our project and tenants. We will also operate accounts on social media and post timely updates. On site, we will set signages at different entrance of the project to provide guidance and information for the customers.

An on-site property management team will be responsible for promoting, operating, and managing the project. After the project is delivered, SEED Development will move into the it to provide support.

Section VIII Financial Analysis

Capital Stack

The entire capitalization of the project is sum of \$9,500,000 equity and \$28,500,000 debt. A totaling of \$38,000,000 funds will be used to cover land costs of \$3,915,000, predevelopment costs of \$1,260,000, construction costs of 28,568,925, financing costs of \$1,648,775, first-year leasing costs of \$2,201,100 and working capital reserve of \$406,200.



- ***Equity***

Equity consists of two parts: 10% of the total equity comes from SEED Development LLC (the sponsor, GP), and the remaining 90% of equity comes from outside LP investors. Since the project will provide stable cash flow as well as considerable equity reversion, both institutional investor and private equity will be interested in putting their equity into this project.

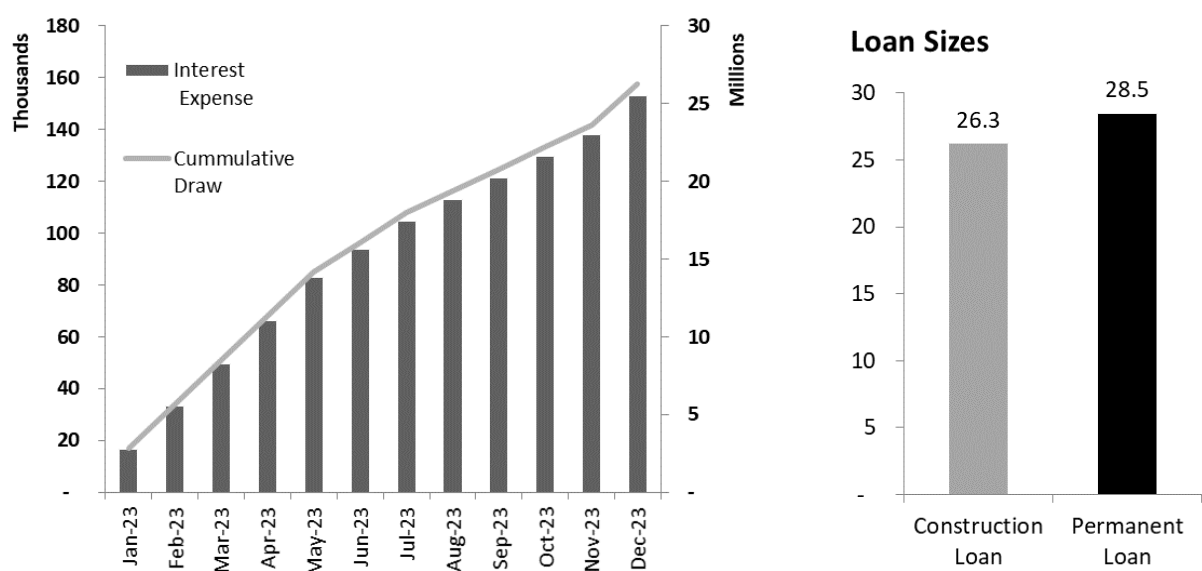
The equity will be raised and used in two phases. In 2022, raised equity will pay the predevelopment costs and acquire the existing properties. In 2023, the remaining equity will be raised to pay part of the construction costs.

A waterfall distribution structure will be adopted to motivate the operating partner to exceed return expectations while secure a preferred return for investors. Investors will get a preferred return of 8% each year based on their pro rata share of equity. Unpaid preferred return will cumulate to next year until being paid. The remaining cash flow will be distributed 70% to equity investors and 30% to the sponsor. Upon exit, the net levered sale proceeds will be distributed after the return of all equity.

- ***Debt***

Loans provide cash for the development and help investors lever their return from the beginning to the ending. A construction to permanent loan will be used for the project.

The construction loan will cover predevelopment costs, land acquisition costs, and construction costs. Loan proceeds are \$26,250,000 with 75% of loan-to-cost ratio. Only interests will be paid monthly during the construction period depending on the construction progress and how much money has been drawn. 7% of annual interest rate is used to reflect the higher risk. Total interest payment during construction period is \$1,101,275.



After completion of the construction, the permanent loan will replace the construction loan and cover other development costs such as leasing costs and financing costs. Loan proceeds will be \$28,500,000. Loan-to-value ratio is 75%. Interest rate will decrease to 4% since we have a completed building as collateral. Annual debt services will be \$1,648,158.

Pro forma assumptions

- ***Revenue***

The income of the project comes from the rental income, parking fees, and expenses recovery. Based on the current market rent of the comparable projects, historical rent growth, and the expectation for future economic recovery, we expected the rent will be \$30 per square foot in 2024, growing 3% annually. Each parking space is estimated to generate \$90 per month, based on nearby parking rates and occupancy rates provided by ParkMe.com. Expense recovery will cover 100% of the operating expenses except management fee based on tenants' pro-rata share.

Absorption & turnover vacancy will be 33% for spaces that go to market (except anchors), based on the market absorption data. General vacancy and credit loss will be 3% of potential gross revenue. When absorption & turnover vacancy is higher than 3% of potential gross revenue, there will be no general vacancy. When absorption & turnover vacancy is lower than 3% of potential gross revenue, the general vacancy will be the difference between absorption & turnover vacancy and 3% of potential gross revenue.

Tenants will get free rent when their leases start. The length of free rent depends on the lease term.

- **Operating Expenses**

Operating expenses come from real estate taxes, insurance, common area maintenance (CAM), utilities and management fee.

Property taxes will be 1.46% of the assessed value, 0.88% to the county and 0.58 to the city. The project is eligible for the revitalization tax credit provided by Prince George's County. Pleasant Square will receive a tax credit for 100% of the amount of the County property tax imposed on the increased assessment. The tax credit is reduced to 80% in the second tax year, 60% in the third year, 40% in the fourth year, and 20% in the fifth year.

2020-2021 COUNTY & MUNICIPALITY TAX RATES

County and Town	Town/Special Taxing			County		
	District Tax Rate			Tax Rate		
	Real	Personal	Utility	Real	Personal	Utility
North Brentwood - Commercial	0.5526	0.015	0.02	0.996	2.489	
Riverdale Park	0.654	2	2	0.859	2.143	
Seat Pleasant	0.58	15		0.876	2.185	

Utilities will be charged at \$2.35 per square foot. CAM will be charged at \$2.4 per square foot. Insurance will be charged at \$1.6 per square foot, transferring from \$3000 per million-dollar coverage.

- **Debt Service**

Annual debt service will be \$1,648,158, based on 4% interest rate and 30-year amortization.

- ***Capital expenditures***

\$0.25 per square foot will be reserved annually from net operating income for future capital expenditures.

- ***Exit***

We plan to exit at the end of 2026 (stabilized year). The exit cap rate will be 5.5%. The cap rate is calculated based on a 10-year treasury note rate of 2.0% plus a risk premium of 650 and minus the market rent growth rate. Compared to the sales comparable projects, this cap rate is reasonable.

Pro forma analysis

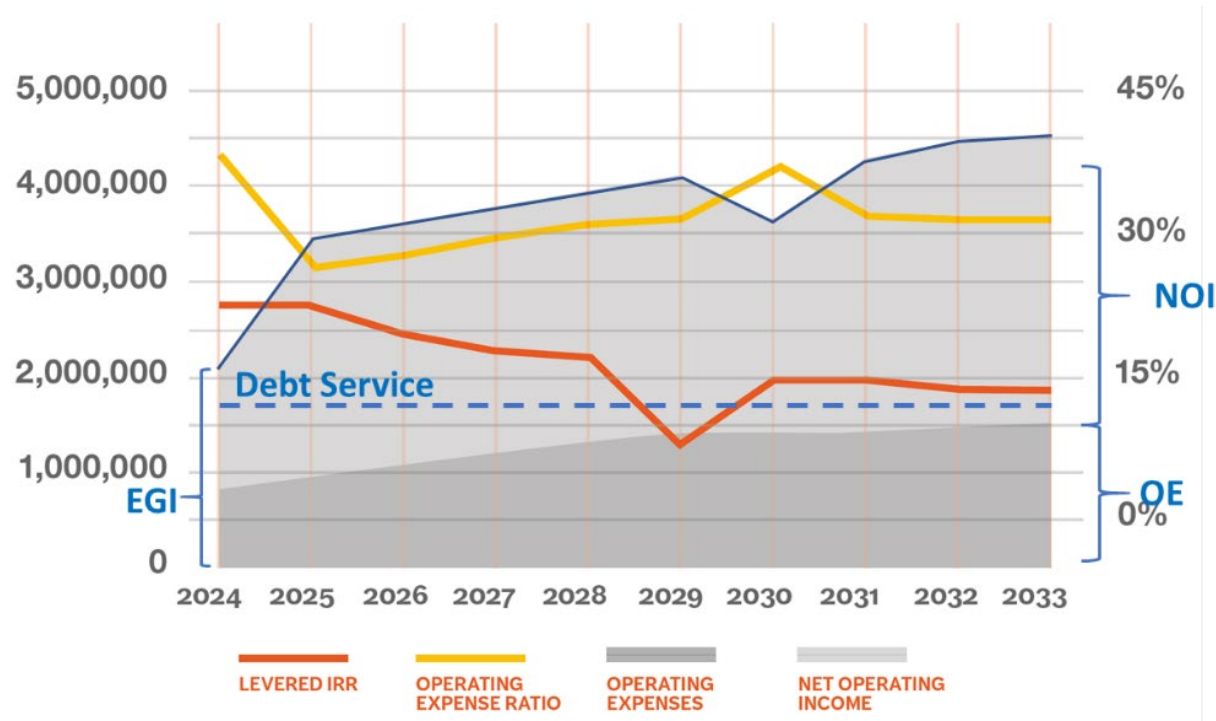
Pleasant Square will be opened at 2024, leased up in 2025 and stabilized in 2026.

In 2024, the effective gross income is \$2,118,170, after excluding \$571,350 of absorption vacancy and \$435,000 of free rent. As a result, the net operating income is only \$1,296,066, which is just over half of the NOI in second year and cannot cover debt service for the year. Working capital reserve will be used to cover this shortage.

In 2025, the remaining 3,000 square feet of neighborhood service and 4,000 square feet of incubators will be leased up. The NOI will grow to \$2,416,714. Operating expenses ratio will be 28.5%. Debt service coverage ratio will be 1.47x.

In 2026, the stabilized NOI will be \$2,538,759. Operating expenses ratio will be 29.5%. Debt service coverage ratio will be 1.54x. Yield on cost will be 6.7%. Cash on cash return will be 9.2%.

In a 10-year pro forma, we can find the operating expenses grow faster in the first 5 years than the following 5 years, due to decreased county tax credits. Besides, 6-year term leases will expire in 2031. 25% of the tenants won't renew their leases. These spaces will back to the market, incurring turnover vacancy and free rent for new leases. As a result, NOI in 2030 will decrease.



Investment Return

- ***Return from sale***

At the end of 2026, Pleasant Square will be sold for \$47,068,675. Compared to its cost of 38 million dollars, 9 million dollars value will be added. Selling expenses will be 6% of the sale price. The net sales proceed will be used to pay an outstanding loan balance of \$26,913,735, return investors` equity of \$9,500,000 and pay the cumulated unpaid preferred return of \$2,731,956. The remaining cash flow will be distributed to sponsor and investors. The net profit on sale will be \$7,830,820. Cash on cash return on sale will be 82.4%. Return on investment will be 20.6%. Potential buyers include life companies, pension funds, REITs and other institutional investors.

- ***Project cycle return***

The investment cycle of the project lasts for 5 years, including one year of pre-development, one year of construction and three years of operation. During this period, levered IRR will be 21.5%, higher than investors` required rate of return. Net present value (NPV) will be \$1,900,828 based on a discount rate of 15%. Equity multiple will be 1.98x.

Return from Sale	
<i>Exit at end of 2026 with a 5.5% Cap Rate</i>	
Sale Price	\$ 47,068,675
Increased Value	\$ 9,068,675
Net Profit on Sale	\$ 7,830,820
Cash on Cash Return	82.4%
Return on investment	20.6%

Investment Performance	
Unlevered IRR	11.2%
Unlevered NPV	\$ 2,163,129
Levered IRR	21.5%
Levered NPV	\$ 1,900,828
Equity Multiple	1.98

- ***Return after distribution***

Equity investors will get a preferred return, 70% distribution from cash flow and sale proceed. Their annual rate of return will be 16.5%. IRR will be 18.7%. Equity multiple will be 1.82x.

Sponsor will get 30% distribution from cash flow and sale proceed as well as their equity return of 10%. Their annual rate of return will be 48.2%. IRR will be 41.3%. Equity multiple will be 3.41x.

Return Analysis of Total Equity	
Annual rate of return	16.5%
IRR	18.7%
NPV	\$ 11,119,860
Equity Multiple	1.82

Return Analysis of Sponsor	
Annual rate of return	48.2%
IRR	41.3%
NPV	\$ 1,700,071
Equity Multiple	3.41

- ***Scenario analysis***

In the best case, when cap rate is 5%, the project will have a levered IRR of 28.9%, an equity multiple of 2.45x. Investors will get an IRR of 24.3% after distribution.

Even in the worst case, when the cap rate is 6%, the project will still have a levered IRR of 14.2%, an equity multiple of 1.59x. Investors will get an IRR of 13.4% after distribution.

Sensitivity analysis

We have done IRR sensitivity analysis based on different cap rates and holding periods. We found the IRR will increase as the holding period grows when the cap rate is higher than 6%. IRR will decrease as the holding period increase when the cap rate is equal to or lower than 5.5%. These trends indicate that we will have higher IRR by exiting at an early period when the cap rate is lower, or by holding for a long time and selling when the cap rate is higher. The minimum cap rate is 6% to satisfy investors' required rate of return.

Unlevered IRR Sensitivity Analysis											
Holding Period		1	2	3	4	5	6	7	8	9	10
Exit Cap Rate	4.50%	33.4%	24.1%	18.9%	16.1%	14.5%	12.6%	12.5%	11.9%	11.6%	11.2%
	4.75%	29.7%	20.2%	16.0%	14.1%	13.2%	9.1%	11.4%	11.2%	10.8%	10.6%
	5.00%	24.3%	17.6%	14.3%	12.9%	12.2%	8.4%	10.8%	10.7%	10.4%	10.2%
	5.25%	19.3%	15.1%	12.7%	11.7%	11.3%	7.7%	10.1%	10.1%	9.9%	9.8%
	5.50%	14.8%	12.8%	11.2%	10.6%	10.4%	7.0%	9.6%	9.6%	9.5%	9.4%
	5.75%	10.6%	10.6%	9.8%	9.6%	9.6%	6.4%	9.0%	9.2%	9.1%	9.1%
	6.00%	6.7%	8.6%	8.5%	8.6%	8.9%	5.8%	8.5%	8.7%	8.7%	8.7%
	6.25%	3.1%	6.7%	7.3%	7.7%	8.1%	5.3%	8.0%	8.3%	8.3%	8.4%
	6.50%	-0.3%	4.9%	6.1%	6.8%	7.5%	4.8%	7.5%	7.9%	8.0%	8.1%

Levered IRR Sensitivity Analysis											
Holding Period		1	2	3	4	5	6	7	8	9	10
Exit Cap Rate	4.50%	71.5%	50.5%	37.0%	30.1%	26.2%	21.8%	21.3%	20.0%	19.0%	18.1%
	4.75%	59.2%	42.0%	32.7%	28.1%	25.5%	16.5%	21.1%	20.3%	19.3%	18.5%
	5.00%	47.2%	35.9%	28.9%	25.4%	23.5%	14.8%	19.8%	19.3%	18.4%	17.8%
	5.25%	35.6%	30.0%	25.1%	22.8%	21.6%	13.1%	18.6%	18.3%	17.6%	17.1%
	5.50%	24.4%	24.3%	21.5%	20.2%	19.7%	11.4%	17.4%	17.3%	16.8%	16.4%
	5.75%	13.5%	18.6%	17.8%	17.7%	17.8%	9.6%	16.2%	16.4%	16.0%	15.8%
	6.00%	2.8%	12.9%	14.2%	15.2%	16.0%	7.9%	15.0%	15.4%	15.2%	15.1%
	6.25%	-7.9%	7.2%	10.6%	12.7%	14.2%	6.2%	13.9%	14.5%	14.5%	14.5%
	6.50%	-18.4%	1.5%	7.0%	10.2%	12.3%	4.4%	12.7%	13.6%	13.7%	13.9%

The emergence of this diametrically opposite trend of change is due to the different proportions of sales returns. In the case of a certain NOI, when the cap rate is lower, the return from sale is higher, having a greater impact on project's IRR than the return from operation. This impact will decrease over time. Therefore, the shorter the investment cycle, the higher the IRR.

When the cap rate is higher, the return from sale is lower. Its impact on the project's IRR is less than the return from operation, which will be improved as the project continues to operate. Thus, project's IRR has shown an increasing trend with the growth of holding period.

Exit Plan

Based on the sensitivity analysis and the market cap rate of the comparable projects, we decided to exit at the end of 2026. The midterm investment provides better liquidity than long-term investment, allowing investors to put their money in the next projects. After 3 years of operating, the project is stabilized and has a good financial performance. Therefore, it is easy to find buyers. 5-year investment period will allow investors to get a 10% deduction of deferral capital gain as the project is in an opportunity zone.

If investors want to hold for a long time to obtain stable cash flow or the actual exit cap rate is higher than 6%, we will hold the project for a long period. In this case, we will exit as early as 2034, holding the investment at least 10 years to get a permanent exclusion from taxable income of capital gains from the sale provided by opportunity zone program. Before exit, we will refinance the project in 2026 with a lower interest

rate to reduce the interest expense and increase project's profitability during the holding period.

If we succeed in obtaining any funding from the New Market Tax Credit program either by loan or by equity, we will hold the investment for 7 years to comply with the program's regulation. The permanent loan term will be adjusted to 5 years to avoid penalty.

Incentive projects

Pleasant Square can benefit from many governmental incentive programs from Prince George's county and federal government.

- ***Sustainable Community***

Seat Pleasant was awarded the designation of "Sustainable Community" by The State of Maryland. Developer can get funding from City of Seat Pleasant to cover soft costs such as marketing studies, architectural drawings, or renderings. This benefit has already been considered in the pro forma, so in the feasibility analysis stage in 2021, we do not have any early expenditures.

- ***Opportunity Zone***

Pleasant Square is a redevelopment project in an opportunity zone where the investors can reinvest their capital gain in an opportunity fund, helping them defer the capital gain tax and increase the amount of available equity, leveraging their IRR.

Assuming investors have a realized capital gain of \$9,500,000 from the sale of stock or any other qualified financial asset and plan to invest in a project with an IRR of 18.7% (same as Pleasant Square), investors will defer \$1,900,000 tax on capital gain if they reinvest the proceeds to an opportunity fund. More cash will be available to invest than paying the capital gain tax of 37%, increasing the IRR from 12.2% outside opportunity zone to 18.7% inside of opportunity zone.

The pro forma has included the financial impact of opportunity zone by treating the \$9,500,000 as available equity.

- ***New Market Tax Credits***

Pleasant Square is eligible for New Market Tax Credits, which will provide considerable federal income tax credits, totaling 39% of the investment amount. The following illustrates how it works:

NMTC investors provide capital to community development entities (CDEs), and in exchange are awarded credits against their federal tax obligations. Investors can claim their allotted tax credits in as little as seven years—5 percent of the investment for each

of the first three years and 6 percent of the project for the remaining four years—for a total of 39 percent of the NMTC project. A CDE can be its own investor or find an outside investor. Investors are primarily corporate entities—often large international banks or other regulated financial institutions—but any entity or person is eligible to claim NMTCs.

If we can get these tax credits, the equity investors' IRR will be increased from 18.7% to 26%. Since the competition for NMTC is very strong, we did not include it directly in the calculation of pro forma for the sake of conservativeness.

- ***Revitalization Tax Credits***

Inside the beltway where the median household income does not exceed the County's median, Pleasant Square is eligible for Revitalization Tax Credits provided by Prince George's County.

