



Hallandale Beach Community Redevelopment Agency Agenda Cover Memo

Meeting Date:	October 21, 2019		Item Type: (Enter X in box)	Resolution x	Ordinance	Other	
Fiscal Impact: (Enter X in box)	Yes	No	Ordinance Reading: (Enter X in box)	1st Reading		2nd Reading	
	x		Public Hearing: (Enter X in box)	Yes	No	Yes	No
Funding Source:	5910-534050		Advertising Requirement: (Enter X in box)	Yes		No	
						X	
Account Balance:	\$3,598,062		RFP/RFQ/Bid Number:	N/A			
Contract/P.O. Required: (Enter X in box)	Yes	No	Project Number:				
	x						
Strategic Priority: (Enter X in box) <p>Capital Improvements</p> <p>Goal 1 - Undertake Total Improvements of Public Realm <input type="checkbox"/></p> <p>Goal 2 - Promote Public/Public and Public/Private Partnership <input checked="" type="checkbox"/></p> <p>Promote Projects with Large-Scale Impacts</p> <p>Goal 1 - Issue a Request for Proposals (RFP) for NW infill Housing <input type="checkbox"/></p> <p>Goal 2 - Issue a Request for Qualifications (RFQ) for Dixie Highway/Foster Road parcel <input type="checkbox"/></p> <p>Priority Area:</p> <p>North West Quadrant <input type="checkbox"/></p> <p>FEC Corridor <input type="checkbox"/></p> <p>Southwest Quadrant <input type="checkbox"/></p> <p>Northeast Quadrant <input type="checkbox"/></p> <p>Southeast Quadrant <input checked="" type="checkbox"/></p>							
Sponsor Name:	Dr. Jeremy Earle, Executive Director		Department:	HBCRA			

Short Title:

A RESOLUTION OF CHAIR AND BOARD OF DIRECTORS OF THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY, HALLANDALE BEACH, FLORIDA, APPROVING THE FUNDING FOR THE CORNERSTONE GROUP IN AN AMOUNT NOT TO EXCEED \$783,250 FOR A MULTI-FAMILY RESIDENTIAL PROJECT KNOWN AS SOLARIS LOCATED AT 118 7TH STREET, HALLANDALE BEACH, FLORIDA; AUTHORIZING THE EXECUTIVE DIRECTOR AND HBCRA ATTORNEY TO NEGOTIATE AND FINALIZE AN AGREEMENT WITH THE CORNERSTONE GROUP TO PROVIDE FUNDING FOR THE DEVELOPMENT OF THE MULTI-FAMILY RESIDENTIAL PROJECT IN AN AMOUNT NOT-TO-EXCEED \$783,250; AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT WITH THE CORNERSTONE GROUP; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE ALL ACTION NECESSARY TO IMPLEMENT THE TERMS OF THE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

Staff Summary:

Background:

Peter Bluesten Park is located within the City's Central RAC which has been identified as a focus for redevelopment into a vibrant area. The park is also located within the City of Hallandale Beach's Community Redevelopment Area (HBCRA). The facility has been designed to not only serve the City, but also, to enhance the SE 1st Avenue Corridor and City Town Center as envisioned by the City's adopted Master Plan.

The Bluesten Park Project represents a significant public investment in this section of the HBCRA. Viewing this project as catalytic in nature, the HBCRA has explored options to leverage the public investment by expanding options for redevelopment in the immediate area.

Current Situation:

HBCRA Staff was recently approached by Pastor Anthony Sanders, other members of the NW Neighborhood, and Mr. Lenny Wolfe, co-founder of the Cornerstone Group concerning a proposed project located at 118 SE 7th Street which is on the southern side of Bluesten Park.

The Cornerstone Group is a Hollywood-based multi-family development firm that was established in 1993. Cornerstone has developed over 20,000 multi-family units in over 75 communities throughout the State of Florida. The firm has won numerous awards for its innovative designs as well as for its property management team that operates each of the properties they own.

