

Development Profit

SterlingPlaza 21 000 Sq. Ft Retail Center June 08, 2008 Developer Pro Quick Proforma Retail

% of

Name				% of	
LAND & DEVELOPMENT COSTS 1,220,000 18.44% Site Preparation 112,000 18.44% Site Preparation 2,482,500 37.52% Construction 2,482,500 37.52% Professional Fees 350,395 5,30% City Fees 21,000 32% Miscellaneous 25,000 0,38% Interest Costs 154,332 2,33% Contingency Allowance 319,286 4,88% Total Development Costs 4,880,513 73.76% GROSS DEVELOPMENT PROFIT 1,736,047 26.24% SELLING EXPENSES Real Estate Commissions 330,828 5.00% Marketing & Advertising 30,000 0.45% Legal fees 25,000 0.38% Leasing Fees 7500 1.13% DEVELOPMENT PROFIT (Before Operating Income & Expenses) 1,275,219 DEVELOPMENT PROFIT (Before Operating Income & Expenses) 1,275,219 OPERATING INCOME & EXPENSES during lease up and sales period 1,24,000 1.87%				Revenue	
1,220,000	SALE PRICE	7.50% Cap Rate & NOI of \$ 496,242	\$ 6,616,560		
Site Preparation	LAND & DEVELOPMENT COSTS				
Construction 2,482,500 37.52% Professional Fees 350,395 5.30% City Fees 227,000 3.28% Miscellaneous 25,000 0.38% Interest Costs 154,332 25,30% Contingency Allowance 319,286 4.83% Total Development Costs 4,880,513 73.76% GROSS DEVELOPMENT PROFIT 1,736,047 26.24% SELLING EXPENSES Real Estate Commissions 300,000 0.45% Marketing & Advertising 30,000 0.45% Leasing Fees 75,000 1.13% DEVELOPMENT PROFIT (Before Operating Income & Expenses) 1,275,219 DEVELOPMENT PROFIT (Before Operating Income & Expenses) 1,275,219 OPERATING INCOME & EXPENSES during lease up and sales period Net Operating Income. Lease Up period of 6 months 124,000 1.87% Net Operating Income. Sales period of 7 months 289,475 4.38% Less: Interest costs during Lease up & Sale Period OVERALL DEVELOPMENT PROFIT 1,343,998 <td colspa<="" td=""><td>Land Costs</td><td></td><td>1,220,000</td><td>18.44%</td></td>	<td>Land Costs</td> <td></td> <td>1,220,000</td> <td>18.44%</td>	Land Costs		1,220,000	18.44%
Professional Fees 350,395 5.30% City Fees 277,000 3.28% Miscellaneous 28,000 3.28% Interest Costs Land & Development Costs 4,406,895 66.60% Interest Costs 154,332 2.33% Contingency Allowance Total Development Costs 4,880,513 73.76% GROSS DEVELOPMENT PROFIT 1,736,047 26.24% SELLING EXPENSES Real Estate Commissions 330,828 5.00% Marketing & Advertising 30,000 0.45% Legal fees 25,000 0.38% Leasing Fees 75,000 1.13% Total Selling Expenses 460,828 6.96% DEVELOPMENT PROFIT (Before Operating Income & Expenses) 1,275,219 OPERATING INCOME & EXPENSES during lease up and sales period Net Operating Income. Lease Up period of 6 months 124,000 1.87% Net Operating Income. Lease Up period of 6 months 289,475 4.38% Less: Interest costs during Lease up & Sale Period 344,696 5.21%	Site Preparation		112,000	1.69%	
City Fees Land & Development Costs 217,000 0.38% 25,000 0.38% 25,000 0.38% 25,000 0.38% 25,000 0.38% 25,000 0.38% 25,000 0.38% 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,000 25,0	Construction		2,482,500	37.52%	
Miscellaneous	Professional Fees		350,395	5.30%	
Land & Development Costs	City Fees		217,000	3.28%	
Interest Costs 154,332 2.33%	Miscellaneous		25,000	0.38%	
Total Development Costs		Land & Development Costs	4,406,895	66.60%	
Total Development Costs	Interest Costs		154,332	2.33%	