For the first tax year following the year in which the improvements are completed and assessed, non-residential improvements receive a tax credit for 100% of the amount of the County property tax imposed on the increased assessment. The tax credit is reduced to 80% in the second tax year, 60% in the third year, 40% in the fourth year, and 20% in the fifth year.

These tax credits are added to our proforma, easing the burden of the expenses in the early operating period.

Risk and mitigants

The key project risks come from: financing costs, construction costs, land acquisition, competing projects, and leasing. Here are the mitigants:

- ***Financing cost increase***

We are looking for a construction to permanent loan, which allows us to secure the interest rate in advance. Also, the mid-term exit plan reduces the interest risk in a long-term period.

- ***Construction increase***

We set a 5% of contingency to mitigate the risk of construction cost increase beyond our expectations.

- ***Acquisition***

To make sure we can acquire the land from 5 different owners, we estimate a higher purchase price, which is much higher than the assessed value. We will also contact the

owners in advance, pay deposits to secure the options. For the owners who want to keep their business, we will be willing to reserve spaces for them.

- ***Leasing***

To make sure there will be tenants, we will do pre-leasing during early period. Also, free rent and TI allowance will be provided to the tenants as incentives.

Appendix E

The background of the page is a complex geometric pattern composed of various shapes in two colors: a light orange and a very light, almost white, color. The pattern includes large squares, triangles of different sizes, and trapezoids. Some shapes are solid orange, while others are white with orange borders. The overall effect is a modern, minimalist design. The text 'Appendix E' is positioned in the upper right corner, rendered in a clean, white, sans-serif typeface.

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EXPLORE CHOICE

Prince George’s County has a broader vision to be a community of choice for families, businesses, and workers in the region. Our goal is to offer affordable, high-quality housing options for a range of incomes, preferences, and phases of life.

Excerpt from, 2019 Prince George’s County Comprehensive Housing Strategy Housing Opportunity for All

Vision

An all-encompassing Wye Point vision creates a livable and healthy-urban environment inspiring Live, Work, Learn, Play and Visit concepts. A “CULTIVATING” culture which assembles the needs and expectations of the community, local jurisdictions and nearby municipalities working in tandem to solidify economic development. Communities designed supporting physical activity; wide sidewalks, safe bike lanes, attractive stairways, accessible recreation areas encourage residents to make healthy choices and live healthy lives. A healthy place creates economic value by attracting younger and older workers, appealing to skilled workforce and innovative companies.

Active mobility is on the rise which leads to less inactivity, improving health and positive frame of mind. Promoting healthy lifestyle amenities has the potential for reduced healthcare and congestion costs for consumers and government. Wye Point incorporates a variety of amenities to promote healthy living for residents, surrounding neighborhoods and the Washington DC Metropolitan area.

Feasibility Study Site No. 2

Wye Point, Seat Pleasant, Maryland

Smart City Designation, Opportunity Zone, Qualified Census Tract, EDI Fund Metrics

University of Maryland - Colvin Institute of Real Estate Development Capstone

Prepared for Seat Pleasant City Council

Prepared by Catherine Roach



May 18, 2021

Working in partnership with the CHS plan will expand public funding opportunities and attract private investors.

Seat Pleasant enjoys a united and shared spirit of community with a formidable yearning for change. With a population of just under 5,000 residents, the City of Seat Pleasant finds itself among one of the smaller communities in the Washington Metro area. With the small population comes a lack of diverse housing options, neighborhood amenities and resources to attract new residents. But its small size provides an opportunity to enact meaningful projects for purposes of spurring other City redevelopment projects.

Key Strategies

Public spaces are not that different than popular “destination” places which purpose is to evoke a positive emotion. Cities need destination experiences to be successful. The personal attraction provides an identity and image to their communities and help attract new residents, businesses, visitors, and investments. Wye Point’s central location between jurisdictions easily supplements growth spurred from nearby new jobs.

Wye Point Key Strategies are:

- Walkable Setting in support of a Work, Live, Learn, Play, and Visit community
- Incorporate a strong and sustainable Public/Private Partnerships
- Become a radius for surrounding community amenities and future real estate development
- Housing Options for Healthy Living and Enhanced Public Realm

By creating a meaningful destination, a variety of places within an area adds to its appeal because it captures different daily interests of the community. These spaces can include a place to read, drink a cup of coffee, sit easily, meet friends, grab a meal, or allow children to play.

The sidewalks are widened along Martin Luther King (MLK) Boulevard and Seat Pleasant Street, lined with trees. Seat Pleasant Street sidewalk is designed to share with cyclist and street parking while MLK Blvd provides streetscape amenities, benches, enhanced transportation shelters, lighting, bicycle racks and locations for scooters and bike rentals.

MLK façade doubles as a branding icon and space for outdoor Placemaking; Pop Up Retail and Farmers Market in the area to become known as The Platform.

Next Steps

- Infuse residential amenities to make Seat Pleasant more livable for all ages and income levels
- Identify and market existing young generational households for both rental and for-sale housing as a means to improve future for-sale housing in community.
- Strengthen healthy and wellness living with introduction of fresh groceries, healthcare and on-site concierge services.
- Bolster community services for aging in place, supporting existing resident's needs, and tools for start-up entrepreneurs and daily fitness activities.
- Implement business attraction incentives that proactively position Seat Pleasant as a smart center city and Transit-oriented Community to capture new, small office employees and destination retails.
- Work closing with Maryland's Park and Planning Department for coordinating activities and obtaining Healthy Program Grants.
- Promote variety of opportunities to work on site, collaborate easily with others associated with Smart City technology.



Urban Land Institute (ULI) 10 Principles for Building Healthy Places:

1. Put People First
2. Recognize the Economic Value
3. Empower Champions for Health
4. Energize Shared Spaces
5. Make Healthy Choices Easy
6. Ensure Amenable Access
7. Mix It Up
8. Embrace Unique Character
9. Promote Access to Healthy Food
10. Make it Active

With support of the City Council of Seat Pleasant, Prince George's County Economic Development, Housing Opportunities for All, Maryland's Department of Planning Priority Funding Area Strategies and Metropolitan Washington Council of Governments share a vision of improving economic growth and development in existing communities. These entities are important partners in the development of Wye Point. Housing Opportunity for All, a Prince George's County's 2019 Comprehensive Housing Strategy (CHS) represents the county's 10-year plan to serve housing needs.

Wye Point Development

Seat Pleasant was established as a late-nineteenth-century streetcar suburb. The original 1873 city plat consisted of 800 acres straddling both sides of Central Avenue (Rt 214). The city experienced large-scale development growth after the extension of the rail lines and street cars lines from Washington DC becoming a convenient location for commuters, especially with two railroad lines and the streetcar line converging at the District Line Station. The area continued to grow for over 20 years by taking advantage of the prime location near the rail lines. Rail lines extended to Chesapeake Beach and Annapolis, but both were dismantled when the popularity and accessibility of the automobile increased.

Seat Pleasant represents several Prince George's County heritage themes: transportation, suburban growth, and residential architectural styles. Seat Pleasant has retained its integrity of location, design, setting, feeling and sense of association taking pride in endeavors. For instance, houses constructed in the 1930s and 1940's often featured garages and/or a driveway and the neighborhood remained an affordable, attractive commuter suburb of Washington DC. Buildings reflect a variety of popular architectural styles

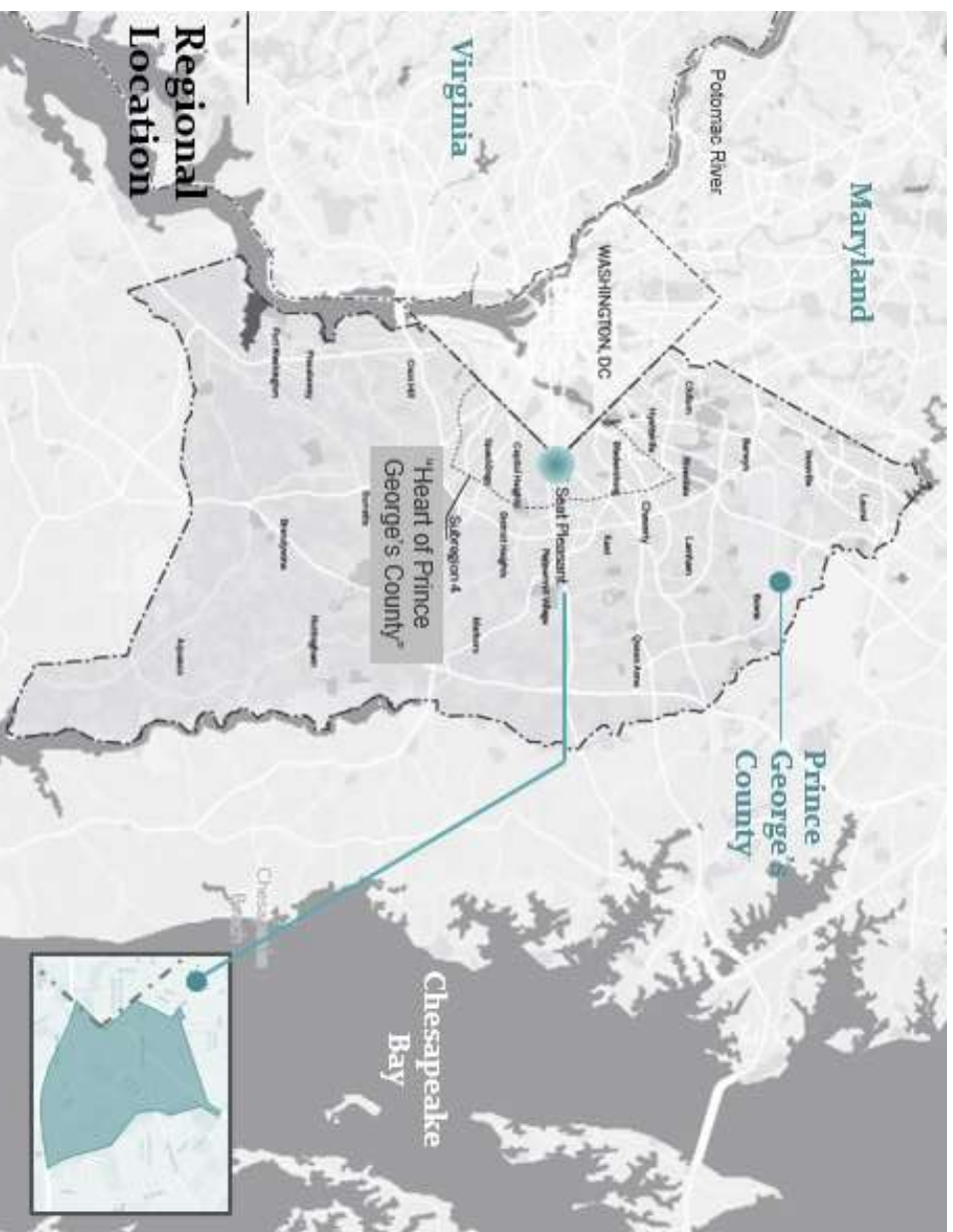
including Queen Anne, Italianate, Colonial Revival, Craftsman and Modern Movement. Seat Pleasant strength remained in setting standards and trends, such as, creating a building form of the detached rowhouse, usually constructed of two stories in height with a full-width porch with a flat or shed roof.



Source: mncppapps.org/planning/HistoricCommunitiesSurvey.

Wye Point resides adjacent to Carmody Hills residential community, platted in the 1930s in the Town of Seat Pleasant. This area in Prince George's County grew throughout the 20th Century due to proximity to DC and access to railroads, streetcar lines and road networks. Home construction continued through the 1970s. Most homes are single-family with a few duplex units and walk up, brick

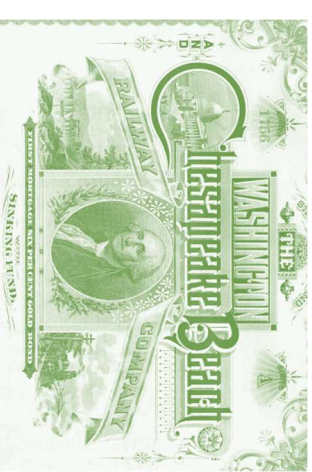
General Context



The railroad term, WYE, represents the junction of three rail lines, allowing change in direction and letting other trains to pass.

Wye Point converges at three roadways on Site No. 2:

Martin Luther King Blvd, Addison Road and Seat Pleasant Street.



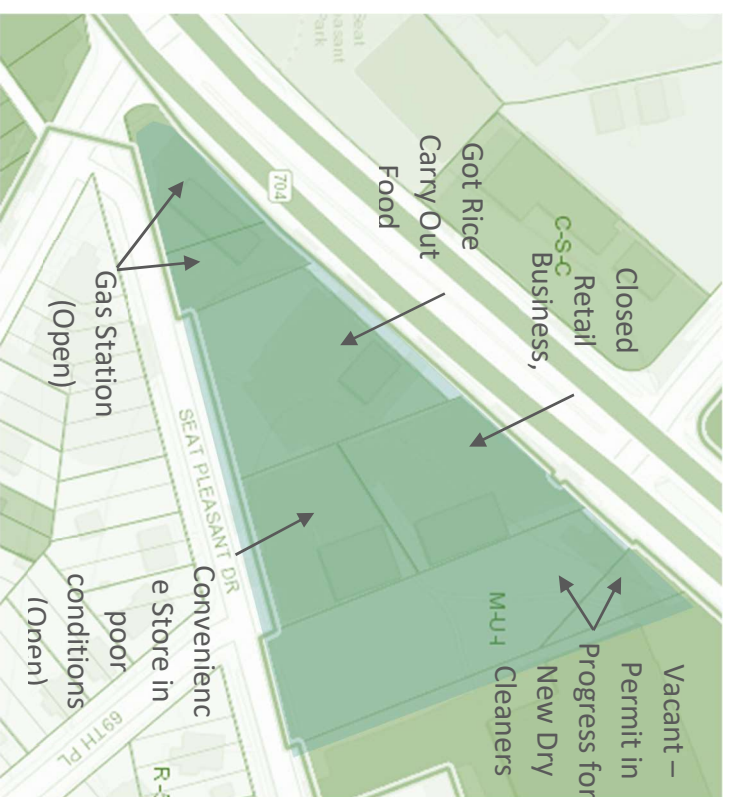
Seat Pleasant Maryland is situated on the edge of Washington, DC's East corner in Prince Georges County Maryland. In the late 1890's, the Chesapeake Beach Railway ran approximately twenty-eight miles from Washington DC to Chesapeake Beach, MD. The railway brought thousands of visitors to the resort. The first stop, The District Line, in Maryland was located where Seat Pleasant resides today. The former city name was Chesapeake Junction. Seat Pleasant has a fond history of being part of the railroad expansion and the population growth to Prince George's County. Wye Point derives its name from rail terminology and a pivotal location point in the area.

Wye Point Development

Wye Point site No. 2 is comprised of seven parcels with five different owners comprising a total of 2.69 acres. Besides two sustainable Uses; Gas Station and Fast -Food restaurant, the remaining sites are either abandoned, unoccupied or in poor condition. The map locates Site No 2 in darker green shading bound by Seat Pleasant Street to the Southeast (city owned street), Martin Luther King Boulevard to the Northwest (State Responsibility), and Addison Road to the South (P.G County Responsibility). The five (5) property owners are identified along with their parcel(s).

Mature trees are nestled throughout Carmody Hills and increases with proximity to Cabin Branch river to the north. Martin Luther King Boulevard to the south of Addison Road intersection recently installed tree-lined median towards Washington DC and another section south of the site in front of the in-line shopping center. Otherwise, Martin Luther King Boulevard is void of healthy landscaping, streetscape and narrow sidewalks. An unprotected bike line flanks both directions on State Road 704- MLK.

The Addison Road and MLK intersection is approximately a quarter mile from the Maryland Line into Washington DC.



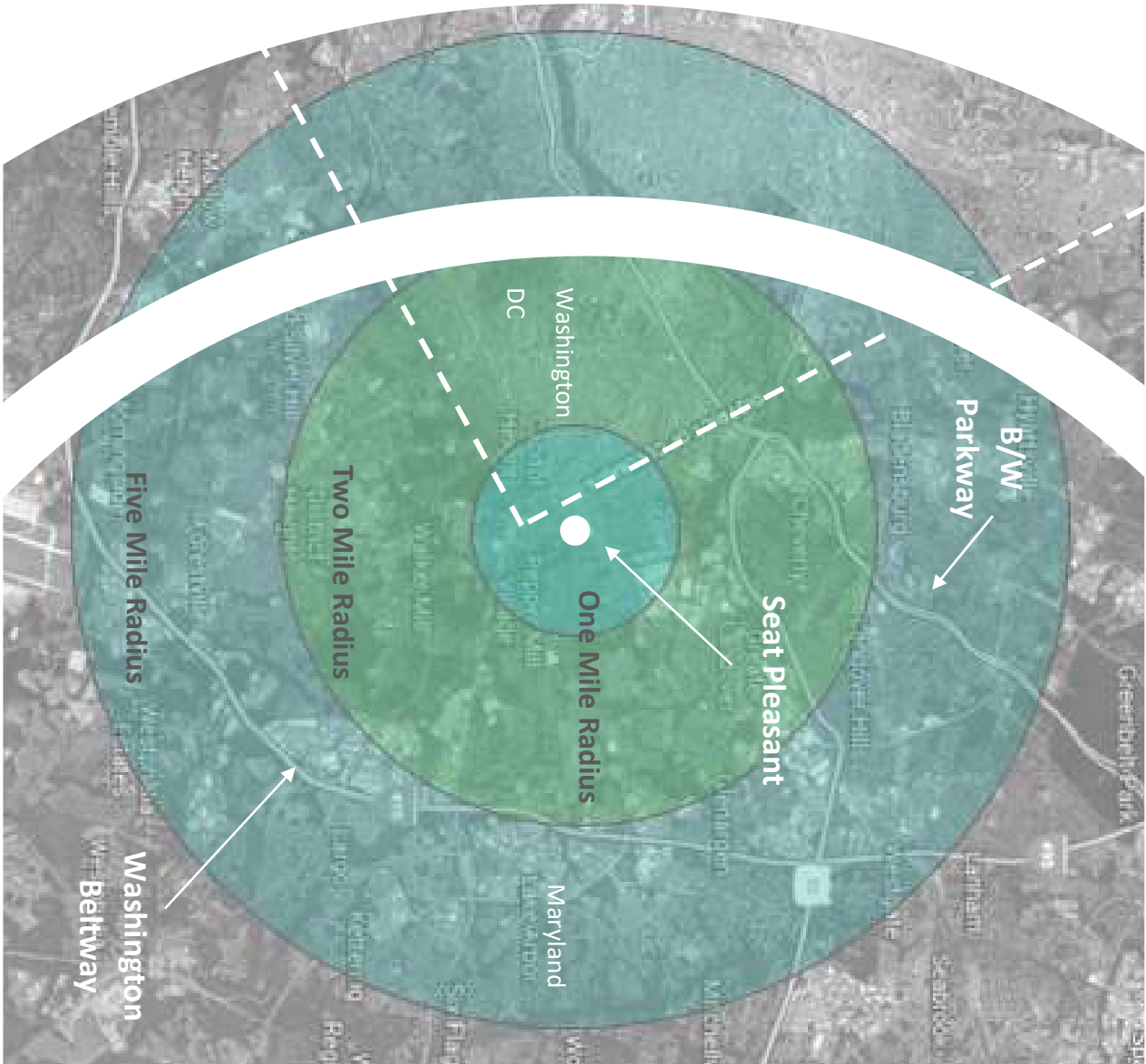
This intersection should present itself as a prominent location to activate Seat Pleasant as a Gateway into the State of Maryland while traveling from Washington, DC.

Commercial properties line MLK with no redeeming architectural features or continuity between parcels. Utilities are exposed above grade with wood telephone poles and overhead power wiring. The State Highway department improved MLK Boulevard with enhanced median with new plantings, including a bike lane.

Garden apartments situated northwest across Martin Luther King Boulevard.

Prince George's County wraps around the eastern boundary of Washington, DC and offers urban, suburban, and rural settings. The region is served by three international airports and the Port of Baltimore and feeds off proximity to the Nations Capital economy and jobs. The county boasts a friendly business climate, skilled works and an affordable cost of living.