The Cornerstone Group is proposing to build Solaris, a \$28,190,000, mixed income, 78 unit, 8 story, Green multi-family residential building on 1.86 acres located at 118 7th Street, adjacent to Bluesten Park. The building will consist of nineteen 1

bedroom, 1 bath units, forty 2 bedroom, 2 bath units and nineteen 3 bedroom, 2 bath units outfitted with market-rate finishes, including washer/dryers in every unit.

While designated as an affordable project, rents will range up to \$1455 for some of the 3 bedroom, 2 bath units. There will also be units for lower income families ranging up to \$657. Solaris will be designed by Forum Architecture which also designed the Waterford project that Cornerstone developed and still owns and operates across from Aventura Mall on West Dixie highway.

The Solaris will have a fitness center, business center, media room and other amenities for its residents. The residents will also be able to avail themselves to the adjacent Bluesten Park and YMCA.

Solaris would maximize the number of tenants who currently reside in Hallandale Beach as well as service personnel such as police officers, fire fighters and teachers. Solaris is proposing to advertise on the City's website to actively market to city residents and employees when applications for the property become available. Cornerstone is also willing to set up a booth at City Hall, the police department, etc. to make it easier for prospective tenants.

Cornerstone would also promote a job and subcontractor fair to attract local employees and businesses to participate in the construction and property management of Solaris.

Per the submitted proposal and Cornerstone's Community Development Block Grant (CDBG)/9% Florida Housing Finance Corporation (FHFC) application, Cornerstone is requesting \$783,250 from the HBCRA which is the amount required by the FHFC as a Local Government Area of Opportunity level contribution, to complete the Solaris project capital structure which includes \$21,289,000 in Tax Credit Equity, a \$15,000,000 Loan and a \$1,318,054 deferred developer fee.

Part of the Cornerstone's state application includes a community land trust (CLT) which will be the landowner and then lease to Cornerstone. The CLT's involvement, along with CDBG funding, would keep the project affordable in perpetuity, and provide Twelve (12) units at the ELI level for Broward County, 30 units at 60% AMI and 36 units at the 70% income level.

The provision of affordable housing is one of the fundamental roles that any CRA can play. Florida Statute 163.350 states in part that CRA's are to create workable programs that will aid in providing "housing affordable to residents of low or moderate income, including the elderly, or to undertake such of the aforesaid activities or other feasible county or municipal activities as may be suitably employed to achieve the objectives of such workable program."

The addition of mixed income affordable housing to the SE Quadrant, directly south of Bluesten Park is therefore in line with the mission and goals of the HBCRA.

Recommendation:

Due to the timing of this request, for Cornerstone to meet their FHFC application deadline, HBCRA Staff recommends that the HBCRA Board of Directors approve an award of \$783,250 which shall be distributed over a two-year period beginning in the year 20/22, if and only if, Cornerstone receives the award from the Florida Housing Finance Corporation (FHFC) based on their application. The funding by the HBCRA in an amount not to exceed \$783,250 for the development by the Cornerstone Group of a multi-family residential project known as Solaris at 118 7th Street, Hallandale Beach, Florida, which funding shall be paid in equal installments of \$391,625 in Fiscal Year 2020-21 and Fiscal Year 2021-22, provided, however, such approval is contingent upon the Cornerstone Group receiving an award from the Florida Housing Finance Corporation (FHFC) based on their submitted application and, if such award is not received from the FHFC, the funding approval is rescinded; provided, further, that this contingency may be changed by subsequent negotiations.

Fiscal Impact:

\$783,250

Attachment(s):

Exhibit 1 – Resolution
Exhibit 2 – FHFC Grant Form
Exhibit 3 – Preliminary Site Plan
Exhibit 4 – Project Summary
Exhibit 5 – Pictures