GROSS DEVELOPMENT PROFIT 1,736,047 26.24% SELLING EXPENSES Real Estate Commissions 330,828 5.00% Marketing & Advertising 30,000 0.45% Legal fees 25,000 0.38% Leasing Fees 460,828 6.96% DEVELOPMENT PROFIT (Before Operating Income & Expenses) 1,275,219 DEVELOPMENT PROFIT (Before Operating Income & Expenses) 1,275,219 W of Total Development Costs % of Sale Revenue Return on Equity 182.17% OPERATING INCOME & EXPENSES during lease up and sales period Net Operating Income. Lease Up period of 6 months 124,000 1.87% Net Operating Income. Sales period of 7 months 229,475 4.38% Less: Interest costs during Lease up & Sale Period 344,696 5.21% OVERALL DEVELOPMENT PROFIT 1,343,998 W of Total Development Costs % of Sale Revenue Return on Equity 20.31% Return on Equity 192.00%	Contingency Allowance		319,286	4.83%	
SELLING EXPENSES Real Estate Commissions 330,828 5.00% Marketing & Advertising 30,000 0.45% Legal fees 25,000 0.38% Leasing Fees 75,000 1.13% DEVELOPMENT PROFIT (Before Operating Income & Expenses) 1,275,219 DEVELOPMENT PROFIT (Before Operating Income & Expenses) 26.13% % of Total Development Costs 26.13% % of Sale Revenue 19.27% Return on Equity 182.17% OPERATING INCOME & EXPENSES during lease up and sales period Net Operating Income. Lease Up period of 6 months 124,000 1.87% Net Operating Income. Sales period of 7 months 289,475 4.38% Less: Interest costs during Lease up & Sale Period 344,696 5.21% OVERALL DEVELOPMENT PROFIT 1,343,998 W of Total Development Costs 27.54% % of Sale Revenue 20.31% Return on Equity 192.00%		Total Development Costs	4,880,513	73.76%	
Real Estate Commissions 330,828 5.00% Marketing & Advertising 30,000 0.45% Legal fees 25,000 0.38% Leasing Fees 75,000 1.13% Total Selling Expenses 460,828 6.96% DEVELOPMENT PROFIT (Before Operating Income & Expenses) 1,275,219 "A of Total Development Costs % of Sale Revenue Return on Equity 19.27% Return on Equity 182.17% OPERATING INCOME & EXPENSES during lease up and sales period Net Operating Income. Lease Up period of 6 months 124,000 1.87% Net Operating Income. Sales period of 7 months 289,475 4.38% Less: Interest costs during Lease up & Sale Period 344,696 5.21% OVERALL DEVELOPMENT PROFIT 1,343,998 OVERALL DEVELOPMENT PROFIT 1,343,998 "A of Total Development Costs % of Sale Revenue Return on Equity 27.54% % of Sale Revenue Return on Equity 192.00% Land to Building Cost Ratio 38.28%		GROSS DEVELOPMENT PROFIT	1,736,047	26.24%	
Marketing & Advertising Legal fees 30,000 (25,000) 0.45% (25,000) Leasing Fees 75,000 (1.13%) Total Selling Expenses 460,828 (6.96%) DEVELOPMENT PROFIT (Before Operating Income & Expenses) 1,275,219 **OPERATING INCOME & EXPENSES during lease up and sales period Net Operating Income. Lease Up period of 6 months 124,000 (1.87%) Net Operating Income. Sales period of 7 months 289,475 (4.38%) Less: Interest costs during Lease up & Sale Period 344,696 (5.21%) **OVERALL DEVELOPMENT PROFIT 1,343,998 **O of Total Development Costs % of Sale Revenue Return on Equity 27.54% (20.31%) **O of Sale Revenue Return on Equity 192.00% **Land to Building Cost Ratio 38.28%	SELLING EXPENSES				
Legal fees 25,000 0.38% Leasing Fees 75,000 1.13% Total Selling Expenses 460,828 6.96% DEVELOPMENT PROFIT (Before Operating Income & Expenses) 1,275,219 We of Total Development Costs % of Sale Revenue Return on Equity 26.13% We of Sale Revenue Return on Equity 19.27% Net Operating Income. Lease Up period of 6 months 124,000 1.87% Net Operating Income. Sales period of 7 months 289,475 4.38% Less: Interest costs during Lease up & Sale Period 344,696 5.21% OVERALL DEVELOPMENT PROFIT 1,343,998 We of Total Development Costs % of Sale Revenue Return on Equity 27.54% 27.54% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% 20.31% <td>Real Estate Commissions</td> <td></td> <td>330,828</td> <td>5.00%</td>	Real Estate Commissions		330,828	5.00%	