Prince George's has one of the largest technologies and aerospace sectors in the state and a growing hospital sector with Largo Medical Center and nearby Doctor's hospital in Glen Arden, as well as Children's National Hospital in DC. Government contractors and Federal Headquarters also are located within the Washington Beltway in Prince George's County



communities that meets county expectations and our identified targets for density, mixed use and vision. The county encourages private sector to step up and participate in the county's economic growth and property.

Economic Facts, Demographic, and Market Analysis

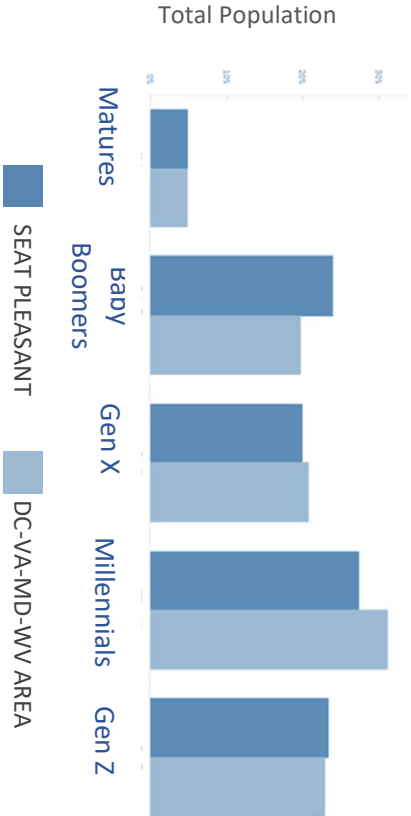
While Seat Pleasant is located in Prince George's County, it is at the intersection of Washington DC and Montgomery County. These three jurisdictions are projected to grow in employment and households. This is a strong indicator for the demand for multiple land uses. There are approximately 2000 households in Seat Pleasant. Prince George's County has 316,000 households and 287,000 in Washington DC economic profile. Fannie Mae utilizes the Washington DC Metro area for calculating Seat Pleasant's Area Median Income (AMI).

Among the surrounding towns, Seat Pleasant has the second highest population as shown on the graph with a 30,466 total population. In the decades ahead, growth in jobs and population will put pressure on affordable housing, stretching household budgets, threatening stability and economic prosperity.

Use Response to Supply/Demand

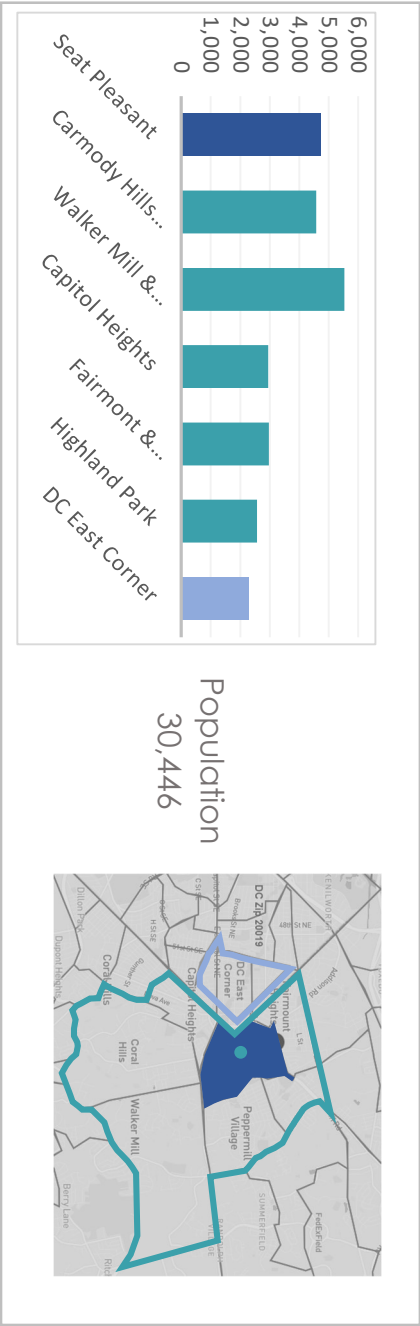
GROSS SQUARE FOOTAGE										GSF TOTAL
Greenhouse - Retail										
Greenhouse		8,000								32,400
	Subtotal	24,400	32,400	0	0	0	0	0	0	
Outdoor Areas : Platform, Pivot Park and The Yard										37,000
For Rent										
Lobby and Amenities		0	0	0	6,000	0	0	0	0	6,000
Housing - Rental - Market Rate		0	43200	0	0	0	0	0	0	43200
Housing - Rental - Workforce		0	28800	0	0	0	0	0	0	28800
Housing - Rental - Affordable		0	60000	0	0	0	0	0	0	60000
	Subtotal	0	72000	60000	6000	0	0	0	0	138000
For - Sale										
Lobby and Amenities		0	0	0	0	0	0	0	0	0
Housing - For Sale - Market Rate		0	0	0	0	25320	0	0	0	25320
Housing - For Sale - Workforce		0	0	0	0	16880	0	0	0	16880
	Subtotal	0	0	0	0	42200	0	0	0	42200
Retail/Office - Market Rate		0	0	0	0	0	10875	0	0	10875
Retail/Office - Affordable		0	0	0	0	0	3625	0	0	3625
	Subtotal	0	0	0	0	0	14500	0	0	14500
Parking Garage - Level 1		0	0	0	0	0	0	0	0	68,500
Parking Garage - Level 2		0	0	0	0	0	0	0	0	75,000
Parking Garage - Storage		0	0	0	0	0	0	0	0	6,500
	Subtotal	0	0	0	0	0	0	0	0	150,000
Total GROSS SF w/Pkg		377,100	32,400	72,000	60,000	6,000	42,200	14,500	150,000	
Total GROSS SF w/o Pkg		227,100								414,100

Seat Pleasant Generational Demographics



Wye Point Development

Seat Pleasant enjoys a united and shared spirit of community with a formidable yearning for change. With a population of just under 5,000 residents, the City of Seat Pleasant finds itself among one of the smaller communities in the Washington Metro area. With the small population comes a lack of diverse housing options, neighborhood amenities and resources to attract new residents. But its small size provides an opportunity to enact meaningful projects in this location for all ages.

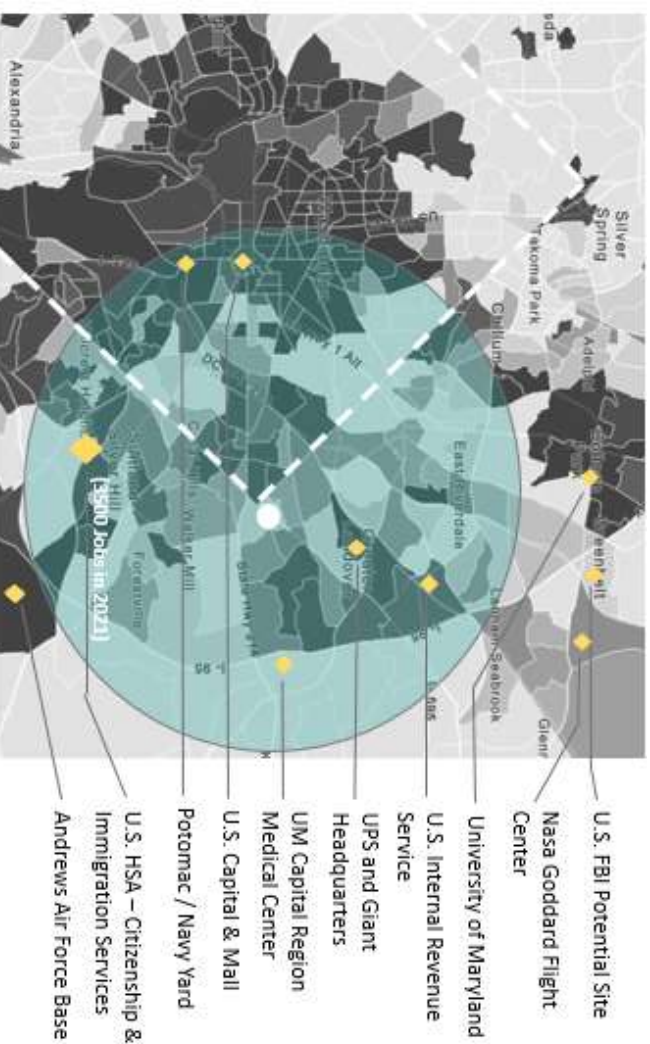


Total Population 4,443	
6,196,585 People Washington-Arlington-Alexandria, DC-VA-MD-WV Area	Average Household Size 2.6 People Tract 24033802901
28% of households Tract 24033802901	Veterans 10% of adults Tract 24033802901
30.4% of households Washington-Arlington-Alexandria, DC-VA-MD-WV Area	8.2% of adults Washington-Arlington-Alexandria, DC-VA-MD-WV Area
Native Born Population 85.8% of total population Tract 24033802901	Foreign Born Population 14.2% of total population Tract 24033802901
77.2% of total population Washington-Arlington-Alexandria, DC-VA-MD-WV Area	22.8% of total population Washington-Arlington-Alexandria, DC-VA-MD-WV Area

DC Daytime
Population
1,199,196

Source: Enterprise Communities
Opportunity 360-Seat Pleasant-
Community

Major Employers in a Five-Mile Radius



- U.S. Census 2020 – DC Population Growth is 14.6% and PG County is 5.2%, Seat Pleasant Growth is .47% since 2010. DC Office of Planning forecasts DC will grow to 900,000 individuals by 2035, compared to 690,000 today.
- Seat Pleasant and surrounding towns population is 30,500/2000 Household (HH), while the county has 316,000 HH & 287,000 HH in DC.
- 147,700 new jobs have been added since May 2020 for the metropolitan area equaling a 4.9% growth. Multi-family and Retail market reports indicate 87,500 job creation, post vaccinations and wider reopenings in 2021.
- Metro Class A Multi-Family Net Absorption is 9,500/Year= 28,500 over three years. Planned delivery by 3/2021 is 4,889 Units. Currently under construction is 34,606. The projected stabilized vacancy by March 2021 is 4.9% for Suburban Maryland and 5.3% for DC. Current PG County Median Gross Rent Vacancy Rate is 4.7%.
- Active For-Sale Inventory is down 64% versus a year ago which stems from sustained, historically low mortgage interest rates. Due to the pandemic, the For-Rent Rate has not increased, actually declined by .04%. For Sale Median Value shows an 11% increase with a 13% increase since February 2021.

Multi-Family 2021 Outlook
87,500 Jobs will be Created Post-Pandemic

Avg. Commute to work in PG
37.3 minutes
Which is Beyond Circle

Data Source: www.pgcedc.com - Prince George's County Economic Development Website, PG County Retail Business Climate, ESRI, Marcus & Millichap IQ/21, MD Dept. of Commerce

PG Plan 2035 will direct future growth toward transit-oriented, mixed-use centers in order to expand commercial tax base, capitalize on existing and planned infrastructure investments, and preserve environmental resources. The plan integrates a diverse, innovative and competitive economy for creating well-paying jobs to grow tax base.



Data Source: US Census 2010 and 2020

District of Columbia is expecting to grow to 900,00 by 2035

Prince George's County has a significant federal facility presence, such as Joint Base Andrews, NASA Goddard Space Flight Center, FDA, NOAA, USDA, Beltsville Agricultural Research Center and the U.S. Citizenship and Immigration Services Headquarters currently under construction in Suitland Maryland (less than 5 miles from Seat Pleasant). Academic facilities include the University of Maryland College Park, the state's flagship public university and Bowie State University along with UM Global Campus and Prince George's County Community college in Largo.

Major private employers include SGT, Inovalon, Verizon FedEx Field and MGM National Harbor and expansion of 2U and Kaiser-Permanente, with private sector industries generating \$25.6 billion in economic output.



ULI 2019 REPORT

The DC Office of Planning forecasts that the District may be home to almost 900,000 individuals by 2035.

Data Source: Metropolitan Washington Council of Governments (MWCOCG)



Area Population

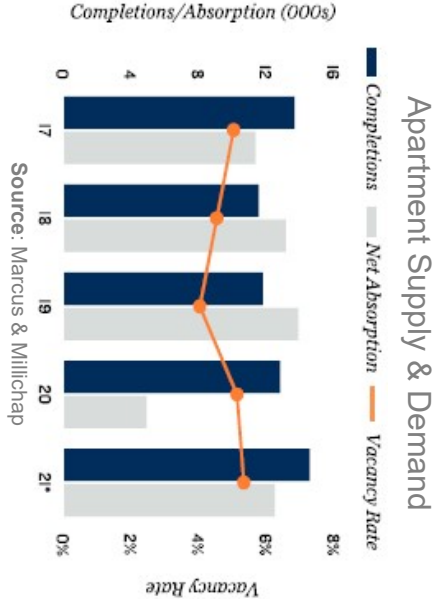
	Prince George's County Households	Prince George's County Population	Maryland part of Washington DC metro*	Maryland
2000	286,610	801,515	2,065,242	5,296,486
2010	304,042	863,420	2,303,870	5,773,552
2020**	321,691	916,150	2,490,650	6,141,900

Source: US Census

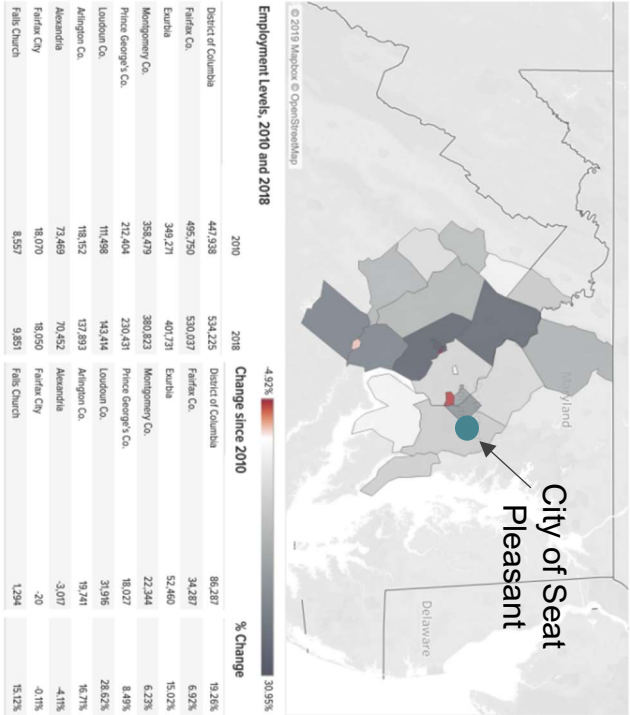
Many local jurisdictions face constrained powers under Dillon's rule, which only permits municipalities to enact policies expressly allowed by the state. Jurisdictions with Home Rule have greater latitude to enact policies independently of the state. The County enacted Home Rule, a landmark legislation establishing a \$50 million Economic Development Incentive Fund (EDIF) that provides loans, guarantees and conditional loans for projects in the county that create jobs and investment. A healthy regional housing market offers opportunities for households to find a reasonable place to live in a community that fits their needs.

Note: The information on the next two pages were gathered before the 2020 Census was recently released providing employment income, unemployment rates and occupations.

The information reflects change from 2010 to 2018 with most change occurring on the west side of Washington DC. The area experienced nearly 10% growth in the eight year period from 2,879,000 to 3,146,000. The federal workforce declined as the private sector grew.



Washington Metro Employment

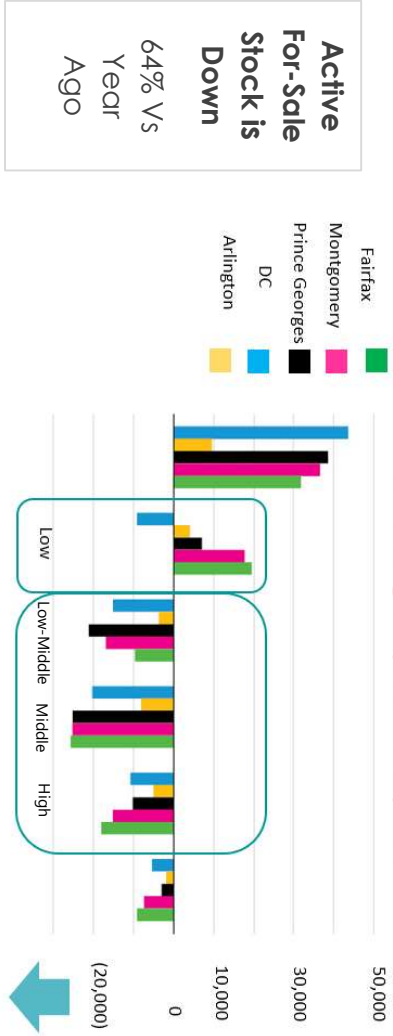


Wye Point Development

- Nearby development at approx. 5 miles away, eastwardly along Central Avenue will be home to a new UM Medical Center, Carillon and Hampton Park mixed-up offering 300K Retail, 550K Office and 3K residents. Park Place at Addison Metro brings 193 Apartment Units and 12K Retail. These developments are the best location comparable. Also note, DC has a lower quantity of affordable housing than PG County expanding trade area.
- Interpretation of transportation access and safety of the area may delay user demand, but PG transportation is working closely with Thrive for expanding Microtransit(PGC Link) which will provide an east-west connection.
- Fannie Mae's AMI for the area is \$125,000. allowing higher rent per square footage. Thrive is working with the county on displacement programs to keep existing households and those who want to age in place viable.

Historically, the DC Metro Area has low unemployment due to federal government jobs and contractor jobs. Prince George's County has one of the largest technologies and aerospace sectors in the state and a growing hospital sector at the Largo Medical Center. The UM Central Medical Center is approximately five miles away. The private sector industries generate \$25.6 billion in economic output in PG County. Hampton Park, a new mixed-use development in Capitol Heights (4 miles away), will bring 2200 jobs and another 3300 jobs are being relocated to the Suitland Federal Center less than a 20 minutes' drive to the south.

The County offers a range of business locations, including urban mixed-use development at Metro stations, suburban office parks, Site Enterprise Zone and Opportunity zones. The University of Maryland Discovery District provides opportunities for direct collaboration and nearby Mount Rainer encourages the Arts bringing new interest to Prince George's County.



Source: Urban Land Institute–Greater DC analysis of the 2013 to 2017 American Community Survey

Discovery

Current Economic, Demographic and Market Conditions

145,700 New Jobs

Since May 2020 = 4.9% Growth

5.2% Population Growth

Prince George's County - 2020 Census

11% Median \$ Increase

For Sale Price to \$366,000

with 13% Increase

higher than February 2021

\$1,589-\$1,942 Payment

Affordable and Workforce Range

Source: Fannie Mae AMI & Novogradac Rent & Income Limit Calculator

69% Family Restaurant /Steak House

5 Mi Radius Adults Went to in last 6 months @ 15 min. Drive Avg.

10.8% Breakfast,

14.6% Lunch

35.0% Dinner

Applebee's, Olive Garden, Red Lobster

25% Family Restaurant /Steak House

5 Mi Radius Adults Went 4 + times/month @ 15 min. Drive Avg.

Unemployment Rate

DC Metropolitan Area Decreased to

5.7% , PG 4.2%

For-Rent Rate 0% Increase

PG Median Gross Rent \$1,469

Rents decreased .04% due to pandemic.