1 EXHIBIT 1

2 RESOLUTION NO. 2019-

3 A RESOLUTION OF CHAIR AND BOARD OF DIRECTORS OF
4 THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT
5 AGENCY, HALLANDALE BEACH, FLORIDA, APPROVING THE
6 FUNDING FOR THE CORNERSTONE GROUP IN AN AMOUNT
7 NOT TO EXCEED \$783,250 FOR A MULTI-FAMILY
8 RESIDENTIAL PROJECT KNOWN AS SOLARIS LOCATED AT
9 118 7TH STREET, HALLANDALE BEACH, FLORIDA;
10 AUTHORIZING THE EXECUTIVE DIRECTOR AND HBCRA
11 ATTORNEY TO NEGOTIATE AND FINALIZE AN AGREEMENT
12 WITH THE CORNERSTONE GROUP TO PROVIDE FUNDING
13 FOR THE DEVELOPMENT OF THE MULTI-FAMILY
14 RESIDENTIAL PROJECT IN AN AMOUNT NOT-TO-EXCEED
15 \$783,250; AUTHORIZING THE EXECUTIVE DIRECTOR TO
16 EXECUTE THE AGREEMENT WITH THE CORNERSTONE
17 GROUP; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE
18 ALL ACTION NECESSARY TO IMPLEMENT THE TERMS OF
19 THE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

20 **WHEREAS**, the mission of the Hallandale Beach Community Redevelopment Agency
21 ("HBCRA") is to promote and enhance the quality of life by eliminating and preventing slum and
22 blighted conditions in the Community Redevelopment Area through redevelopment activities
23 and projects pursuant to Part III of Chapter 163, Florida Statutes, known as the Community
24 Redevelopment Act of 1969; and

25
26 **WHEREAS**, the 2012 HBCRA Implementation Plan provides for investments in housing
27 initiatives; and

28
29 **WHEREAS**, to remain efficient and effective with its housing initiatives, the HBCRA
30 desires to support the development by the Cornerstone Group of a multi-family residential
31 project known as Solaris at 118 7th Street, Hallandale Beach, Florida, which support is in the
32 form of funding in an amount not to exceed \$783,250 for the development of the project; and

33
34 **WHEREAS**, the Board of Directors of the HBCRA desires to (a) approve the
35 funding in an amount not to exceed \$783,250 for the development by the Cornerstone Group of
36 a multi-family residential project known as Solaris at 118 7th Street, Hallandale Beach, Florida,
37 which funding is subject to certain conditions as set forth in this resolution and shall be paid in
38 equal installments of \$391,625 in Fiscal Year 2020-21 and Fiscal Year 2021-22 and (b)
39 authorize the negotiation, finalization and execution of an agreement with the Cornerstone
40 Group LLC to provide funding for the development of the multi-family residential rehabilitation
41 project in an amount not-to-exceed \$783,250.

42
43 **NOW, THEREFORE, BE IT RESOLVED BY THE CHAIR AND BOARD OF**
44 **DIRECTORS OF THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY:**

45 Section 1. Recitals. The recitals in the whereas clauses are true and correct, and
46 incorporated into this Resolution.

47 Section 2. Approval of Funding. The funding by the HBCRA in an amount not to exceed
48 \$783,250 for the development by the Cornerstone Group of a multi-family residential project
49 known as Solaris at 118 7th Street, Hallandale Beach, Florida, which funding shall be paid in
50 equal installments of \$391,625 in Fiscal Year 2020-21 and Fiscal Year 2021-22, is hereby
51 approved; provided, however, such approval is contingent upon the Cornerstone Group
52 receiving an award from the Florida Housing Finance Corporation (FHFC) based on their
53 submitted application and, if such award is not received from the FHFC, the funding approval is
54 rescinded; provided, further, that this contingency may be changed by subsequent negotiations.

55 Section 3. Negotiation and Finalization of Agreement. The Executive Director and
56 HBCRA Attorney are hereby authorized to negotiate and finalize an agreement with the
57 Cornerstone Group for funding by the HBCRA in an amount not to exceed \$783,250 for the
58 development by of a multi-family residential project known as Solaris at 118 7th Street,
59 Hallandale Beach, Florida.

60 Section 4. Execution of Agreement. The Executive Director is hereby authorized to
61 execute the agreement with the Cornerstone Group to provide for funding for the development
62 of the multi-family residential project known as Solaris in an amount not-to-exceed \$783,250.

63 Section 5. Implementation of Agreement. The Executive Director is hereby authorized
64 to take all action necessary to implement the terms of the agreement.

