



Finance Interest Calculations

Arcadia Place
60 Condominium Project Quick Proforma Condominium Development

November 18, 2008

Developer Express

Interest Cost Calculation

Interest Cost

**INTEREST COSTS DURING PRE-CONSTRUCTION
& CONSTRUCTION PERIOD**

Construction Loan

Assuming 100% Financing using Construction Loan

Land Costs	\$ 5,018,000 x 21 mo. x 8.000% x 1/12 x 1.00	\$ 702,520
Site Preparation	\$ 185,000 x 14 mo. x 8.000% x 1/12 x 0.75	12,950
Construction	\$ 14,225,000 x 14 mo. x 8.000% x 1/12 x 0.50	663,833
Professional Fees	\$ 1,207,800 x 14 mo. x 8.000% x 1/12 x 0.75	84,546
City Fees	\$ 1,895,000 x 14 mo. x 8.000% x 1/12 x 0.75	132,650
Miscellaneous	\$ 25,000 x 14 mo. x 8.000% x 1/12 x 0.50	1,167
		<u>1,597,666</u>

Adjusting for interest not paid on Developer's Equity

Equity	(\$ 7,000,000 x 21 mo. x 8.000% x 1/12 x 1.00)	<u>(980,000)</u>
		617,666

INTEREST COSTS DURING THE SALES PERIOD

Construction Loan

Assuming 100% Financing using Construction Loan

Total Development Costs	\$ 25,027,343 x 8 mo. x 8.000% x 1/12 x 0.50	667,396
Real Estate Commissions & Selling Expenses	\$ 2,446,900 x 8 mo. x 8.000% x 1/12 x 0.50	65,251
		<u>732,647</u>

Adjusting for interest not paid on Developer's Equity

Equity	(\$ 7,000,000 x 8 mo. x 8.000% x 1/12 x 1.00)	<u>(373,333)</u>
		359,314

976,980