\$125,000 AMI

Fannie Mae Area Median Income for PG County

9,500 Annual Multi-Family Net Absorption

PG County Planned Delivery at 3/23 - 4,889

Under Construction 34,606

Projected 2023 Stabilization Vacancy -4%

Source: Delta Associates 2020

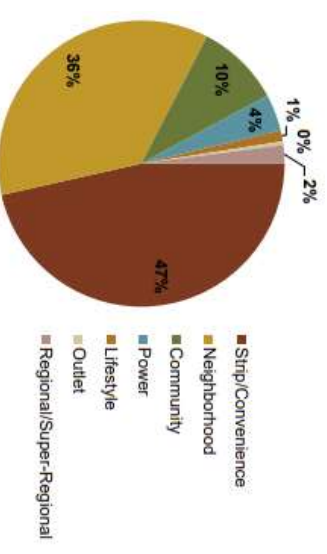
Source: LPC Washington, DC & BrightLMS, Maryland Department of Labor 2019

4.7 % Vacancy Rate

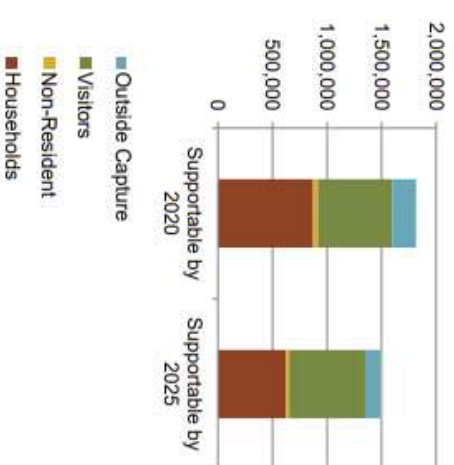
PG County Median Gross Rent

Source: Dept of Numbers 2020

Shopping Center Typology
Strip centers average 26,000 SF
Neighborhood centers average 98,000 SF

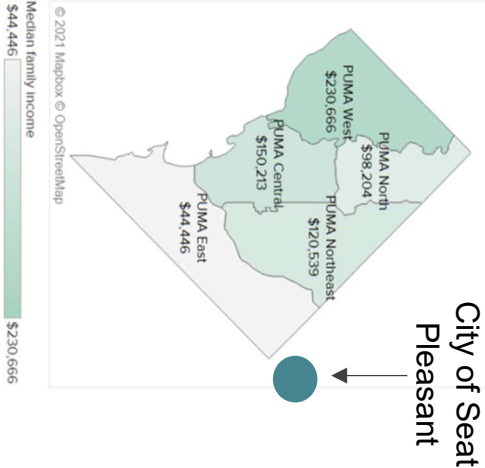


Net New Retail Square Footage Growth, 2015-2020 and 2021-2025

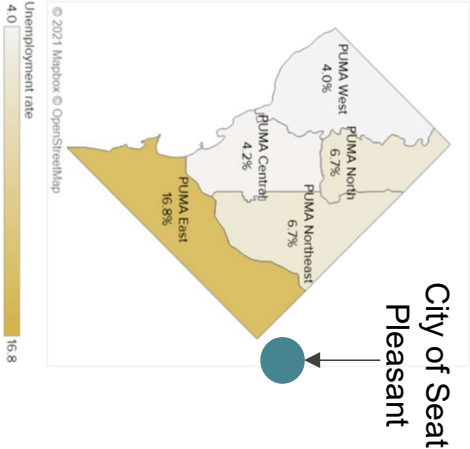


Source: RCLCO, GFK MRI - U.S Households, MD Dept. of Commerce

Median Family Income



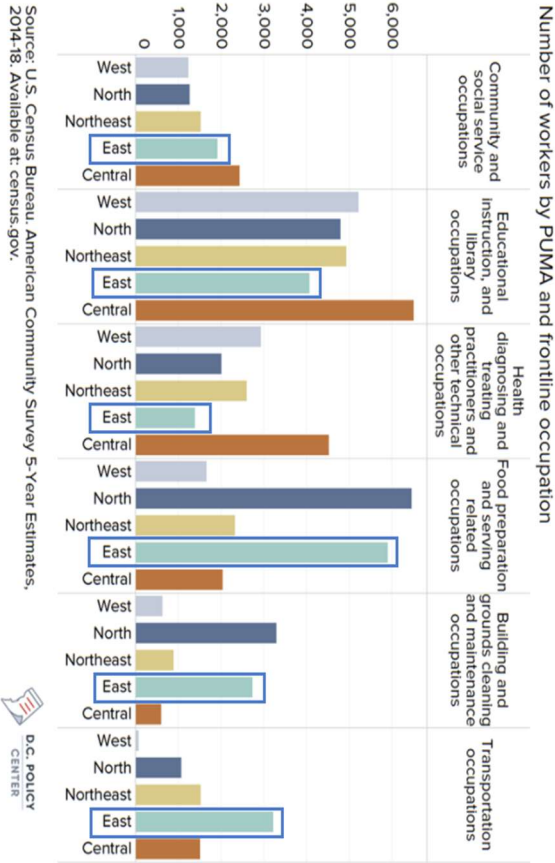
Unemployment Rates



Source: PUUMA – Public Use Microdata Area

<https://www.deppolicycenter.org/publications/employment-trends-washington-region/>

Front Line Occupation Workers



Martin Luther King Boulevard is a vital transportation and potential commercial corridor linking the adjacent Maryland neighborhoods with the District of Columbia's (DC) to the south and the burgeoning Largo, Maryland to the east. The area suffers from constrained housing supply which can eventually lead to increase rents and housing costs. Unfortunately, displacement can be a result of these factors in some communities that have historically been home to low and low-to-moderate incomes. Seat Pleasant is one of those areas. Wye Point is making preparations to advance aging in place and accommodate affordable and workforce housing to diminish displacement with recommending setting up educational and funding grants service point in the Greenhouse building.



Upcoming Projects

Several developments and services will alter the County's positive economic landscape

University of Maryland Capital Region Medical Center

Largo, MD : Health Care, Research and Teaching

Carillon

Largo: Retail development, outdoor mix, entertainment, apartments, and office

Hampton Park

Capitol Heights, MD Mixed-Use; Housing, Retail, Hotel

Towne Square at Suitland Federal Center

Townhouses, residential & senior units, retail, office

Park Place

Addison Road Metro – 193 Unit & 12K Retail

Seat Pleasant enjoys a united and shared spirit of community with a formidable yearning for change. With a population of just under 5,000 residents, the City of Seat Pleasant finds itself among one of the smaller communities in the Washington Metro area. With the small population comes a lack of diverse housing options, neighborhood amenities and resources to attract new residents. But its small size provides an opportunity to enact meaningful projects for purposes of spurring other City redevelopment projects. Seat Pleasant's Location is an advantage while the area recovers from COVID 19. With more common vaccinations and testing should facilitate wider business reopening this year, aiding job growth. Total employment is expected to climb within 3 percent of the market's pre-pandemic level according to Marcus & Millichap 1Q/21 Market Report.

Areas with lower population density and living costs, such as Seat Pleasant, are best positioned for strong property performance this year due to less planned arrivals (pipeline). The COVID-19 pandemic created new methods of working from residence to adhere to a physical distance requirement to calm the spread of the virus. According to OECD, productivity increased with teleworking for wider adoption of teleworking practices moving forward regardless a virus.

Consumer Spending 5 Miles Radius

Apparel and Services	\$ 173,030
Entertainment	\$ 194,117
Food at Home	\$375,016
Food Away from Home	\$ 262,419
Alcoholic Beverages	\$ 54,454 *
Furniture and Appliances	\$ 154,512
Transportation and Maintenance	\$ 629,905
Health Care	\$108,771
Education and Day Care	\$168,623

*Towards Suitland Towne Center

Source: 2019 Costar estimates; 2019 1Q Neustar estimates

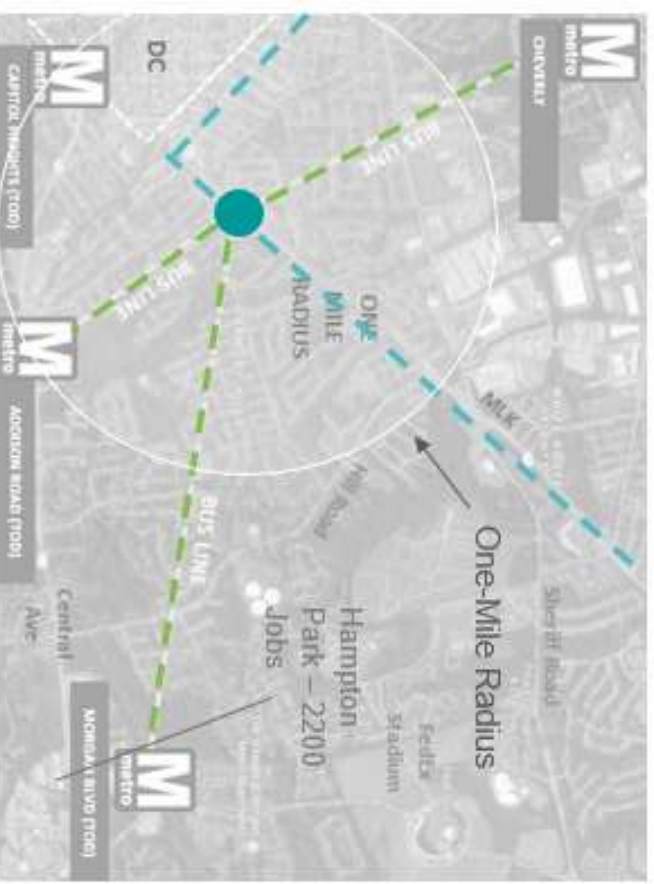
The traffic count is between 18,000 and 24,000 cars a day along Martin Luther King Boulevard which provides strong visibility for retail. The MD Department of Transportation is responsible for the road maintenance, design, speed control

The higher speed limit does not make it an easily walkable area and becomes difficult to safely cross Martin Luther King Boulevard.



Seat Pleasant Maryland is situated on the edge of Washington, DC East corner and near growing Prince Georges County transit oriented developments at existing metro stations, Capitol Heights, and Addison Road. The city benefits from proximity to the two Blue/Silver metro lines as well as proximity to Cheverly Metro Station enabling an active lifestyle with parks, museums, employment, and higher education institutions.

Public Transportation



Subject Area Assessment

Seat Pleasant has a strong regional location, straddling across Central Avenue (Rt 214), Addison Road and Martin Luther King Boulevard (Rt 704). It has excellent access to the District of Columbia and nearby Interstate 95, BWI Parkway (295) and Washington, DC Beltway (495).

The topography is conducive to standard building costs for the most part with attractive appeal being located near the Cabin Branch estuary with mature trees and a lot of greenery. The main challenge associated with the area is the abandoned or poor condition buildings and age of buildings, especially apartments and homes.

AARP Livability Index – **60** out of 100. The index scores neighborhoods and communities across the U.S. for the services and amenities that impact life the most.

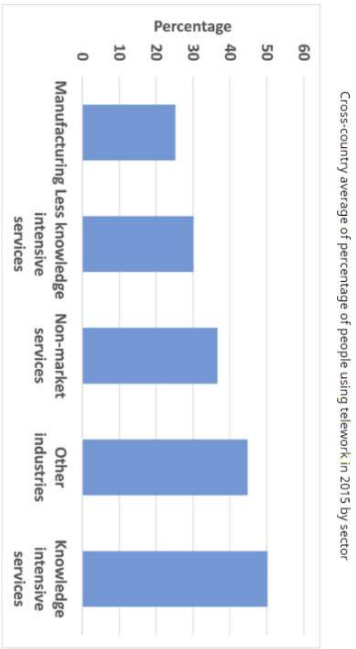
<https://livabilityindex.aarp.org/search#Seat+Pleasant+MD+20743+USA>

Project Precedent

Wye Point development proposed uses will increase population, provide healthy food operations, and interest with offering programs to support entrepreneurship, wellbeing, health services, outdoor activities, and programs for surrounding neighborhood for aging in place. Wye Point is a mixed-use project with 165 units comprised of market-rate, work-force and affordable apartments, 35 For-Sale Homes at Market and Workforce rates, approx. 47,000 Flexible Space for Retail or Office at Market-Rate and Affordable (for Start-Up), 7,000 SF Resident's Telework and Fitness Center, 19,000 SF Outdoor Placemaking Area, 18,000 SF for Residential Housing outdoor greenspace, underground parking garage with bike storage and general storage units.

Seat Pleasant is well-suited for for-rent residential development. The area does not have a strong opportunity for a large quantity of for-sale homes due to the very small number of condominium units sold in Prince George's County. Condominiums are located in Washington DC area and urban centers in Montgomery County. Seat Pleasant is not averse to modern concepts as evident in their historical architectural heritage. The quantity of for-sale condominiums can support down-sizing of households in the surrounding area who want to remain in the area.

Strength and Challenges



The extent of telework varied across sectors with most common being in professional services and least common in manufacturing, wholesale and retail.

Recommendation moving forward is to provide policies to increase employment satisfaction with remote conditions. These include better mechanisms for providing equipment and connectivity virtually and in-person. People work better when engagement occurs and ability to be mobile and change environment for those in the Knowledge Intensive services, other industries and Non-Market. Additional space is required at home office to support job tasks and effectiveness.

Characteristic	Strength	Challenge
Access to Job	Strong regional access to jobs	Not a significant number of local jobs.
Transit Proximity/ Path of Growth	Very strong public transportation options to DC and Maryland Urban and Suburban areas with bus and metro	Growth is planned for the two closest Metro Stops with one station less than a mile and the other less than 2 miles away
Walkability	Sidewalks are available on Martin Luther King Blvd.(MLK)	Low Walk Score of 37, car dependent, 33 – somewhat bikeable
Retail/ Convenience Store & Services	There are stores along MLK with an abundance of hair supply and liquor stores	No major or recognizable brands, except AutoZone, CVS and Save-A-Lot. Grocery store is needed in the area.
Retail-Restaurant	Less than demand	No major recognizable brands.
Visibility	Strong along MLK and Addison Road	Speed limit on MLK is high for pedestrian walkability comfort and safety
Aesthetic Quality of Land Uses		Poor condition, Older buildings, buildings are showing their age
Safety	First City in the U.S. to receive clearance for police to operate drone.	Crime Index 15 (100 is safe) www.neighborhoodscout.com The violent crime rate per 1,000 residents is 7.60 compared to 4.54 in Maryland.
Schools	Elementary School and Community Center across MLK at Addison Road	Poor School Survey for the area.
Open Space/Recreation	P3 Relationship with MetLife and Developer to provide \$30M for New and Renovated Schools - 30 year partnership	No nearby dedicated parks
	School fields and courts across MLK and parks along Cabin Branch.	

Wye Point Development

	alternatives and grocery store		<ul style="list-style-type: none">• Engage PG Economic Development and Parks and Recreation to support growth with activities and funding.	
Office	<ul style="list-style-type: none">• The community needs to maintain health care services and housing assistance advise in the area and Wye Point would be a good location for these types of companies and service, especially near the community center.• Near metro center	<ul style="list-style-type: none">• Type of service needs to be aware of population	<ul style="list-style-type: none">• Niche opportunities for small companies• Young professionals with start-up ambitions will find this area opportune for market idea.	<ul style="list-style-type: none">• Limited job growth in Seat Pleasant produces limited demand for office.

The chart below shares Fannie Mae rental range for the area's AMI of \$124,900 at Market and Affordable rates. The for-rent existing inventory in Seat Pleasant consists of older buildings with few modern amenities, limiting providing nearby Comparables. A larger radius was necessary to find adequate and newer properties for acceptable comparison. In order to maintain feasible construction costs for affordable housing, a swimming pool was not included, but infrastructure was planned.

	Studio	One BR	Two BR	Three BR	Four BR
Fair Market Rent	\$1,513	\$1,548	\$1,765	\$2,263	\$2,742
Payment Standard Range (Affordable & Workforce)	\$1,362 - \$1,664	\$1,393 - \$1,703	\$1,589 - \$1,942	\$2,037 - \$2,489	\$2,468 - \$3,016

\$124,900 Fannie Mae Area Median Income

Source: <https://ami-lookup-tool.fanniemae.com/amilookuptool/>

Average Office Rent SF/Yr
\$20.00
Average Flex Rent SF/Yr
\$ 17.00
Comps
8301 Professional Place - Landover, MD (22)
7404 Executive Place - Lanham, MD(16)
7375 Executive Place - Lanham, MD (18)
Hampton Overlook - Capital Heights, MD (10)
9320 Annapolis Road - Lanham, MD (18)
Street Front - Mount Rainier, MD (20)
Greenbelt, MD (20)
Berwyn Heights - College Park, MD (17 - 25)

Source: Co-Star, MD Dept. of Labor and Prince George's County Economic Dev. Dept

Wye Point Development

Pricing for the study area was based upon product currently selling in the market, but more importantly on the lack of affordable housing in the urban metropolitan trade area. The price ranges are aligned with Fannie Mae's AML and market-rate product near the Washington Beltway in new developments underway or shortly to be delivered. The size mimic current trends in smaller units for young professionals and larger units for families. Pandemic has affected regular absorption rates and any specific site could do better or worse depending on products in the immediate area pipeline.

Land Use	Strengths	Challenges	Opportunities	Threats
For-Sale Residential	<ul style="list-style-type: none"> Seet Pleasant's historic appreciation for architectural design and setting a precedent is an excellent location for housing. For-Sale residential is less dependent upon location than other types of land use. 	<ul style="list-style-type: none"> Not walkable to retail for daily needs (grocery, services, dry cleaners, etc.) City safety perception is poor 	<ul style="list-style-type: none"> Create a walkable, mixed-use community. Provide additional users for building a future base for new retail, i.e. grocery store 	<ul style="list-style-type: none"> Poor elementary school rating despite newly renovated High School and new Middle School to open in 2021.
For Rent Residential	<ul style="list-style-type: none"> Seet Pleasant's historic appreciation for architectural design and setting a precedent is an excellent location for housing. Excellent location for affordable housing on major transit bus line and walking distance to metro stations. Young professionals prefer urban location 	<ul style="list-style-type: none"> Not walkable to retail for daily needs (grocery, services, dry cleaners, etc.) 	<ul style="list-style-type: none"> Provide employment services and training on-site Create a walkable, mixed-use community. Provide additional users for building a future base for new retail, i.e. grocery store Very large demand for low-middle and middle affordable housing 	<ul style="list-style-type: none"> If another apartment project is constructed in the area, it would take the demand that might locate in this area.
Retail	<ul style="list-style-type: none"> The community is quite interested in adding retail, restaurant, and services to create a walkable neighbor with healthy food 	<ul style="list-style-type: none"> Current population does not support a major grocery store or a lot of retail Encourage existing landowners to sell 	<ul style="list-style-type: none"> Encourage other non-traditional land uses (daycare, karate, pottery making, civic, etc.). Focus on MLK 	<ul style="list-style-type: none"> If another apartment project is constructed in the area, it would take the demand that might locate in this area.

