

# McIntyre Development Cost Structure & Pro Forma Detail

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# McIntyre Cost Assumptions

## Estimates Received (from 50% Schematic Drawings)

- 
- StructureTone
    - \$147MM
    - Union Contractor
    - New Construction number is out of range – high side
  - Consiglia
    - \$94MM
    - Uses union and non-union labor
  - Garland Boston
    - \$74MM
    - Incomplete bid due to many subs opting out of bidding late in the process
  - Basis Used for Consideration
    - \$100MM

# Development Cost Assumptions

- 
- \$100MM
  - \$11.7MM

Bid Basis Hard Costs

Cost of TI

- Retail TI estimated at \$225/sf
- Office TI estimated at \$125/sf

- \$4.1MM
- \$5.2MM

Cost of Commissions (estimated)

Soft Costs (estimated)

- Real Estate Taxes
- Ground Lease
- Construction Interest
- Contingency

- \$121.0MM

Project Cost Estimate (for Pro Forma)

# McIntyre Income Assumptions

## Total Project Square Footage: 225,641

### Income Producing SF (104,695)

- Residential
  - 35,114 SF (Residences)
  - 15.6% of project SF
- Office
  - 39,750 SF
  - 17.6% of project SF
- Retail
  - 29,831 SF
  - 13.2% of project SF

### Non-Income Producing SF (120,946)

- Residential Amenities & Loss Factor
  - 10,945 SF
  - 4.8% of project SF
- Public Space
  - 13,256 SF
  - 5.9% of project SF
- Open Space (includes streetscape & landscape)
  - 96,745 SF
  - 42.9% of project SF

# Residential Income Assumptions

Unit Type	# Units	Rate per Unit	Average SF per Unit Type	Total SF per Unit Type	Annual Rent	Rent per SF
Studio	6	\$,2445	543	3,260	\$176,040	
1 BR / 1 BA	17	\$2,845	632	10,748	\$580,380	
1 BR / 1 BA + DEN	9	\$3,600	801	7,205	\$388,800	
2 BR / 1 BA	7	\$4,415	981	6,864	\$370,860	
2 BR / 1 BA + DEN	6	\$5,275	1,173	7,037	\$379,800	
Amenities & Loss Factor				10,945	\$0	
TOTAL Units	45			35,114	\$1,895,880	\$4.50
General Vacancy (5%)					(\$94,650)	
TOTAL Square Footage				46,059		

# Residential Market Comps

Property Name/Address	Rating	Year Built	Units	Avg. Unit SF	Studio	1 Bed	2 Bed	3 Bed	Rent/SF
The Residences at Portwalk Place 7 Portwalk Place	★★★★☆	2012	149	945	\$2,834	\$3,275	\$4,648	\$6,640	\$4.21
West End Yards 55 Cate St	★★★★☆	2021	251	723	\$2,111	\$2,553	\$3,310	-	\$3.80
Orpheum Apartments 104 Washington Street	★★★★☆	2020	130	838	\$2,203	\$2,563	\$3,285	\$3,812	\$3.41
Sagamore Court Apartments 555-567 Sagamore Ave	★★★★☆	1973	144	768	\$1,420	\$1,790	\$2,063	-	\$2.58

# Residential Expense Assumptions

<b>Expense Type</b>	<b>Monthly</b>	<b>Annually</b>	<b>Cost per SF</b>
Tax	\$26,250	\$312,000	\$9.00
Insurance	\$3,050	\$36,000	\$1.04
Utilities	\$5,000	\$60,000	\$1.71
Ground Lease	\$3,319	\$39,830	\$1.13
CAM Details			
Management Fee (4%)	\$5994	\$71,934	\$2.05
Payroll	\$8333	\$100,000	\$2.85
Repairs and Maintenance	\$3750	\$45,000	\$1.28
Advertising	\$204	\$2,454	\$0.07
<b>TOTAL Estimated Expenses</b>	<b>\$52,581</b>	<b>\$630,972</b>	<b>\$19.13</b>

# Office Income Assumptions

Office Space	RSF Available	Estimated Rent PSF	Annual Estimated Rent
2nd Floor	13,250	\$35.00	\$463,750
3rd Floor	13,250	\$35.00	\$463,750
4th Floor	13,250	\$35.00	\$463,750
Parking			\$144,000
General Vacancy			(\$69,563)
Total			\$1,465,688

\*Parking assumptions: 60 spaces rented at \$200/month

\*General vacancy estimated at: 5%



# Office Comps

<b>Property Name/Address</b>	<b>Square Feet</b>	<b>Year Signed</b>	<b>Estimated Base Rent (PSF)</b>
A&B Business Tools 22-28 Deer Street	4,063	11/1/2019	\$30.00
Customers Bancorp Inc. 82-86 Congress Street	5,590	5/14/2015	\$20.00
Customers Bank 30 Penhallow Street	5,950	11/16/2017	\$29.91
Hubspot 1 Harbour Place	3,788	3/25/2020	\$34.97
Kennebunk Savings Bank 111 Maplewood Avenue	3,341	1/6/2011	\$23.00

# Retail Income Assumptions

<b>RETAIL SPACE LOCATION</b>	<b>RSF AVAILABLE</b>	<b>ESTIMATED RENT PSF</b>	<b>ANNUAL ESTIMATED RENT</b>
McIntyre 1 <sup>st</sup> Floor	20,900	\$30.00	\$627,000
Bow 1 <sup>st</sup> Floor	4,223	\$30.00	\$126,690
Penhallow 1 <sup>st</sup> Floor	4,708	\$30.00	\$141,240
General Vacancy (5%)			(\$44,747)
<b>Total</b>	<b>29,831</b>		<b>\$850,184</b>

# Retail Comps

PROPERTY NAME/ADDRESS	SQUARE FEET	YEAR SIGNED	ESTIMATED BASE RENT (PSF)
The Black Dog Tavern 19 Market Street	1,450	10/1/2019	\$58.47
Lit Boutique 15-21 Congress Street	2,630	7/6/2015	\$38.00
Rage Gems & Jewlery 110 State Street	1,312	1/20/2021	\$13.43
River Run Book Store 32 Daniel Street	900	12/19/2017	\$29.33
Mancave 800 Islington Street	800	8/6/2020	\$16.00

# McIntyre Income Overview

Income Category	Project Square Footage	Income PSF	Annual Income
Residential	35,114	\$54	\$1,895,880
Office (NNN)	39,750	\$35	\$1,391,250
Retail (NNN)	29,831	\$30	\$894,930
Parking			\$144,000
Residential Expenses			(\$671,831)
General Vacancy Loss of Income (All Categories)			(\$209,103)
Open/Public Spaces	121,006	\$0	\$0
<b>Net Operating Income</b>	<b>225,641</b>		<b>\$3,445,126</b>

# Project Overview

- Project Size (including open and public spaces): 225,641 SF
- Total Cost to build: \$121.0MM \$536.25 / PSF
- Net Operating Income: \$3,445,126 \$15.27 / PSF
- Return on Cost: 2.85%
- Required Return on Cost: 7.40%
  
- TOTAL COST \$121.0MM
- Developer Contribution: (\$46.6MM) \$206.53 / PSF
- City Contribution: \$74.4MM \$329.72 / PSF