65 Section 6. Effective Date. This resolution shall take effect immediately upon approval.

66 PASSED AND ADOPTED by a _____ vote of the Board of the Hallandale
67 Beach Community Redevelopment Agency, this 21st day of October, 2019.

ATTEST:

HALLANDALE BEACH COMMUNITY
REDEVELOPMENT AGENCY

JENORGEN M. GUILLEN, CRA SECRETARY

JOY D. ADAMS, CHAIR

APPROVED AS TO FORM:

FOX ROTHSCHILD LLP, CRA ATTORNEY

**FLORIDA HOUSING FINANCE CORPORATION
LOCAL GOVERNMENT VERIFICATION OF CONTRIBUTION – GRANT FORM**

Name of Development: _____

Development Location: _____
(At a minimum, provide the address number, street name and city, and/or provide the street name, closest designated intersection and either the city (if located within a city) or county (if located in the unincorporated area of the county). If the Development consists of Scattered Sites, the Development Location stated above must reflect the Scattered Site where the Development Location Point is located.)

The City/County of _____ commits \$ _____ as a grant to the Applicant for its use solely for assisting the proposed Development referenced above. The City/County does not expect to be repaid or reimbursed by the Applicant, or any other entity, provided the funds are expended solely for the Development referenced above. No consideration or promise of consideration has been given with respect to the grant. For purposes of the foregoing, the promise of providing affordable housing does not constitute consideration. The commitment for this grant must be effective as of the Application Deadline for the applicable RFA, and is provided specifically with respect to the proposed Development.

The source of the grant is: _____
(e.g., SHIP, HOME, CDBG)

CERTIFICATION

I certify that the foregoing information is true and correct and that this commitment is effective at least through the date required in the applicable RFA.

Signature

Print or Type Name

Print or Type Title

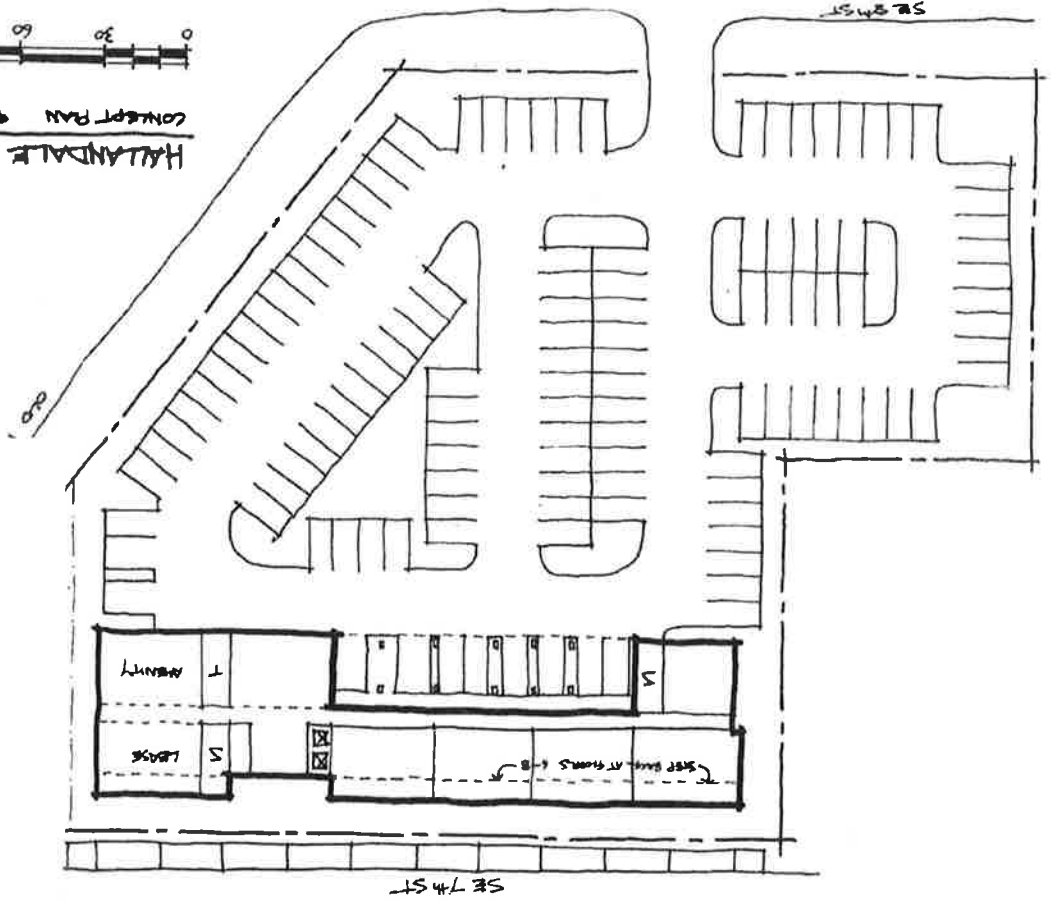
This certification must be signed by the chief appointed official (staff) responsible for such approvals, Mayor, City Manager, County Manager/Administrator/Coordinator, Chairperson of the City Council/Commission or Chairperson of the Board of County Commissioners. If the contribution is from a Land Authority organized pursuant to Chapter 380.0663, Florida Statutes, this certification must be signed by the Chair of the Land Authority. One of the authorized persons named above may sign this form for certification of state, federal or Local Government funds initially obtained by or derived from a Local Government that is directly administered by an intermediary such as a housing finance authority, a community reinvestment corporation, or a state-certified Community Housing Development Organization (CHDO). Other signatories are not acceptable. The Applicant will not receive credit for this contribution if the certification is improperly signed. To be considered for points, the amount of the contribution stated on this form must be a precise dollar amount and cannot include words such as estimated, up to, maximum of, not to exceed, etc.