Comparables

For-Rent Comp's			
Property	Address	1 BR/ 2BR	\$/SF
Century - Summerfield	Landover	1460/1711	\$2 / \$ 1.60
Everly	Largo	667/1123	\$1920/2440
Villages	Morgan Metro Landover	2 BR-2180 /3BR-2800	\$2.56/ \$2.80
Glen Willow	Seat Pleasant	1340/1505	\$1.95/\$1.51
Nanni Helen	Northeast, DC	1299/1749	\$1.85/\$1.75
Main Street	Mount Rainer	1170/1510	\$2.36/\$1.98
The Strand	Northeast, DC	1222/ 1980	\$2.43/@2.19
Landmark	Hyattsville	1224/1924	\$2.18/\$1.98
Average		\$1,760	\$2.16/\$1.97

Home Comparables



Eckington DC Quincy Place, NE



Everly - Largo, MD



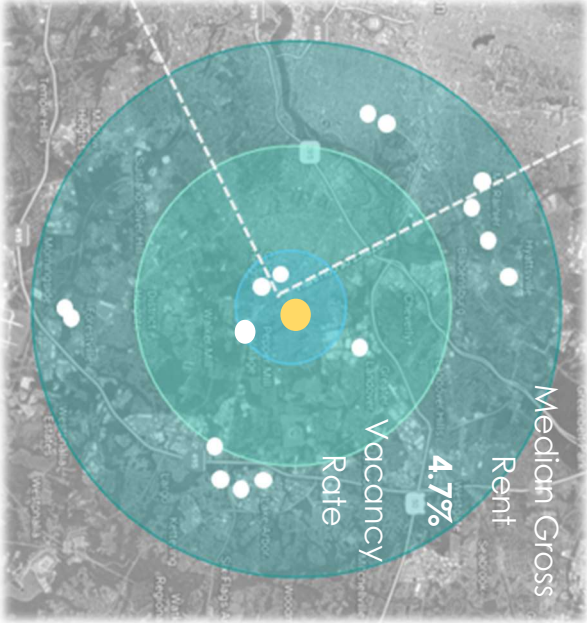
The Strand, DC Nannie Helen Blvd, NE



The View, DC 17th Place, NE



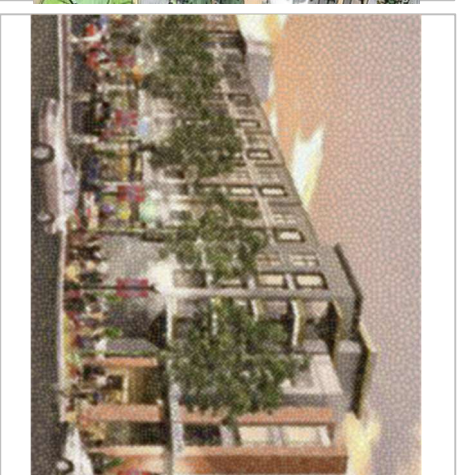
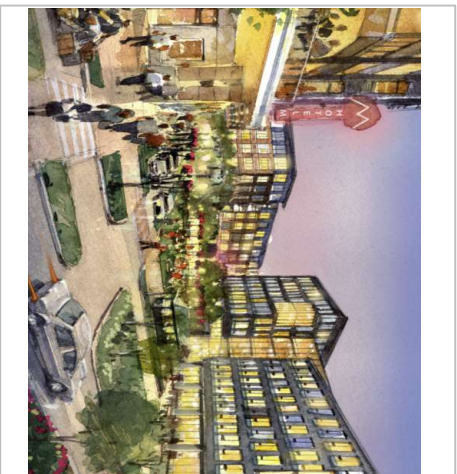
Villages at Morgan Blvd Stations



1-3-5 Mile Radius

For-Sale Comp's			
Property	Address	\$/ SF	SF
Eckington Yards	SE, DC (not set yet)	\$695	609/625/961/1363
Capitol Hill East	DC (\$222 HOA)	\$595	800/990
Stone Flats	Benning NE - (367 HOA)	\$675	697/935
Kingman Park	NE DC (259 HOA)	\$491	856/998
Carver Langstone	NE DC (122HOA)	\$750	528/744/866
The View	Northeast, DC	\$635	730/887
Tribeca	NE, DC	\$665	742/1180
Average		\$640	752/1030

Positive Market Indicators



Maryland Park Drive

Capital Heights Metro

4 Acre Site - 2 miles Away

Market-Rate Apartments & For-Sale Townhouses

Hampton Park

Capitol Height, MD

25 Acre Site - 4 miles Away

Mixed-Use: Office, Hotel, Retail, Placemaking and Residential

Mt. Rainer

Mt. Rainer, MD

6 miles Away

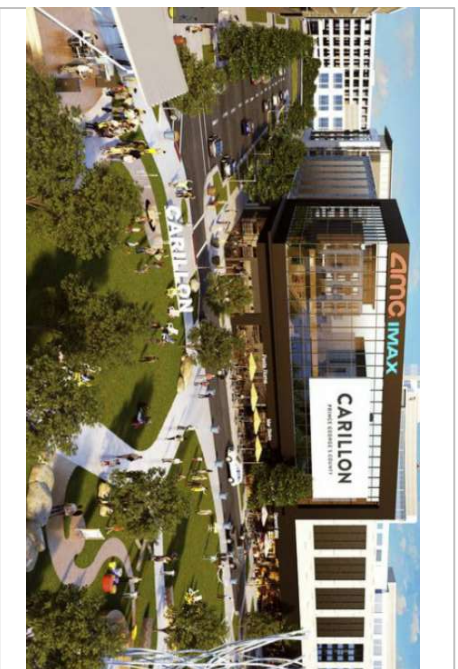
Increase pedestrian mobility, mixed-use town center, implementing form-based code

New Hampshire Corridor

Takoma Park, MD

1.5-mile road - 8 miles Away

Plans establish framework for revitalization and redevelopment along Maryland Gateway



Carillon

Largo, MD

5 miles Away

Mixed-Use: 300K Retail, 525K Office and 3K Residents



Park Place

Seat Pleasant, MD

2.6 miles Away

Mixed-Use: 12K Retail and 193 Apartments

Wye Point Development

Retail/Restaurant

Wye Point's theme of cultivation is in support of promoting locally grown companies, who find their homebased in Maryland or DC.

Healthy Cafes I DC



Dry 85-Bourbon I Beer I Provisions



Rise Up Coffee



The Platform Market & Exhibition

Greenhouse Rooftop

Wye Point Description

Wye Point is a vibrant new community cultivating healthy wellbeing featuring studio, 1-bedroom and 2-bedroom apartment homes and 1 and 2 bedrooms with den condominiums along with more than 14,000 SF of ground floor retail/restaurant space, supplemented with 33,000 SF of other commercial space. The homes are supported by multiple collaborative lobbies on each floor as work and social engagements warrant. The community will be a catalyst for the revitalization of Seat Pleasant along Martin Luther King Boulevard in a submarket of Washington, DC. This Class A community will include 24-hour concierge service, a rooftop deck, on grade outdoor kitchen, grilling stations, and outdoor dining and entertaining pavilion, a state-of-the-art fitness facility, telework office and meeting suite, lushly landscaped courtyard, and outdoor seating area with mature trees.

The community is supported by underground garage, bicycle storage rooms with electronic key system, rentable storage units in the garage, 17,000 SF outdoor placemaking area, The Platform, which will showcase farmer's markets, pop-up retail and festivals. The Platform's stadium seating creates a perfect setting for alternate cooking, music exhibitions, and evening movies. The second outdoor gathering space is located at the corner of Addison



Road and MLK leading into The Greenhouse, a facility for healthy and wellness programs with abundant nearby bike racks, adding enhanced public transportation shelters, scooter, bike rentals and outdoor charging stations.

Design

Typology

Neighborhoods in DC and adjacent metro communities can be described as eclectic architectural design. Many home designs are unique with a park setting appeal. Tudor design is prevalent in many of these neighborhoods, such as those found in Shepard Park and Brightwood in DC and Silver Spring and Takoma Park in Maryland.

Wye Point design facades will draw upon Tudor design, industrial and modern elements offering a simple, relaxed lifestyle reminiscent of times past and friendly and welcoming neighborhoods utilizing the unique contrasting features of white, wood, and dark elements.

Seat Pleasant has a rich history of being bold with industry trends and architectural design throughout it's early and growth period. The community can resume being a trend setter while maintaining attractive charm and character at Wye Point, which will connect the industrial past with today's materials and conveniences.



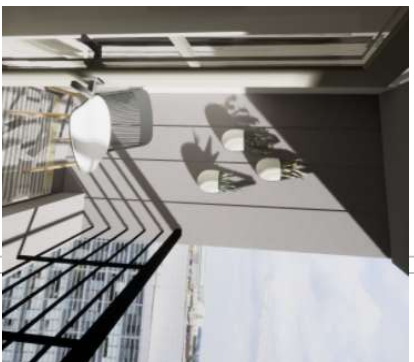
Materials will comprise of natural materials; varying colors of brick and monolithic stone, enhanced with enduring wood panels and dark accents at window frames, railings, and brows. Industrial steel will weave within the design reminiscent of a rail yard and truss train platforms and atriums.

Wye Point Development

Homes Offerings

Wye Point theme of cultivation is in support of nurturing work from home, a start-up spirit and healthy social engagement.

Housing



Fitness Center



Collaborative Lobbies

Telework Suite

Yard Pavilion

Wye Point Development

Wye Point believes taking initiative when tasks and concepts can be enhanced. Living healthy is one of those concepts. We will plan for healthy developments at the start of a planning the project with the community. The areas of improvement do not stop at the completion of construction but gives occupants and visitors with healthy alternatives. Green design and construction benefits people complimenting a good long-term community strategy.

Wye Point partners with GreenShape, LLC. To manage sustainability planning and implementation process to meet criteria for LEED with U.S. Green Building Council, WELL with IWBI, and Enterprise Green Communities. GreenShape will provide analyses for solar exposure, shading design, window optimization, energy modeling. GreenShape services will look at realized energy savings after the building is in operation.

The WELL Health-Safety Rating for Facility Operations and Management is an evidence-based, third-party verified rating for all new and existing building and facility types focusing on operational policies, maintenance protocols, stakeholder engagement and emergency plans.

Since 2004, GreenShape has helped clients achieve savings with Water & Energy Saved, Recycled & Regional Materials Used, and Construction Waste Diverted. greenshape.com

IWBI – WELL Community Standard aims to impact individuals in public spaces in efforts to protect health and well-being, be adaptable and flexible while attracting more people. wellcertified.com

Enterprise – GREEN Communities is transforming affordable housing quality by implementing green building practices. They promote development ensuring residents have an opinion in community homes, strong transportation network, quality food and critical services. greencommunitiesonline.org

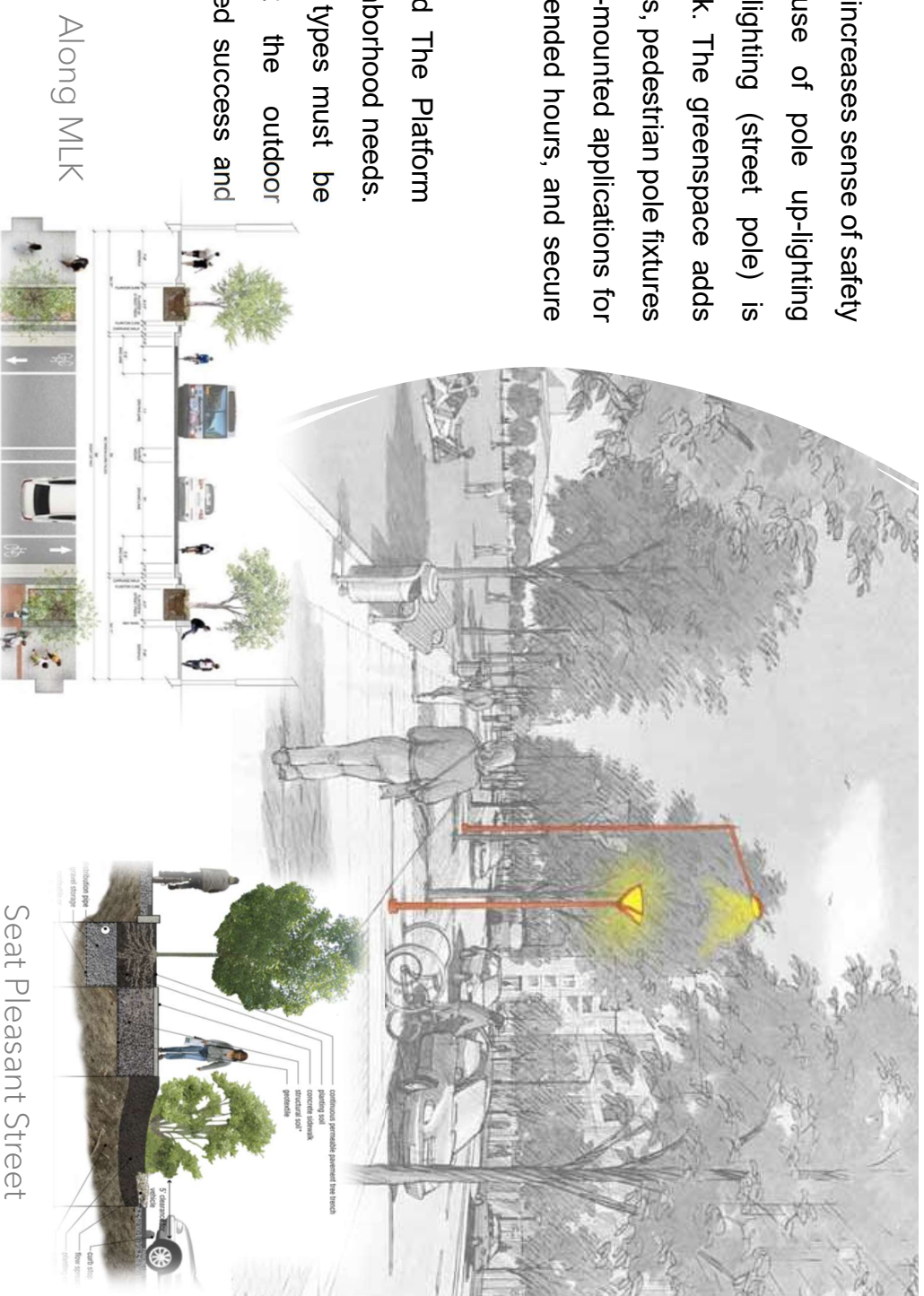
USGBC – LEED (Leadership in Energy and Environmental Design) is an internationally recognized green building certification system that a building or community is designed and built to improve energy performance. usgbc.org



Public Realm

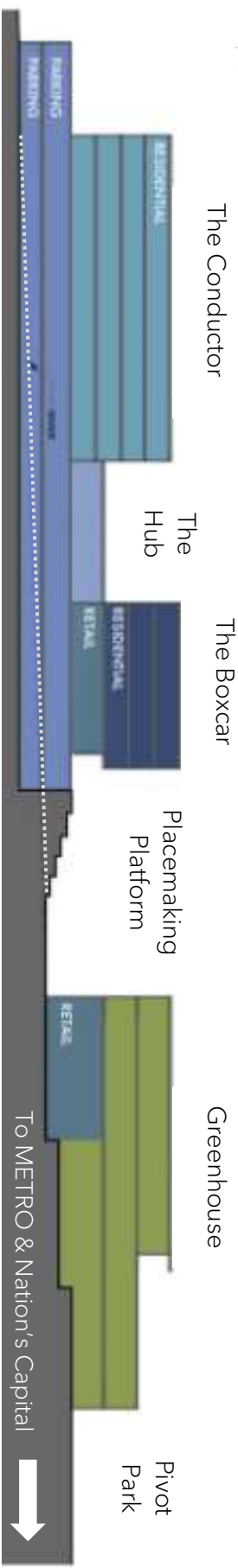
A variety of lighting types increases sense of safety and ambience. The use of pole up-lighting (pedestrian) and down-lighting (street pole) is mixed along the sidewalk. The greenspace adds bollard lighting along paths, pedestrian pole fixtures and pavilion exterior wall-mounted applications for imprinting an inviting, extended hours, and secure atmosphere.

Tenants facing MLK and The Platform should complement neighborhood needs. The business or service types must be considered to support the outdoor activities across for added success and draw people to the area.



The enhanced streetscape with textured sidewalks and purposeful landscaping, drivers and/or walking along Martin Luther King Boulevard will want to partake in the activities and retail. Durable and variety of surface materials adds to the allure. The park setting intention is to solidify a bond between those who live in the neighborhood and those passing through. The outdoor activities at Pivot Park and The Platform will brand Seat Pleasant as an active and healthy venue, somewhere to be.

SITE SECTION along MARTIN LUTHER KING BOULEVARD



Walkable Setting in
support of Work,
Live, Learn, Play and
Visit Community

200 Homes

	Rent	Own
Market	54	35
Workforce	36	14
Affordable	75	-

227,100 SF Residential
18,000 SF Restaurant/Retail
32,000 SF Wellness Office
& Community Spaces
37,000 Outdoor Space
150,000 Parking Garage (363 Spaces)

Prince George's County partnered with Enterprise Community Partners resulting in the Housing Opportunity for All (HOFA) program. HOFA is a 10-year Prince George's County comprehensive housing strategy for finding innovative methods of providing housing options for all ages, across all income levels and abilities.

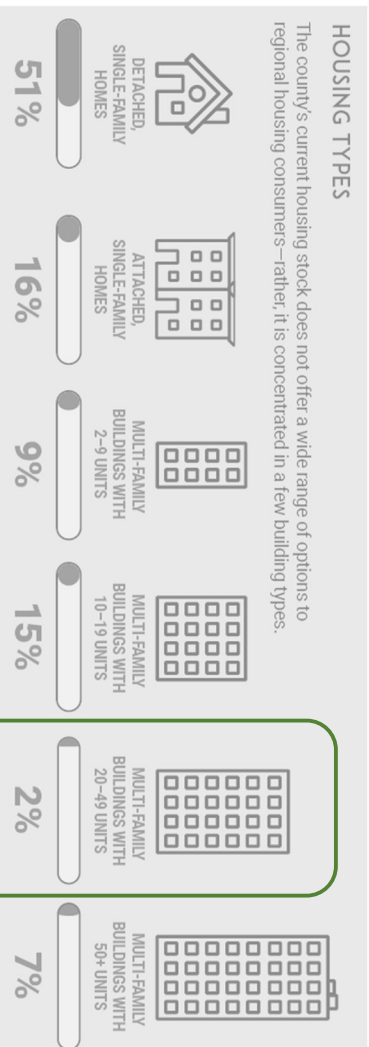
HOFA will achieve three goals:

- Support Existing Residents
- Attract New Residents
- Build strategic investments and submarket conditions (TOD, TNI and Federal Opportunity Zones.

Program includes NEW funding and Financial tools.

HOUSING TYPES

The county's current housing stock does not offer a wide range of options to regional housing consumers—rather, it is concentrated in a few building types.



WYE POINT HIGHLIGHTS MULTI-FAMILY

SITE PLAN

Area development wraps the Nation's Capital on the West, North and South, a clear example of thriving communities; making the East side an area to watch. Seat Pleasant is the next up and coming area to flourish. Cultivation involves mindful tending for reaping a strong harvest and reward. Wye Point's cultivating vision creates a livable and healthy-urban environment inspiring an inclusive place to live, work, learn, play, and visit for all ages.

Wye Point provides the highest and best use for mixed-use development gleaming housing options (market, workforce and affordable), retail / restaurant, placemaking, and a wellness and opportunity building. The project will coordinate program of Uses, Tenants, design, and activities to showcase Wye Point as a Wellbeing Community.



The HUB Lobby/Cafe

KEY

- Orange circle
- Dark blue circle
- Yellow circle
- Light green circle
- Blue circle
- Dark green circle
- Light blue circle
- Yellow circle

Garage Barn	Boxcar	The Platform	The Conductor - A	The Conductor - B	The Greenhouse	The Yard
2 Levels Parking, Secure Bicycle Storage & Unit Storage 150,000 SF	Condominium (Market & Workforce) 35 Units 43,000 SF Retail 14,500 SF	Outdoor Placemaking Plaza, Stadium Seating, and Exhibition Stage 17,000 SF	Apartments (Affordable) 75 Units 60,000 SF	Apartments (Market & Workforce) 90 Units 72,000 SF	3-Levels Retail & Office Rooftop Rental Space & Outdoor Deck	Outdoor Greenspace Pivot Park Outdoor Park

THE BOXCAR AND PLATFORM



Artful Solution for
Cultivating Relationships
Between People and Place

Farmer's Market, Pop-Up Retail, Yoga,
Exhibitions, Musical Concerts, Evening
Movies, Festivals, Mobile Medical
Clinics, Flying Kites ...

The heart of Wye Point is The Platform, an Outdoor Placemaking area. It is named AFTER a train station platform where one departs towards a destination or returns from one.

Wye Point's Platform MAKES Seat Pleasant a destination.

An area is carved out for an intimate arena. The stadium seating is perfect for gathering, exhibitions and evening movies. The Platform is open on both ends allowing easy access for the surrounding neighborhoods to enjoy.

Cities recognize the importance of destination experiences because they bring a positive emotion (wellness) leading to further economic development.

The Boxcar building frames the upper Platform with retail, restaurants, and outdoor dining. The main entrance faces MLK Blvd with a two story lobby.

Besides offering 1 and 2 Bedroom +Den Condominiums, the building provides collaborative lobbies and private meeting space on each of the three levels to expand the resident's sense of home, entertainment, and work life.

THE GREENHOUSE



Making a Measurable
Difference by Enriching Lives
for Wellbeing

A **BEACON** for
SEAT PLEASANT

Platform

Stage

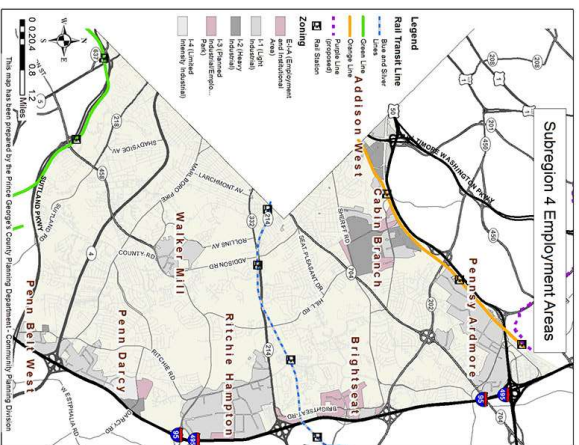
Healthy
Smoothies +

Pivot
Park

A traditional greenhouse nurtures plants to grow. Wye Point's Greenhouse is programmed for Wellness Offices, Healthy Cafes and Community Space including a Rooftop Multi-purpose and Outdoor Deck.