Total Selling Expenses Total Selling Expen	Marketing & Advertising		30,000	0.45%	
Total Selling Expenses	Legal fees		25,000	0.38%	
DEVELOPMENT PROFIT (Before Operating Income & Expenses) 1,275,219	Leasing Fees		75,000	1.13%	
% of Total Development Costs % of Sale Revenue Return on Equity 26.13% 19.27% 182.17% OPERATING INCOME & EXPENSES during lease up and sales period Net Operating Income. Lease Up period of 6 months 124,000 1.87% Net Operating Income. Sales period of 7 months 289,475 4.38% Less: Interest costs during Lease up & Sale Period 344,696 5.21% OVERALL DEVELOPMENT PROFIT 1,343,998 % of Total Development Costs % of Sale Revenue Return on Equity 27.54% 192.00% Land to Building Cost Ratio 38.28%	-	Total Selling Expenses	460,828	6.96%	
% of Sale Revenue Return on Equity 19.27% 182.17% OPERATING INCOME & EXPENSES during lease up and sales period Net Operating Income. Lease Up period of 6 months 124,000 1.87% Net Operating Income. Sales period of 7 months 289,475 4.38% Less: Interest costs during Lease up & Sale Period 344,696 5.21% OVERALL DEVELOPMENT PROFIT 1,343,998 % of Total Development Costs % of Sale Revenue Return on Equity 20.31% 192.00% Land to Building Cost Ratio 38.28%	DEVELOPMENT PROFIT (Before Operating Income & Expenses)		1,275,219		
% of Sale Revenue Return on Equity 19.27% 182.17% OPERATING INCOME & EXPENSES during lease up and sales period Net Operating Income. Lease Up period of 6 months 124,000 1.87% Net Operating Income. Sales period of 7 months 289,475 4.38% Less: Interest costs during Lease up & Sale Period 344,696 5.21% OVERALL DEVELOPMENT PROFIT 1,343,998 % of Total Development Costs % of Sale Revenue Return on Equity 20.31% 192.00% Land to Building Cost Ratio 38.28%		% of Total Development Costs	26.13%		
Return on Equity 182.17% OPERATING INCOME & EXPENSES during lease up and sales period Net Operating Income. Lease Up period of 6 months 124,000 1.87% Net Operating Income. Sales period of 7 months 289,475 4.38% 413,475 6.25% Less: Interest costs during Lease up & Sale Period 344,696 5.21% OVERALL DEVELOPMENT PROFIT 1,343,998 % of Total Development Costs % of Sale Revenue Return on Equity 20.31% 192.00% Land to Building Cost Ratio 38.28%		•			
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Net Operating Income. Sales period of 7 months 289,475 4.38% Less: Interest costs during Lease up & Sale Period 344,696 5.21% OVERALL DEVELOPMENT PROFIT 1,343,998 % of Total Development Costs % of Sale Revenue Return on Equity 27.54% Return on Equity 192.00% Land to Building Cost Ratio 38.28%		•	124,000	1.87%	
A13,475 6.25%			•		
OVERALL DEVELOPMENT PROFIT 1,343,998 % of Total Development Costs 27.54% % of Sale Revenue 20.31% Return on Equity 192.00% Land to Building Cost Ratio 38.28%	spenson 9				
% of Total Development Costs 27.54% % of Sale Revenue 20.31% Return on Equity 192.00% Land to Building Cost Ratio 38.28%	Less: Interest costs during Lease up & Sa	ale Period	344,696	5.21%	
% of Sale Revenue 20.31% Return on Equity 192.00% Land to Building Cost Ratio 38.28%		OVERALL DEVELOPMENT PROFIT	1,343,998		
Return on Equity 192.00% Land to Building Cost Ratio 38.28%		% of Total Development Costs	27.54%		
Land to Building Cost Ratio 38.28%		% of Sale Revenue	20.31%		
		Return on Equity	192.00%		
		Land to Building Cost Ratio	38.28%		
		Land to Total Development Cost Ratio	25.00%		