If the Application is not eligible for automatic points, this contribution will not be considered if the certification contains corrections or 'white-out' or if the certification is altered or retyped. The certification may be photocopied.

Please note: This form may be modified by Florida Housing Finance Corporation per Section 67-60.005, F.A.C.



HALLANDALE APTS.
CONCEPT PLAN 9/10/14



Project Summary

Development Information

Project Name	Solaris
Location	118 SE 7th St & adjacent
County	Broward
City	Hallandale Beach
District	-
Demographic	Family
2019 AMGI	\$ 84,200
Primary Financing	9% Tax Credits

Site Control

Purchase Price	\$ 4,530,000
Price Per Unit	\$ 58,077
Land Size (acres)	1.86
Units Per Acre	42
DDA/QCT?	QCT
Census Tract	1003
Zip Code	33009
Ground Lease	No
Lease Payment	\$ -

Construction

Category	New Construction
Construction Material	Concrete
Construction Type	High-Rise
Number of Floors	8

Finance Sources

Tax Credit Equity	21,289,000
First Mortgage Loan	15,000,000
First Mortgage Redemption	(10,200,000)
Surtax/SHIP	-
HOME	-
SAIL	-
CDBG Acquisition	-
CDBG Dvpt	-
Other	-
Other	-
Broward County AHTF	-
Local Subsidy Grant	783,250
Deferred Developer Fee	1,318,054
Total	28,190,304

Proposed Unit Distribution

Proposed Number of Units	78
Project Square Footage	76,100
Studio	0%
1 Bedroom	24%
2 Bedroom	51%
3 Bedroom	24%
% Vouchers	0%

Financial Statistics

Operating Expense/Unit	\$ 6,744
Replacement Reserve/Unit	\$ 300
Cash Flow after Debt Service	\$ 146,517
First Mortgage/Unit	\$ 61,538
First Mortgage Interest Rate	5.50%
First Mortgage Amortization	35
Debt Service Coverage	1.47
Annual Tax Credits	\$ 2,265,000