Seat Pleasant's City Council and County's Parks and Recreation are confident non-profit grants can be obtained for Wellness programs housed in the Greenhouse. Wye Point is the rare opportunity to be part of an up and coming area bordering DC in an underserved neighborhood of Seat Pleasant, MD. Wye Point is responding to 1) constrained housing supply offering low-middle income housing and 2) connecting stakeholders with resources; education, jobs, learning new skills, fulfill a dream or start a company. The Greenhouse should accommodate public and private office, meeting space and service points.

Wye Point Development



Seat Pleasant is located within Subregion 4, which comprises approximately 29 square miles in the central part of Prince George's County bordered by the Capital Beltway, the District of Columbia, US 50, and Suitland Parkway

<http://www.mncppcapps.org/planning/Publications/PDFs/257/Part%20II%20-%20Vision%20and%20Recommendations.pdf>



The land parcel at the intersection of Addison Road and MLK is an operating gas station. A licensed consultant and/or engineers will perform assessments of the underground tanks. Report will reveal condition and recommend method of containment or extent of remediation on findings in soil and groundwater surrounding the tanks are contaminated.

Maryland Department of the Environment (MDE) needs to approve development plans for removal of the gas station underground storage through their permitting process. Maryland regulations require proper closure of an underground storage tank (UST) by filling the tank in place with a solid, inert flowable material under supervision and direction of a Maryland Certified UST System Technician or Remover.

If contamination of soil or ground water found during tank removal or closure must be reported to MDE upon discover. If oil contaminated soil is encountered, excavate it to the maximum extent practicable. Further requirements for removal and cap of piping, backfilling all excavation and securing the job site are provided in the same document.

<https://mde.maryland.gov/programs/LAND/OilControl/Documents/Regulated%20UST%20Closure%20in%20Place%20Fact%20Sheet%2011.18.15%203%20pgs.pdf>

Regulatory Context



Zoning

M-U-1 - DDA Overlay
Sub Region 4 - DDA

Opportunity Zone
Smart City
LIHTC Basis Boost
Tax-Exempt Bonds
Sustainable Community
Enterprise Zone
(Commercial)
Priority Funding Area
Low-Income Community
(NIMTC)

In 2017, Seat Pleasant emerges as the nation's first authentic small Smart City. The City implemented technology solutions across a Smart technology platform. The platform accesses and analyses data from shared-service hubs to empower citizens and improving government operation efficiency.

Wye Point has **REGULATORY RIGHTS** to build our Uses per **MUI Zoning (Mixed Use Infill)** and are following the Sub Region 4 Design Guidelines. The site is also located in an Opportunity Zone, Transit—Oriented Development Area, is designated as a Smart City and qualifies for a (LIHTC QCT) Basis Boost being in a Qualified Census Tract and other listed to the left.

Wye Point is located in three jurisdictions: The City of Seat Pleasant, Prince George's County, and the State of Maryland. Seat Pleasant demographic and geographic references are associated with Capitol Heights, Maryland zip code. Capitol Heights area abuts the Maryland /District of Columbia border extending to the Washington Beltway. *Note: Each street bordering the site is from a different jurisdiction.*

These jurisdictions have planning and construction processes necessary for doing business in their area. Permit Requirements:

- Building Permit
- Building Permit Application for Utility Service
- Photographs of current condition of property
- Architectural Plans
- Property Information (County Records); setbacks, hardscape, driveway, walkway, lot size, current Lot Coverage and Project Lot Coverage.
- County Permit Approval
- County and Seat Pleasant Permit Fees Paid Receipt
- Dumpster Permit Application

Prince Georges County works in tandem with Maryland's Department of Planning. The County governs the use & development of land; defining various zoning categories, permitted & prohibited uses, special exception review & procedures for zoning changes.

Since The County has adopted Home Rule, they can set up funding and regulations differently than the State offering an abundance of mechanisms already in place to spur economic development with Funds and Grants.

As part of the **Entitlements process**, a 30% reduction in parking is warranted as described in Zoning – Parking when development is within one mile of a Metro Station. There are also studies and recommendations for reducing parking with affordable housing projects to reduce the cost of construction.

Parking Calculations with 30% Housing Reduction

Housing Requirement *- 176

- For Sale 60
- For Rent (mix of Studio, 1BR and 2BR) = 116
- 45 2BR (1.66) [1.16] = 61
- 20 Studio (1.33) [.931] = 19
- 35 1 BR (1.33) [.931]=33

*Unit Mix may be change during feasibility time frame

Commercial The parking calculations were based on Restaurant (eating or drinking establishments) parking requirements which are more stringent than general retail or office = 92

Greenhouse and Platform The calculations were determined by office uses and outdoor gathering space = 95

Total Parking Requirement is 363 spaces which is below the Subregion 4 Design Guidelines for parking cap at 30% over required parking spaces. 30% is another 108 allowed. Wye Point is below the parking cap by 71 spaces.

A Parking Consultant can provide Best Practices in analysis as provided at Maryland's Planning website:

The city of Portland, Oregon implemented parking maximums through a zoning ordinance that promotes the efficient use of land and encourages the use of alternative modes of transportation. The maximums vary depending on use and location. Areas that are zoned for more intense development and are more easily reached by alternative modes have lower parking maximums than areas of less development with less frequent or no transit.

The city of Frederick offers several parking incentives to downtown developers - from reducing parking standards by 50percent to waiving parking for small additions to existing developed properties to allowing joint-use parking to allowing the Planning Commission to levy fees in lieu of meeting downtown parking requirements. The fee-in-lieu allows the developer to maximize the real estate investment in office and residential square footage rather than provide on-site parking. The fee-in-lieu is paid into a special parking fund to help cover the cost of city-owned garages in the downtown.

The City of Los Angeles, California utilizes a Tier method based on proximity to public transportation, quantity of affordable housing and uses.

Jade-20180226190858 (lacity.org) and <https://www.brookings.edu/research/parking-requirements-and-foundations-are-driving-up-the-cost-of-multifamily-housing/>

The vision of the Subregion 4 Master Plan is a result of numerous collaborative meetings and workshops with area stakeholders. The Development District Overlay Zone will ensure that development in the area envisions living areas with unique characteristics, with municipalities, well-maintained residential blocks, as well as, vibrant, pedestrian-friendly offering a mixed-use environment. Subregion 4 thrives as the “Heart of Prince George’s Count,” with a large percentage of residents and employment base. Subregion 4 neighborhoods are challenged by aging housing stock and increasing number of single-family homes serving as rental properties. New construction is expected to respect and reinforce community character by being consistent in scale and character of neighboring buildings. In keeping with the improvements, enhanced transit stops, wider sidewalks, bicycle lanes and pedestrian-oriented buildings will be applied.

Wye Point will enhance the open space network for ease in connecting to parks, community center and school. Wye Point will also adhere to the visions for new development to be sensitive to issues of energy efficiency recycling and conservation of materials and resources, waste reduction and environmentally sensitive design. A few of the general plan goals for Subregion 4 are: a) encourage appropriate infill development and high-quality housing, b)provide additional open space to meet current and future needs of the community, c)capitalize on investments in transportation and other infrastructure; d) design and site public facilities in accordance with development patterns, e)expand tree cover through increased plantings of trees and landscaping and f) capture a greater share of the count’s total forecasted residential and employment growth as a desired development alternative.

Wye Point highest use percentage is housing to supplement shortage of housing options in the area. A purposeful decision was made to minimize retail which will enhance a sense of healthy living, entrepreneurial spirit and local companies. There are other nearby sites which would be more apt to support retail, especially with being efficient with a triangular site. The approximate 20’ change in elevation from Addison Road intersection towards the Save A Lot allows for placing a partial underground garage on the site. This concept addresses the design guidelines requirement to disguise parking lot locations. The site and design guidelines align quite nicely to create an attractive Gateway development with efficient and safe multi-model connections. In establishing a well-defined mixed-use gateway, addressing improved and safer pedestrian connections is vital. Important revitalization strategies beyond encouraging new development, such as marketing are also a critical component to creating a thriving Gateway district.

Stakeholders (Public Approval)

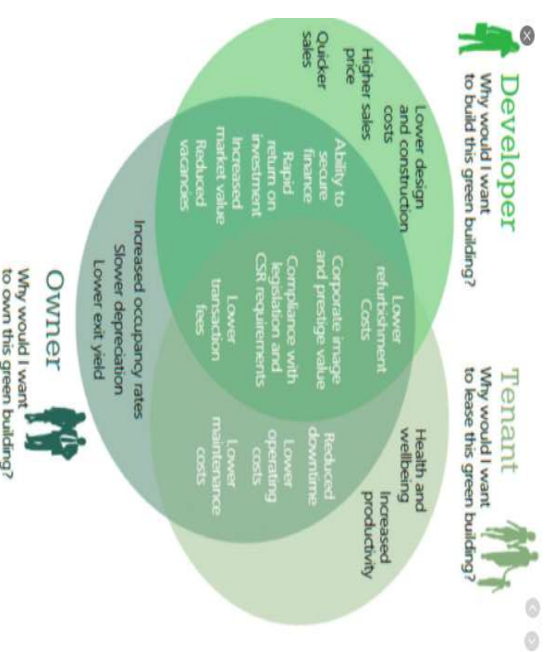
The collaborative vision will engage people through active dialogue with Stakeholders. Seat Pleasant is a critical housing opportunity area for Prince George's County with the potential to produce thousands of new homes including substantial affordable housing opportunities.

Urban Land Institute (ULI) Washington is an excellent resource to examine the future of Seat Pleasant for advancing transformative and equitable redevelopment aligned with both Seat Pleasant Master Plan and Prince George's County 2035 Master Plan. ULI Washington will be tasked with evaluating existing land use, transit assets and access, opportunities to increase housing options and providing cohesive design and public realm recommendations in conjunction with Wye Point development. ULI Washington is able to deliver honest, unbiased answers to land use and real estate questions despite unusual solutions.

Information will be gathered from Internal Partners, Business Partners, Market Regulators, Influencers and Consumer, along with existing community. Wye Point based its program on Seat Pleasant and greater Prince George's County and DC community meetings, design charrettes and market

analysis for the Washington Metropolitan area. The dialogue accelerator focused on a) Economic, b) Environmental, c) Civic and d) Health Responsibility.

- Economic focus strengthens partnership opportunities with key stakeholders.
- Environmental focus evaluates direct and indirect impact on development and surrounding area
- Civic focus commits to supporting local initiatives and needs of the community
- Health focus on incorporation of amenities to support active lifestyle and future endeavors for the body and mind.



Wye Point Development

Also, as part of the **Entitlements process**, an increase in housing density is planned to align with the County's 2035 Master Plan and their Commission on Housing Strategies, with a report known as Housing Opportunity for All.

Wye Point is increasing density by 70 Units

In the same process of reviewing the site plan and building square footage, the site FAR needs to be confirmed with the county planning office. The approximate ratios are as follows:

Buildings ONLY – (227,000 GSF) 2.0 FAR

Building and Parking Garage (377,000) 3.7 FAR

Buildings, Parking Garage and Outdoor spaces (410,000) 4.0 FAR

The Development Approval Process – The necessary permits must always be obtained prior to the beginning of construction. The Building Use and Occupancy, and Sign permits are issued by the Department of Environmental Resources. The review process refers reviews to other agencies; Department of Public Works and Transportation, Washington Suburban Sanitary Commission (WSSC) and Healthy Department and M-NCPP. (The WSSC determines what sewer line extensions may be necessary to meet County Sewerage Plan).

Each planning efforts needs to bring together agencies across the state and county for focusing on long-term planning, which ultimately effecting zoning and planning.



<https://pgccouncil.us/DocumentCenter/View/4043/Housing-Opportunity-for-All-REPORT>

<https://pgccouncil.us/628/Housing-Opportunities-For-All-Work-Group>

With both City of Seat Pleasant's Smart City Designation, Prince George's County has invested in the Housing Opportunities for All (HOPA) Workgroup and created an Initiative Council to bring together parties who are already engaged in the larger development . The Comprehensive Housing Strategy (CHS) formed a workgroup to develop an effective housing policy, comprised of strategies that develop housing for all, benefits the healthy, social, and economic development of the entire county

The Boxcar Building, a mixed-use building will feature three (3) floors and 54,700 GSF space with 14,500 SF designated for podium retail use and 42,200 SF of For-Sale Condominiums. The building main entrance is on MLK with a secondary entrance at the Platform Deck and elevator lobby to garage. The building is unique with a long exposure to the Platform in light and airy finishes with residential balconies. The residential part of the building features 35 homes plus a collaborative main lobby and business center, and additional spacious lobbies on each level above with private meeting spaces. The homes will offer open and spacious 1 and 2 Bedroom +den floor plans, nine-foot ceilings, durable and luxury wood vinyl flooring throughout, stainless steel appliances, full washer and dryer, granite counter tops, ceramic tile flooring in the kitchen and bathroom. The building structure will be three levels of stick built wood framing above one level podium on the base floor and a two-level partial below-grade parking garage. The building height remains under the 75' maximum limit before upgrading construction to meet fire response code construction elements and fire alarm panel and room.

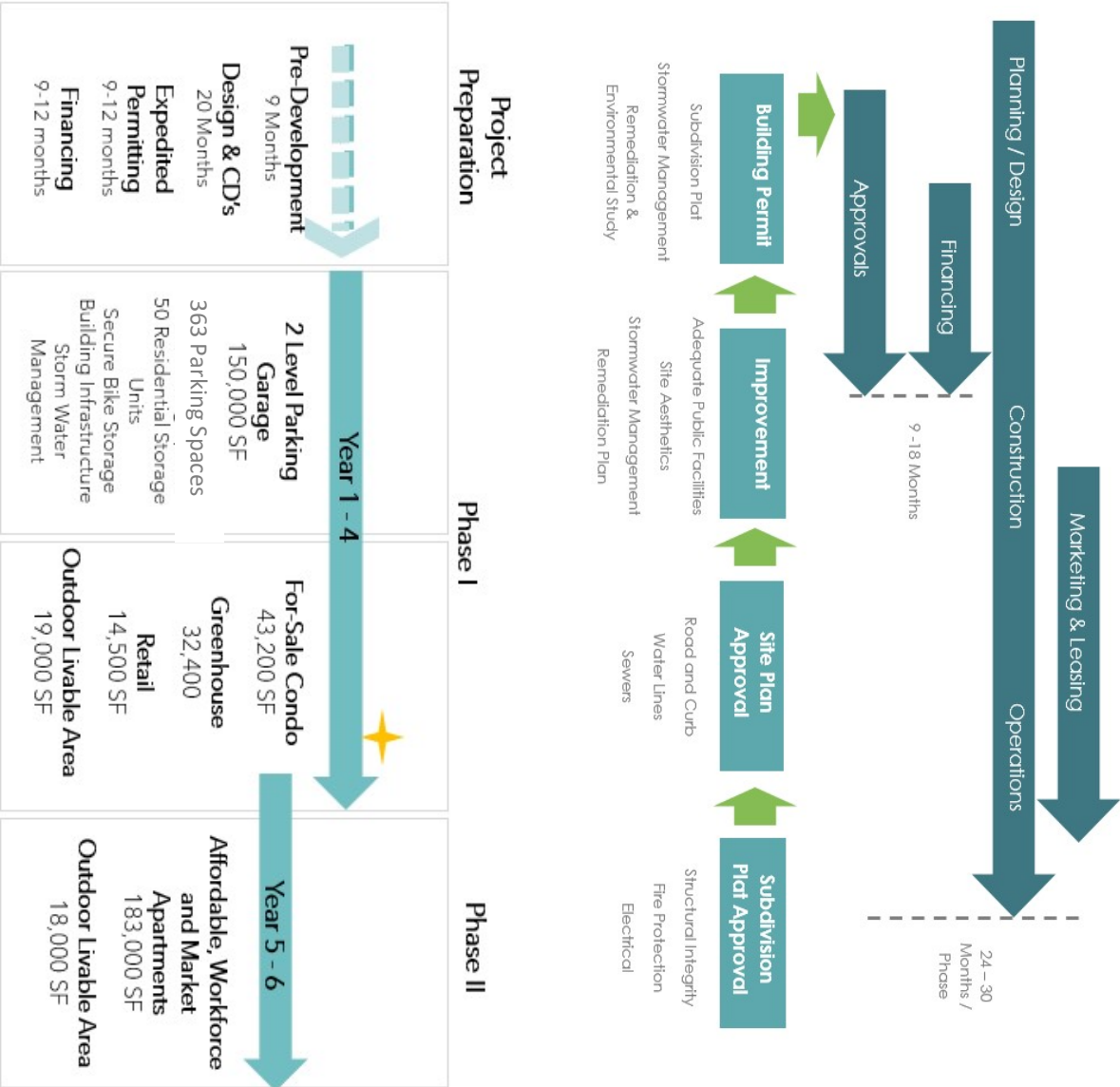
Conductor A & B Buildings are For-Rent Apartments for Market/Workforce (B) and Affordable (A) connected by an oversized Lobby Café for residential use patrons only.

An internal pathway connects each building to the Hub, including The Boxcar residential building. The Hub houses a fitness center on the lower level and a telework office suite and conference center on an upper level. Conductor A has a main entrance on Seat Pleasant Drive and direct elevator access to the garage, while Conductor B's main entrance is on MLK with direct elevator access to the garage. The apartments offer studio, 1 BR and 2 BR floor plans with extended home amenities on each level with collaborative lobbies and private office workspace. Each unit has 8 foot ceilings, durable wood vinyl flooring in kitchen and living area, carpet in the bedrooms, stainless steel appliances, full washer and dryer, granite counter tops, ceramic tile flooring in the bathroom(s). The building structure will be four levels of stick built wood framing above a two-level partial below-grade parking garage. The building height remains below 75'.

The Greenhouse is designed with flexibility to meet a variety of community needs. The main level that opens to the Platform contains healthy restaurant, community service point, social service office, public restrooms and activity spaces. The upper floors can be designed for wellness offices or meeting space and the top floor will contain a rental room and rooftop deck. The building structure is 3 levels of stick built wood framing with building height below 75'.

Construction Cost and Scheduling

Planning and Entitlement will occur simultaneously, anticipating more time working through special exception for increase of dwelling units per acre. The current M-U-1 Zoning Code allows 48 units per acre x 2.69 acres equals a total 129 units. Wye Point is planning for 35 For-Sale units and 165 For-Rent Units, totaling 200 Dwelling Units. The Land Use Attorney will be lobbying for the special exception, parking confirmation calculation using the 30% reduction for being within one mile of metro station and will be managing the underground oil containers analysis and remediation permit, if necessary. Because the Land Use Attorney is familiar with Prince George's County planning and approval process, we anticipate the approvals to take 12 months.