Project Name	Solaris
Number of Units	78
Project Square Footage	76,100

Uses		Total Cost	Eligible Basis	Non-Eligible	Per Unit
Land Acquisition		\$ 4,530,000	\$ -	\$ 4,530,000	\$ 58,077
Land Carry		\$ -	\$ -	\$ -	\$ -
Broker Fee		\$ -	\$ -	\$ -	\$ -
Impact Fees		\$ 351,504	\$ 351,504	\$ -	\$ 4,506
Planning Fees		\$ -	\$ -	\$ -	\$ -
W&S Connection Fees		\$ 210,600	\$ 210,600	\$ -	\$ 2,700
Architect		\$ 195,000	\$ 195,000	\$ -	\$ 2,500
Engineer		\$ 58,500	\$ 58,500	\$ -	\$ 750
Surveying & Platting		\$ 35,000	\$ 35,000	\$ -	\$ 449
Environmental/Soils		\$ 23,400	\$ 23,400	\$ -	\$ 300
Legal		\$ 150,000	\$ 30,000	\$ 120,000	\$ 1,923
Finance Fees		\$ 198,000	\$ 150,000	\$ 48,000	\$ 2,538
Builders Risk Insurance		\$ 70,200	\$ 70,200	\$ -	\$ 900
Insurance		\$ 31,200	\$ -	\$ 31,200	\$ 400
P&P Bond (Construction)		\$ 102,000	\$ 102,000	\$ -	\$ 1,308
Taxes		\$ 40,000	\$ 8,000	\$ 32,000	\$ 513
Title and Recording		\$ 101,400	\$ -	\$ 101,400	\$ 1,300
Inspection Fee		\$ 35,000	\$ 35,000	\$ -	\$ 449
Appraisal		\$ 10,000	\$ 10,000	\$ -	\$ 128
Market Study		\$ 5,000	\$ 5,000	\$ -	\$ 64
Accounting		\$ 45,000		\$ 45,000	\$ 577
Tax Credit Fees		\$ 445,050	\$ 25,000	\$ 25,000	\$ 5,706
Marketing w/ Lease Up Reserves		\$ 85,000	\$ -	\$ 85,000	\$ 1,090
Building Permit Fees		\$ 249,600	\$ 249,600	\$ -	\$ 3,200
Capital Needs Assessment		\$ 5,000	\$ 5,000	\$ -	\$ 64
Green Building Cert		\$ 58,500	\$ 58,500		\$ 750
Furniture & Fixtures		\$ 85,000	\$ 85,000	\$ -	\$ 1,090
Construction Interest		\$ 1,283,000	\$ 962,250	\$ 320,750	\$ 16,449
Construction Cost (Building & Site)		\$ 15,627,000	\$ 15,552,900	\$ 74,100	\$ 200,346
Hard Cost Contingency	5%	\$ 781,350	\$ 781,350	\$ -	\$ 10,017
Soft Cost Contingency		\$ 119,000	\$ 119,000	\$ -	\$ 1,526
Replacement Reserves		\$ -	\$ -	\$ -	\$ -
Operating Reserve		\$ -		\$ -	\$ -
Developer Overhead	4.00%	\$ 815,000	\$ 815,000	\$ -	\$ 10,449
Developer Profit	12.00%	\$ 2,445,000	\$ 2,445,000	\$ -	\$ 31,346
TOTAL ACQUISITION COST		\$ 4,530,000	\$ -	\$ 4,530,000	\$ 58,077
TOTAL DEVELOPMENT COST		\$ 23,660,304	\$ 22,382,804	\$ 882,450	\$ 303,337
TOTAL USES		\$ 28,190,304	\$ 22,382,804	\$ 5,412,450	\$ 361,414
Sources		Total Cost	Eligible Basis	Non-Eligible	Per Unit
Tax Credit Equity		21,289,000			272,936
First Mortgage Loan		15,000,000			192,308
First Mortgage Redemption		(10,200,000)			(130,769)
Surtax/SHIP		-			-
HOME		-			-
SAIL		-			-
CDBG Acquisition		-			-
CDBG Dvpt		-			-
Other		-			-
Other		-			-
Broward County AHTF		-			-
Hall. Beach CRA Grant		783,250			10,042
Deferred Developer Fee		1,318,054			16,898
TOTAL SOURCES		\$ 28,190,304	\$ -	\$ -	\$ 361,414