Marketing and Management Proposal

Property management companies alleviate the responsibility of day to day management of residential and commercial properties for a real estate developer. The management company will handle the operations, maintenance, and administration of property rentals, which includes marketing rentals and finding renters, ensuring rental rates are competitive while covering taxes and overhead, collecting rent and complying with rental laws as shown in list below:

- b. **Market for and Screen Tenants** - Screen higher quality tenants for improving timely monthly payments, rent longer, less wear and tear on the unit and has resources for analyzing candidate applications. Utilize experience to ensure lengthy leases with best tenant retention policies
- c. **State and Federal Laws** - Aware of the latest landlord-tenant laws and will ensure against potential lawsuits.
- d. **Set and Handle Rent** - Effective rent collection process which reduces late payments
- e. **Manage Finances and Records** - Responsible for managing the building budge and maintaining records for accounting purposes such as, all income and

expenses, inspection list, signed leases, maintenance requests, complaints, repair records, repair costs, maintenance costs and record of rent collection and insurance costs. Assist with understanding allowed tax deductions

- a. **Schedule and Track Maintenance** - Vigorous maintenance and repairs to preserve the value of the property. By hiring a management firm, access to both in-house maintenance staff and licensed & bonded contractors delivers vetted vendors. Perform critical tasks to keep shorter vacancy cycles through; recommend and oversee cosmetic improvements, determine best rent rate, effectively market property

Marketing Teams

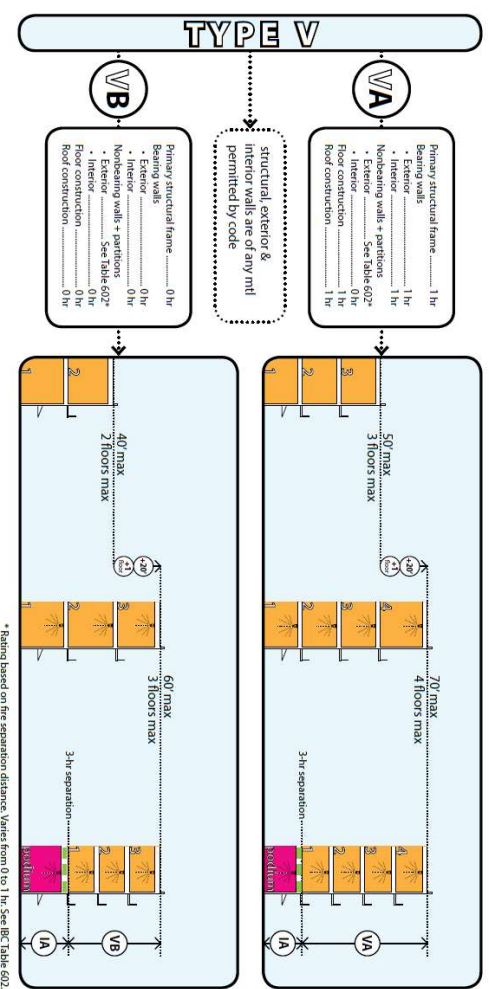
Retail, For-Sale Condominiums and Wellness Facility Marketing Management:

The Bozzuto Group is a privately held, integrated real estate services organization that began in 1988. Bozzuto has over 20 years of experience and an extensive portfolio in the local market and has become a leading real estate firm in the Washington Metro Area.

Wye Point Development

Wye Point combines multiple parcel (7) into one development project to facilitate a placemaking, outdoor space surrounding the Seat Pleasant Community Center, mixed-use housing, flex retail/office and restaurant/brewery. Entitlements will be examined in detail for recognizing special exceptions, variances or special use permits to ensure negative impacts will not occur.

The development site terrain allows for tucking in underground parking with fresh-air ventilation. The mixed-use and for-rent housing units are planned with a podium for resident amenities and commercial uses. The parking quantity considers Wye Point being on several “priority” bus lines to the Addison Road Metro Station (TOD) and Cheverly Metro Station. The site’s bus also lines service Morgan Boulevard Metro Station (Elevated TOD). Wye Point building height is in line with Washington DC Zoning for MU-4, which is prevalent in DC’s Northeast Corner along extended Maryland Route 704 – Martin Luther King Boulevard. There could be conversations with the county to expand the Microtransit “LINK” pilot system from Largo to Cheverly passing through Seat Pleasant at Addison Road and MLK.



The building is designed with a podium for both commercial uses and resident amenities. Underground parking levels accommodates residential and commercial parking requirements. The upper level of the parking garage serves both parking and commercial spaces

An underground parking garage increased construction cost significantly. The county has infrastructure grants and placemaking grants to offset the cost of the “partial” underground garage. The design efficiency will be complicated with introducing driving lanes which coordinate with elevator penetration for each building and to the Platform. The feasibility study used \$95.00 a SF in building the cost of the 150,000 SF parking structure. The greenspace and platform cost was priced separately.

quickly is also part of the lease-up equation. Most lenders require at least 50 percent occupancy to transition from a construction loan to permanent financing. We will provide our marketing team with the tools to sell and lease-up properties quickly.

Management Services:

The **market-rate management** services will make sure all facets of the property are handled and that the value is maintained while the property is occupied.

- Market Analysis and Research
- Due Diligence
- Marketing and Advertising Cost
- Lease-Up services
- Resident Services (Tenant Screening, Move-In procedures, and Preparing Lease Agreements)
- Tenant Inquiries and Utility Billing
- Inspections and Vendor Compliance
- 24/7 On Call Maintenance

Management Fees:

Property Management pricing for Prince George's County Maryland are set as follows:

- Market – Rate Monthly Fee – 8%
- Affordable Housing – Monthly Fee – 6%
- Leasing Fee – 1 Month's rent
- Lease Renewal Fee - \$300
- Vacancy Fee - \$50

Managing **affordable housing** will involve:

- Establish and Implement rent policy
- Determine household eligibility
- Finding eligible tenants, managing applications and assessments, and allocating properties
- Managing eligible tenants, including collecting rent and maintaining properties
- Review eligibility and managing tenant's exit when no longer eligible to stay in the property.

Industry Estimates

Operating Expense Category	Annual Expense	Annual Expense per Unit
Management & Admin	\$283k	\$1,515/unit
Utilities by Owner	\$55k	\$294/unit
Repair and Maintenance	\$240k	\$1,283/unit
RE Taxes	\$206k	\$1,100/unit
Insurance	\$50k	\$270/unit
Social Services	\$40k	\$214/unit
Replacement Reserve	\$65k	\$350/unit
Wye Point Total	\$ 1,002,500	\$ 5,010

Property Management Team
Experience with Multi-Family, LHTC Regulations, Retail, Office, Telework Scheduling, and Event Planning

Onsite Staff	Employment Status
Community Manager	Full-Time
Assistant Manager	Part-Time
Leasing Specialist	Full-Time
Maintenance Supervisor	Full-Time
Maintenance Technician	Full-Time
Services Coordinator	Part-Time

Bozzuto manages multiple properties, named the top property management company in the nation. Bozzuto will focus on the needs of the residents, clients, partners, and neighbors. They are committed to simplifying their lives and creating welcoming communities, managing 80,000 residents in 12 states. Bozzuto delivers a consistent level of service for residential leasing and management, lease-up and transitions, retail management and tenant coordination, maintenance, and engineering, branding advisory services and strive to implement energy and water conservation, utility management, transportation, and recycling programs.

Affordable Housing:

Ross – A Division of Envolve Communities will provide Affordable/LIHTC assistance with ensuring Wye Point asset passes all required inspections and is in compliance with state and federal regulatory requirements and standards. At Ross, they have experience with Section 8 property management and other types of low income or conventional housing and a positive reputation among Finance Authorities and Department of Housing and Urban Development. Their team is equipped to handle all of the administrative, accounting, compliance, and maintenance needs of your affordable and workforce properties. The Affordable

Housing units are located in a separate building from the For-Sale, Retail and Office buildings at Wye Point, allowing ease in managing property, compliance, and reporting requirements. <https://www.ross-envolve.com/>

Sale and Lease Up:

Our marketing team will be asked to recognize Wye Point as a community people will call home and inspired to make them special places. The marketing team is involved in the development stage giving an extra boost to a new development lease-up to marketplace demand, at the appropriate demand timing while bolstering the interest list of the most qualified applicants. The qualified list will be completed at least six months before opening Wye Point. The marketing team will be ready with a set of renderings, finishes and actual model photos to sell the vision, and use to persuade potential residents to be among the first to sign-up for brand-new condominium and/or apartment and branding the retail environment.

When the lease-up begins, it is the first opportunity Thrive Partners and Investors have to earn revenue. Understanding the significance of selling and filling units

Development Budget

The development budget consists of all costs necessary to build the project and is finalized before construction begins.

Thrive Partners carefully calculates the budget in four

stages: 1) Owner's Estimate, 2) Architect's/Contractor's

Estimate, 3) Contractor's Bid and 4) Construction Contract.

The development budget includes the following categories:

- Land and Building Costs
- Site Work
- Rehabilitation / New Construction
- Contingency
- Consultants Fees
- Interim Costs
- Financing Fees and Expenses
- Soft Costs*
- Syndication Costs
- Developer's Fees
- Project Reserves

Incurred Soft Cost throughout entire project:

- Developer Fee (potentially not until construction)
- Equity Fees
 - Accounting, Insurance, Letter of Credit & Bonding
- Real Estate Taxes
 - Impact Taxes
- Utility Hook Up
 - Legal
- Design
 - Consultants, Testing, and Inspections
- Permit Fees
 - Marketing and Miscellaneous
- Leasing
 - Contingency (10%)
- Commissions

Consultants

The process of searching and choosing a construction lender will begin once the site plan is submitted to the Prince George's County Planning Department. The construction loan will be closed as soon as the Planning Department approves the site plan. Construction time frame for comparable-sized buildings will take 18-24 months for each Phase; early completion will be contingent on favorable weather patterns and the absence of construction contingencies. Wye Point Development, LLC will hire experienced Prince George's County consultants for Land Use and Permits and Approvals and Washington Metro area for the design, construction, and execution of the project.

Architect and Design: The development team has chosen Bonstra | Haresign Architects, LLC to design the project. Bonstra Haresign is a well-respected firm in the Washington DC area that specializes in residential mixed use architectural design and experts in zoning and building codes and sustainable design requirements of jurisdictions in which they work. Every project is shaped by a process of thoughtful analysis and discovery, leading to unique solutions for clients and locations. They work in a collaborative environment with clients, the community, and consultants to develop design vision and site strategies.

Financial Preparation

Real Estate Developer will hire consultants to conduct legal due diligence, study the market and conduct marketability research, initiate a design process, initiate the entitlement process, arrange for equity and debt, and evaluate project costs and returns on investment. The ultimate goal is to determine if the project is considered financially feasible. The development team measures financial success as follows:

- 1. Internal Rate of Return (IRR) via discounted cash flow (DCF) analysis
- 2. Cash on Cash Yield
- 3. Equity Multiple
- 4. Debt Service Coverage (DSCR)

Development Model

The development model flows through the following four areas:

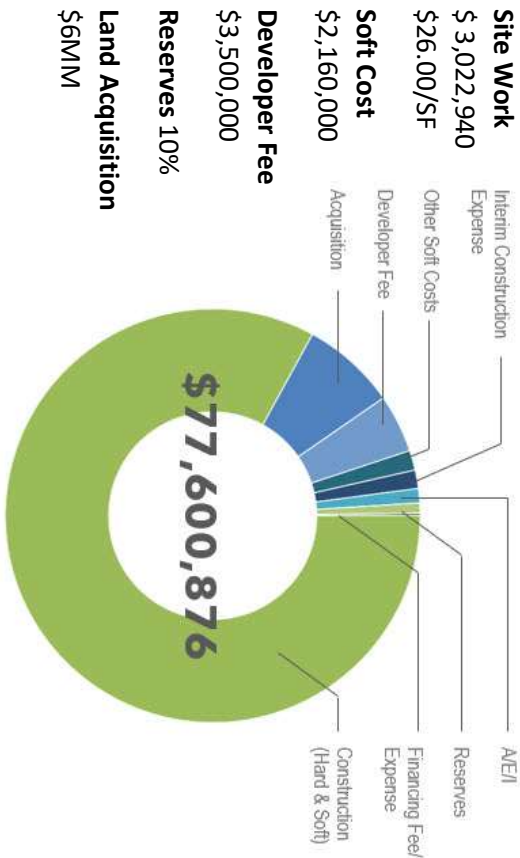
- Pre-Development (Pursuit) : Concept, Land Valuation, Comparable, Due Diligence
- Control: Contract Negotiation, Letter of Intent, Formal Commitment, Contract Signing
- Pre-Construction: Design, Approvals, Entitlements Building Permits
- Development: Preferred Land closing, Construction Loan Closing, Construction, Completion, Opening
- Post – Construction and Management: Leasing / Sales, Tenant Improvements, Stabilization, Repayment of Construction Loan, Property Mgmt., Asset, Portfolio

Example of time allocation to produce revenues

Task	Minimum	Moderate	Spending \$	Producing Revenue
Negotiate Land Contract	3 months	6 months	Yes	No
Due Diligence on Land	3 months	6 months	Yes	No
Entitlement Process *	12 months	30 months	Yes	No
Construction / Phase	18 months	24 months	Yes	No
Leasing after Construction	6 months	18 months	Yes	Yes
Time to Revenues (no overlap)	42 months	80 months		

*Obtaining all municipal/county/state agency approvals required to file for and receive a building permit

A timeline with key milestone dates and durations through completion of the project will be detailed from Contract Ratification through Reversion.



Bozzuto will focus on the needs of the residents, clients, partners, and neighbors. They are committed to simplifying their lives and creating welcoming communities, managing 80,000 residents in 12 states. Bozzuto delivers a consistent level of service for residential leasing and management, lease-up and transitions, retail management and tenant coordination, maintenance, and engineering, branding advisory services and strive to implement energy and water conservation, utility management, transportation, and recycling programs.

Reversion: If the property is to be sold after affordable housing holding period, the development team has contact with McWilliams Ballard to lead the sales and marketing of the property. McWilliams Ballard is based in Alexandria, VA and has over 22 years of experience specializing in sales and marketing of condominiums and townhouses. McWilliams Ballard prides itself on finding the perfect combination of sales pace and price, maximizing return while minimizing risk. The firm is consistently ranked in the top 5 of national firms associated with multi-family sales, with their most recent alignment with City Homes Eckington, a collection of 45-multi-story condominiums located in Washington DC, NE.

Cultivating Well Living: .

Wye Point will “Cultivate” access to a healthy lifestyle with expanding access to local food, empowering children, youth, and adults to play roles in learning wellness habits with activities, teaching and providing choices. Wye Point knows how everyone has much to learn and much to share; education and collaboration are vital to community success.

Wye Point CULTIVATES COMPASSION: The community will strive to meet people with an openness and humility that allows everyone’s best self is nurtured.

Wye Point CULTIVATES LEARNING: The community is structured to support knowledge as an inherent yearning for individuals and families to discover and share their wisdom. The activities support self-reflection and exploration, providing opportunities for people to make their own educational decisions in order to grow.

Wye Point CULTIVATES COMMUNITY: People have a need to develop community in their lives, which are designed for relationships. Wye Point is organized for bringing people together inside or outside to increase interactions, communication, and engagement. The selection of potential businesses is vital for fostering a sense of neighborhood.

Wye Point CULTIVATES INDEPENDENCE through JOBS: Keeping Wye Point sub-consciously is supporting “start-up” business learning on-site and taking a lead on finding Maryland and District of Columbia companies to join us:

Wye Point CULTIVATES WELLBEING: Keeping Healthy and Wellness at the forefront of tenant selection and community activities are planned for use in The Greenhouse, on The Platform and in the Boxcar; the following companies are interested in being a part of the Wye Point community:

Permits and Approvals: A firm similar to Meyers, Rodbell and Rosenbaum with years of collective experience performing regulatory zoning in Prince George's County for the purpose of securing approval for the establishment of all types of commercial, residential, and industrial uses. They are knowledgeable in all aspects of the development processes and trends in Prince George's County and have the ability to take sites through all phases of the development including rezoning, special exceptions, master plan and sectional map amendments; subdivisions; variances; obtaining permit approvals and lobbying on behalf of clients' interest before local and state governing bodies. The government agencies MR & R routinely deal with include PG County Council; PG County Government, Maryland-National Capital Park and Planning Commission; PG County Board of Appeals; PG County Health Department and municipalities located within PG County. M,R & R will be managing the gas station underground tank analysis and remediation is necessary. The Land Use Attorney will work with a Parking Load and Code Consultant to study parking space quantity for the various uses meeting Prince George's County Zoning Code.

Construction: The development will work with Whiting-Turner as the General Contractor for the Project. St. John has provided superior construction services in Maryland since 1920. They have experience constructing multi-family residential buildings, mixed-use, retail, Entertainment, R&D/Flex and interior construction projects and LEED, WELL Building Standard Construction and Enterprise Green Communities. Whiting-Turner provides construction management, general contracting, design-build and integrated project delivery services on small or large projects for a diverse group of customers. Their vision is to build it right the first time every time. As one of the largest builders of sustainable buildings in the nation, and a perennial Engineering News Record (ENR) Top 20 Green Contractor, they are serious about the responsibility to preserve Earth's limited resources.

Marketing Management: The Bozzuto Group is a privately held, integrated real estate services organization that began in 1988. Bozzuto has over 20 years of experience and an extensive portfolio in the local market and has become a leading real estate firm in the Washington Metro Area. Bozzuto manages multiple properties, named the top property management company in the nation.

Into place for smoother coordinate of parties and stakeholders. Prince George's County adopted Home Rule allowing autonomy from State regulation and guidelines. Many local jurisdictions face constrained powers under Dillon's rule, which only permits municipalities to enact policies allowed by the State. Jurisdictions with home rule have greater latitude to adopt policies independently of the state. Prince George's County has been proactive in creating a 2035 Master Plan, Comprehensive Housing Study and changing zoning guidelines and zoning area. In the same process, they are streamlining the planning and permitting process for making it a friendly relationship with developers, enabling projects to be begin in a timely manner.

After a thorough market and financial feasibility analysis of potential uses for the site, Wye Point's site plan includes 165 For-Rent Apartments, 35 For-Sale Condominiums, 14,500 SF of Retail and 32,400 SF of Office, including 363 parking spaces in a partial underground garage. The location offers prime visibility along Martin Luther King Boulevard and is within approximately 1 mile to the Capitol Heights Metro Station. The Capitol Heights line traverses to the EAST and ends at the Largo, MD station in the heart of the new UM Central Region Medical Center which recently opened. Traveling Southwest on the rail line goes into the District

Of Columbia continuing into Virginia with several transfer stations. Adjacent land uses range from residential single homes and low-rise, older apartment buildings to low-density shopping centers and freestanding commercial establishments.

Site Acquisition Costs

In order to determine the site acquisition costs, the market value of the land has to be determined. The market value is determined by two approaches: 1) Land value appraisal or 2) comparable land sales in the surrounding area. The appraisal formula is based on a) sales comparison approach which have recently sold, b) cost approach - cost to replace property with one similar at current material and labor costs; c) Income approach – how much income a property would produce if it were rented as an apartment, house, store, or factory, etc. d) Current rate of interest charged for borrowing money to buy or build comparable properties.

According to Prince George's County land value, the total value of the site is the total value of the seven land parcels listed in the following table Prince George's County Tax Property Data;

Financial Analysis

The project proposal for Wye Point explores the highest and best use for a mixed-use development project located at 5909 Martin Luther King Boulevard Seat Pleasant, MD 20743. The site area includes seven (7) parcels of land totaling 2.69 acres or 117,176 SF spread across five (5) different ownerships. The site is zoned MUI (Mixed- Use Infill) with Development District Overlay and requirements to follow Sub Region 4 Design Guidelines for establishing goals in the Prince George's County 2035 Master Plan or Sector Plan. A development district may be designated for town centers, Metro areas, commercial corridors, employment centers, revitalization areas, historic areas or other special areas as identified in approved plans.

Wye Point provides housing for a mix of incomes as a means of producing better economic, social and environmental outcomes for all residents. Providing housing for a mix of incomes also allows families to continue living in the same community for all ages. The socio-economic diversity that comes with mixed-income housing provides for community stability and avoid concentration of poverty areas. The inclusion of market-rate units reducing subsidies required to build the affordable units and help solidify a high-quality of

Design and construction. Location of a mixed-use income community is important to reduce transportation costs when near public transportation. Wye Point is located on major public bus lines for use to metro stations or walk to a metro station. The market for housing near transit is growing providing opportunities for cities to accommodate population growth near major stations. Wye Point appeals to different stakeholders for different reasons; one being developers know sites near transit usually permit higher densities and lower parking ratios which ultimately improve the financial feasibility of projects. Transit authorities also benefit from increase ridership and cities see economic development increase in their tax base. The consumer will find a mixed-use community convenient and expansion of amenities.

The supply and demand concept is no different with housing, as housing supply increases, the cost of rent and for-sale homes reduces. Preserving affordable housing gives families and matures the opportunity to find housing and be closer to services and employment. Land assembly is one of the major challenges in developing a mixed-use community near transit, another being zoning. Fortunately, the land parcels are zoned appropriately for mixed-use. Affordable development requires collaboration among the public, private and non-profit sectors. Prince George's County has put measures

Wye Point Development

The State of Maryland and Prince George's County Planning Department are primed for financial tools in blighted areas. Seat Pleasant is situated in an area targeted for redevelopment based on proximity to DC, nearby Gateway location and within a few blocks of Capitol Heights Metro Station. There are several state and local programs to provide supplemental loans and grants to cultivate new development or capital improvements for the City of Seat Pleasant. Wye Point is designed to foster better communities to live in affordable homes.

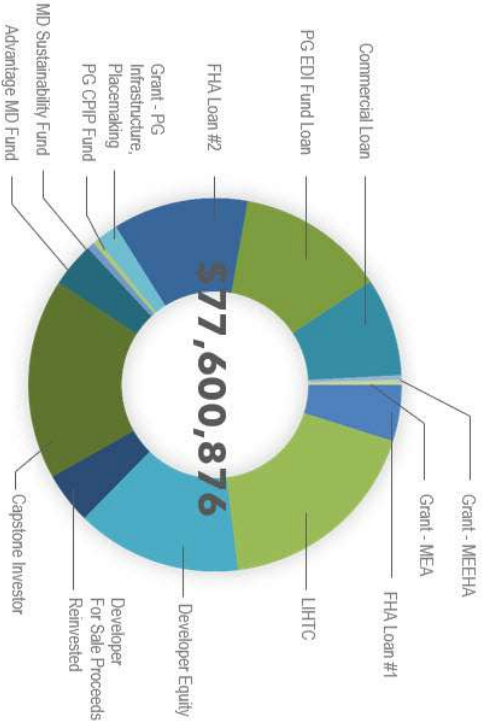
The proforma provides affordable housing using 9% LIHTC tax credits, as well as, include workforce housing in for-rental units and for-sale condominiums programming. Seat Pleasant is located in a QCT area which allows for 30% Basis Boost to increase the Low-Income Housing Credits. The site is also located in an area to receive Tax-Exempt Bonds, Opportunity Zone, Sustainable Community, Enterprise Zone, Priority Funding Area and Low-Income Community with New Markets Tax Credits and Housing (NMTC). Each of these designations equate to public funding mechanism to reduce cost of construction, supporting financial feasibility with affordable and workforce housing.

In accordance with financial institutions and federal requirements, Wye Point developed three (3) ownership structures to facilitate better funding packages as follows:

100% Affordable Housing	Condominiums	Apartments, Retail, Office
<div>THRIVE Development (1%)</div> <div>LIHTC INVESTOR Syndicate (99%)</div>	<div>THRIVE Development General Partner</div> <div>CAPSTONE INVESTOR Limited Partner</div>	<div>THRIVE Development, LLC</div>
<div>\$18 MM Cost \$215 / SF</div> <div>FHA Loan 9% LIHTC Equity Annual Tax Credits 1.5 million</div>	<div>\$17 MM Cost \$212 / SF avg</div> <div>Investor Equity Thrive Equity PG EDIF & CPIP Loan Infrastructure, Energy and Sustainability Grants</div>	<div>\$42 MM Cost \$211 / SF avg</div> <div>Non-Recourse Loans Thrive Equity PG EDIF & CPIP Loan MD Advantage Loan MD Energy Grant</div>

Ownership structures provides funding sources with commercial debt, county or state low-interest funds and grants.

The total Development cost is \$77.6 MM



Prince George's County Tax Property Data			
Tax ID #	Address	Lot Size	Value
2006195	5900 SEAT PLEASANT DRIVE	15,915	885,700
2067882	5909 MARTIN LUTHER KING, JR HW	25266	452,300
2018109	5915 MARTIN LUTHER KING, JR HW	19320	262,300
2082543	5908 SEAT PLEASANT DRIVE	18185	305,400
2015832	5914 SEAT PLEASANT DR	34419	206,500
2015824	GEORGE PALMER HWY	3972	23,800
N/A	GEORGE PALMER HWY (combined with above lot)	Not provided	Not Assessed
Total		117,057	\$2,136,000.00

According to Prince George's County appraised land value is worth \$2,136,000, with accessed value of \$3,568,750. The cost per buildable square feet at 117,057 is \$ 18.24 per and \$30.50 square foot respectively. The market value of recent sales to the appraisal value lacked sufficient nearby properties. Table titled, Area Sold Property Data, provides sale price for property in nearby DC or Prince George's County to develop an analyze of sales during between April 2019 through March 2021. The average price per square foot is significantly higher at \$296 than Site No. 2 32% Access Market Value of \$30.50 per square foot. The Area values do not seem an appropriate comparison tool.

Area Sold Property Data			
Date Sold	Address	SF	Value
Apr 2019	1380 H St NE, DC	6150	1,150,000
Jun 2019	1310 N Capitol St NW, DC	5500	1,350,000
Jul 2019	4591 Allentown Rd, MD	10700	1,800,000
Nov 2019	506 H St NE, DC	5100	1,650,000
Nov 2019	1227 Good Hope Rd SE, DC	5463	1,166,000
Dec 2019	4851 Marlboro Pike, MD	7470	2,303,080
Jan 2020	2000-2002 Rhode Island Ave NE, DC	6383	1,700,000
Feb 2020	1255 H St NE, DC	5959	1,750,000
Feb 2020	775-799 H St NE, DC	6001	4,500,000
May 2020	4616 Baltimore Ave, MD	5619	1,450,000
May 2020	3601 12th St NE, DC	11585	7,950,000
Jul 2020	7598 Annapolis Rd, DC	10544	3,950,000
Mar 2021	400 1st St SE, DC	9425	12,750,000
Total		95,899	\$43,479,080

Source: Costar

Instead utilizing recent sale of parcel for 2015824 parcels on Site No. 2 in the amount \$1MM; equates to \$26.00 /SF provides more accurate property value to base value for entire site. After comparing property values with nearby land sales \$6,000,000 is an appropriate market value for Site No. 2, taking into consideration inflation. The land acquisition value equates to \$51.25/SF.

Wye Point Program of USES

USES	SQUARE FEET	DETAILS
Outdoor Placemaking	19,000	17,000 SF Platform 2,000 SF The Point
For Sale Housing – The Box Car	43,000 (35 Units)	21 Market-Rate 14 Workforce
For Rent Housing – The Conductor A & B & Hub (Telework Suite and Fitness Center)	138,000 (165 Units)	75 Affordable 36 Workforce 54 Market – Rate 6,000 SF Hub
Commercial – Restaurant/Retail/Office	46,000	14,500 SF (The Boxcar) 32,500 SF (Greenhouse)
Private Greenspace for Residents	18,000	The Yard
Parking Garage	150,000	368 Parking Spaces, Secure Bike Storage and 80 Storage Units
TOTAL SQUARE FEET	414,000	

Wye Point Key Opportunities

- The County's Redevelopment Authority is also structured to assist with a variety of grants and assistance. In April 2021, the State of Maryland legislative session approved the new PG County Zoning guidelines and streamlined development procedures.
- Thrive is on PG Park and Planning team to coordinate Wye Point's Greenhouse programs in conjunction with the Kevin Durant Community Center directly across MLK Boulevard
- Walkable, mixed-use venue aligned with Seat Pleasant demographics, Millennials, Baby Boomers and Gen Z.
- Increase tax revenue, receive DPW&T infrastructure Placemaking Grant for placemaking and stormwater management, expand Smart City exposure, recognized as MD Gateway and a transit-oriented community.
- Public spaces are not that different than popular “destination” places which evoke a positive emotion. Cities are finding value in destination experiences and provide further economic development success.

Project Budget / GSF \$77,600,876	
Construction Hard Cost (Buildings)	\$236
Construction Hard Cost (Buildings and Exterior Spaces)	\$190
Total Development Cost	\$343
Commercial	\$242
Market Housing For- Rent	\$219
Affordable Housing For-Rent	\$218
Market Housing For-Sale	\$290
Development Cost/Rental DU	\$108,710
Development Cost/For Sale DU	\$265,851
Developer	
Overall Developer Equity (11%) & For Sale Proceed 75% Reinvest (1%)	12%
Pro-Rate Developer Fee + For-Sale Revenue (25%)	\$5,800,000

NOI Assumptions	
Stabilization in 2030	\$3,566,9093
Greenhouse (+Rentals) in 2026	\$347,711
The Boxcar (Retail) in 2027	12%
The Box Car (Restaurant) in 2027	\$422,804
Conductor A in 2028	\$975,213
Conductor B in 2030	\$1,371,424

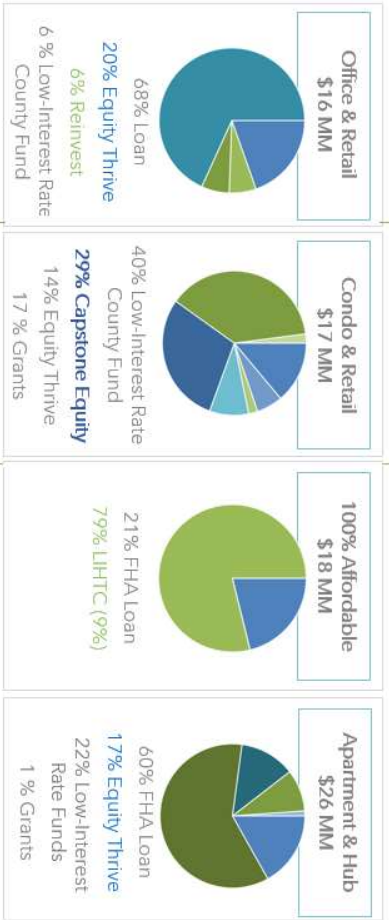
Sensitivity Analysis	
OPEX per Unit (\$5,100) & /GSF	\$4.40
Cap Rate @ Year 10 (2032)	
Office	5.80%
Retail	5.30%
For-Rent Market Housing	6.30%
For-Rent Affordable/Workforce	6.00%

Table Below list funding sources and percentage associated with each. Color Key; Grey – Private & Public Debt, Green – Equity, and Blue – Grant.

Sources	Amount	% of Total
Sources	77,600,876	
Hard Debt (FHA 221d4) - Use 1	3,780,000	4.87%
Affordable LIHTC Equity	14,098,590	18.17%
Developer (Sponsor) Equity	10,041,029	12.94%
Reinvestment from For-Sale Housing Proceeds (100%)	966,687	1.25%
PG DPW&T Enhanced Highway Infrastructure - Placemaking Grant	1,500,000	1.93%
Hard Debt (FHA221d4)-Use 2	16,000,000	20.62%
Advantage MD Fund Econ Dev. Assist. Authority & Fund Maryland Sustainable Communities Program Grant	3,300,000	4.25%
(Commercial Improvement)	1,000,000	1.29%
Spring Bank	350,000	0.45%
Energy Efficiency Grant	5,000,000	6.44%
Commercial Loan	300,000	0.39%
(Economic Development and Housing Affordability	10,914,570	14.07%
	10,000,000	12.89%
	350,000	0.45%
		100%

The Enterprise Zone Tax Credits are allowed with Prince George's County EDC state and county supported program. The program is designed to provide incentives to encourage business investment and job creation in areas of high unemployment and low-income. Seat Pleasant is located within the Sub-Zone – Cabin Branch Area.

Diagram Below visually identifies breakdown by funding type; Debt, Equity and Grant, as well as, provides percentage of each source aligns with table at left.



The developer will reinvest sale proceeds from the sale of the For-Sale Condominiums in support of securing funding sources for the Greenhouse building. Affordable housing is historically more stable in a downturn, less volatile and often has better credit quality than class-A buildings. Despite below market rents, affordable housing has better occupancy and less risk than market-rate units. Also in a recession, affordable housing rents remain stable, especially compared to class-A units. As median income experienced a low increase, there still remains a predicted increase in demand for affordable housing, stabilizing the demand. The proforma purposely is conservatively created to determine feasibility before tax incentives via TIF, PILOT, CDBF or CDBG.

Wye Point Development

The cost of underground parking garage affects overall construction cost, being 18% of Wye Point Development Hard Cost. Construction Cost per SF is \$95,00 or \$34,000 per parking space (using 400 spaces). Parking Garage offsets cost offering for-sale parking spaces, 80 storage units and special event parking fee. Parking is free for residents, patrons and guests.

Net Operating Income															
Residential Net to Parking Revenue	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$
Office Parking Income	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$
Event Revenue	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$
Bicycle Storage	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$
General Unit Storage	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$
For-Sale Parking Space Purchase	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$
Total Parking Revenue	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$
Operating Expenses	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$
Net Operating Income	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$
Parking Spaces Sold	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$
Net Cash Flow from Parking	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$
Development Costs															
Percent Built by Year		10%	20%	30%	40%	50%	60%	70%	80%	90%	100%				
Development Cost/SF	\$	10	\$	20	\$	30	\$	40	\$	50	\$	60	\$	70	\$
Total Development Costs	\$	(6,888,840)	\$	(13,777,680)	\$	(20,666,520)	\$	(27,555,360)	\$	(34,444,200)	\$	(41,333,040)	\$	(48,221,880)	\$
Annual Cash Flow															
Parking Spaces Sold	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$
Net Operating Income	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$
Cap Exm	\$	7,000	\$	14,000	\$	21,000	\$	28,000	\$	35,000	\$	42,000	\$	49,000	\$
Asset Value	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$
Costs of Sale	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$
Total Development Costs	\$	(6,888,840)	\$	(13,777,680)	\$	(20,666,520)	\$	(27,555,360)	\$	(34,444,200)	\$	(41,333,040)	\$	(48,221,880)	\$
Net Cash Flow	\$	(6,888,840)	\$	(13,777,680)	\$	(20,666,520)	\$	(27,555,360)	\$	(34,444,200)	\$	(41,333,040)	\$	(48,221,880)	\$

Net Present Value	(\$9,941,539)
Underground Parking Taxes	-10.0%

Reversion in Year 15 \$615,500 Exit Cap 7.25%

Wye Point Development

Financial Analysis indicates viable financial feasibility for sustained and stable net operating income and returns, especially with affordable and workforce housing as information is provided in the following tables.

10 Year Hold (Except Affordable @ 15 Year Hold)	Greenhouse	Apartment Housing	Affordable Housing	For-Sale & Retail	Total
Yield	2.43%	3.24%	7.1%	.03%	3.2%
Stabilized Year	2028	2030	2029	2027	-
Exit Cap Rate	5.78%	6.28%	5.40%	5.28%	5.82%
Reversion Sales Price – 10 Year	\$6,924,439	\$24,068,277	n/a	\$9,604,484	\$40,597,200
Reversion Sales Price – 15 Year	\$16,131,274	\$47,293,069	\$44,266,783	\$16,560,014	\$126,740,182
Unlevered IRR	11%	22%	n/a	15%	14.75%
Operating Expense Ratio	25%	26%	25%	25%	25% (\$4.40/GSF)
Cash on Cash	10%	19%	9% (LIHTC)	18%	14%

Entire Development	Leveraged IRR Before Taxes Year 15 - 25%									
Debt	LTV	Loan Term (Years)		Origination Fee/ Sale Cost		Loan Rate				
FHA 221d4 (Conductor A)	21%	40		1% / 3%		3.5%				
FHA 221d4 (Conductor B)	60%	40		1% / 3%		3.5%				
Commercial Janover (Greenhouse)	69%	30		1% / 3%		4.75%				
PG County CPIP Fund (Boxcar)	2%	30		.5% / 3%		2.0 %				
PG County EDI Fund (Boxcar, Conductor A and B)	9%, 38%, .5%	30		.5% / 3%		3.5 %				
MD State Advantage (Conductor B)	12%	30		.5% / 3%		2.0%				
FHA & Commercial Debt County or State Fund Loan	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 11	YEAR 12	YEAR 13	YEAR 14	YEAR 15
	2.26	2.07	2.23	3.38	3.43	3.49	3.55	3.66	3.72	3.78
	2.12	1.47	1.55	2.01	2.04	2.08	2.11	2.18	2.21	2.25

Sources of Capital Stack	
Greenhouse (Commercial)& Pivot Park	
Thrive Equity	27%
Debt (FHA Loan – 4.75%,40 yrs.)	47%
Debt (PG EDI Fund - 4.5%,40 yrs.)	26%
Stabilization Year	2026
The Boxcar (Condo/Retail) & Platform (Placemaking)	
Thrive Equity	35%
Debt (FHA Loan – 4.75%,40 yrs.)	47%
Grant (PG DPW&T – Infrastructure)	9%
Grant (Maryland Sustainable Communities Program)	3%
Grant (MEA, Low -Middle Income Energy Efficiency)	2%
Grant (MEEHA MD Energy Efficiency)	2%
Debt (PG CPIP Fund – 2%,30 yrs.)	2%
Stabilization Year	2027
The Conductor A (Affordable) & The Yard	
Debt (FHA Loan– 4.75%,40 yrs.)	21%
LIHTC	96%
(Tax Credit/Year, \$1,661,478)	
Stabilization Year	2028
The Conductor B (Market & Workforce Rental) with HUB & The Yard	
Thrive Equity	11%
Thrive Equity – For Sale Proceeds	6%
Debt (FHA Loan – 4.75%,40 yrs.)	22%
Equity (Investor-Sandy Spring Bank)	50%
Debt(Advantage MD-Econ. Dev. Authority Fund – 2@, 36 yrs.)	11%
Stabilization Year	2030

Wye Point Development

The conclusion for Wye Point will be developed as a mixed-use building featuring For-Sale, For-Rent for Market, Affordable and Workforce Homes, and Retail/Restaurant, Wellness Office, Community Space, and Outdoor Placemaking Areas. Based on the evidence, these uses provide the highest and best use for the subject site in Seat Pleasant, Maryland. Factors that are vital to the success of the project are public/private partnerships that correspond to the hard and soft costs, market supply and demand, financial markets and county, state and local support. The timing of the development is ideal for Seat Pleasant as the market is currently yielding higher returns before inflation becomes an obstacle to maintain current development costs. The proposed development will contribute to revitalization of Seat Pleasant through much needed affordable homes and optional housing, destination venue which increases the tax base and solidify economic development. Wye Point's vision aligns with Prince George's County 2035 Master Plan and adopts several concepts in their Commission on Housing Strategies in the report, "Housing Opportunities for All.

	Net Cash Flow after All Debt Service is Paid
2023	(226,875)
2024	(958,079)
2024	17,164
2025	11,765,350
2026	7,916,819
2027	1,409,859
2028	756,640
2029	910,624
2030	1,364,808
2031	1,408,886
2032	1,453,568
2033	1,500,860
2034	1,590,162
2035	1,638,020
2036	1,686,536

★ For-Sale
★ Condominium
★ Sales



Assumptions

Job Growth(8%),
OPEX (25%), Cost
of Sale (3%),
Vacancy (4%),
Inflation (2%),
Traffic Count
(18,400)

Sensitivity
Analysis

Inflation Expected
Interest Rates will
Increase – Creating a
TIGHTER DSCR

Development Financial Information

PHASE I Start 2025	PHASE I & II Start 2024 & 2027	PHASE II Start 2026
Condominiums 2027 Stabilize	Greenhouse (I) 2028 Stabilize	Affordable Housing 2029 Stabilize
\$ 6.3 MM ROI \$389K - \$450K	22% Unlevered IRR 6.3% Cap Rate \$400K NOI 10 Year	11.4 % Unlevered IRR 5.9 % Cap Rate 15 Year
Retail 2029 Stabilize	Apartments (II) 2030 Stabilize	\$1.2 MM NOI 15 Year
\$12 - \$20 NNN 15% Unlevered IRR 5.3% Cap Rate 10 Year	11 % Unlevered IRR 5.8 % Cap Rate 1.4 MM NOI 10 Year \$1,760 - \$1,890 Rental Rate Range	\$1,360 - \$1,720 Rental Rate Range
		75 Units 40%AMI - 15 Units 50% AMI - 20 Units 60% AMI - 45 Units

NET PRESENT VALUE 15 YEAR		OPEX		County's Redevelopment Authority	
5.0 %	\$72,662,671	Current OPEX25% (\$4.40 / GSF)		Purchases Land - Reduce Development & Assist w/Existing Tenant Relocation \$6MM	
5.5 %	\$67,452,615	With Staffing being a large portion of expenses, the OPEX will increase when salaries increase due to inflation			
6.0 %	\$62,604,708				
6.5 %	\$58,091,961				
7.0 %	\$53,889,533				

LAND ACQUISITION Cost Increase \$3MM			
TOTAL PROJECT COST	5.0 %	\$70,463,052	
\$80,842,010	5.5 %	\$65,263,421	
\$ / SF	6.0 %	\$60,425,840	
Difference	6.5 %	\$55,923,323	
Unlevered IRR drops to 22% from 24%	7.0 %	\$51,731,029	
Levered IRR remains @ 25%			
Loan to Value remains @ 32%			



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