Proforma

Project Name	Solaris	78	15%	40%	45%	0%	
Number of Units	78	Unit Type	% Total	30%	60%	70%	Market
County	Broward	1BR	25%	3	7	9	0
Annual Median Income	84,200	2BR	50%	6	16	18	-
% Sq Ft < 80% AMGI	100%	3BR	25%	3	7	9	0
Density	42	Total	100%	12	30	36	0

	Units	% AMI	Unit Size	Total Sq. Ft.	Gross Rent	Less: Utilities	Net Rent	Annual Income
1 Bed/1 Bath	3	30%	700	2,100	473	-\$57	\$416	\$14,976
1 Bed/1 Bath	7	60%	700	4,900	946	-\$57	\$889	\$74,676
1 Bed/1 Bath	9	70%	700	6,300	1,105	-\$57	\$1,048	\$113,184
1 Bed/1 Bath - Market	0	60%	700	-			\$1,500	\$0
2 Bed/2 Bath	6	30%	1000	6,000	567	-\$67	\$500	\$36,000
2 Bed/2 Bath	16	60%	1000	16,000	1,136	-\$67	\$1,069	\$205,248
2 Bed/2 Bath	18	70%	1000	18,000	1,326	-\$67	\$1,259	\$271,944
2 Bed/2 Bath - Market	0	60%	1000	-	1,437	-\$67	\$1,850	\$0
3 Bed/2 Bath	3	30%	1200	3,600	657	-\$76	\$581	\$20,916
3 Bed/2 Bath	7	60%	1200	8,400	1,314	-\$76	\$1,238	\$103,992
3 Bed/2 Bath	9	70%	1200	10,800	1,531	-\$76	\$1,455	\$157,140
3 Bed/2 Bath - Market	0	60%	1200	-	2,070	-\$76	\$2,100	\$0
TOTAL RENTAL REVENUE	78		976	76,100			\$ 1,066	\$998,076

Plus: Other Income	Penetration	Per Unit/Month	
Misc Income	100%	\$12.00	\$11,232
Coin Laundry	0%	\$12.00	\$0
Washer/Dryer	95%	\$55.00	\$48,906
Intrusion Alarms	0%	\$30.00	\$0
Cable Income	0%	\$17.50	\$0
Retail Income	95%	\$0.00	\$0
Gross Potential Income			\$1,058,214
Less: Vacancy Factor	5.00%		(52,911)
Effective Gross Income			1,005,303
Less: Operating Expenses		\$ (6,744)	(526,065)
Less: Replacement Reserve		\$ (300)	(23,400)
Net Operating Income			\$455,838
Land Lease Payment			\$ -
Cash Flow Before Debt Service			\$455,838

Description	% Total	\$/Unit	Principal Balance	Interest Rate	Amortization	Constant	Debt Service	Loan/Unit
First Mortgage Loan	53%	192,308	15,000,000	5.50%	35	6.44%	\$ 966,629	\$ 61,538
First Mortgage Redemption	-36%	(130,769)	(10,200,000)	5.50%	35	6.44%	\$ (657,308)	
Surtax/SHIP	0%	-	-	1.00%	Pay rate	1.00%	\$ -	
HOME	0%	-	-	0.25%	Interest Only	0.25%	\$ -	
SAIL	0%	-	-	1.25%	Interest Only	1.25%	\$ -	
CDBG Acquisition	0%	-	-	0.00%	Interest Only	0.00%	\$ -	
CDBG Dvpt	0%	-	-	0.00%	Interest Only	0.00%	\$ -	
Other	0%	-	-	0.00%	35		\$ -	
Other	0%	-	-	0.00%	35		\$ -	
Broward County AHTF	0%	-	-	0.00%	30	0.00%	\$ -	
Hall. Beach CRA Grant	3%	10,042	783,250	0.00%			\$ -	
Deferred Developer Fee	5%	16,898	1,318,054				\$ -	
Total		88,478	6,901,304				\$ 309,321	
Cash Flow After DS							\$146,517	
CF after first mortgage							\$146,517	
Debt Service Coverage - First Mortgage							1.47	
Debt Service Coverage - Total Loans							1.47	

Exhibit 5 – Pictures



Interior Looking in Social Room



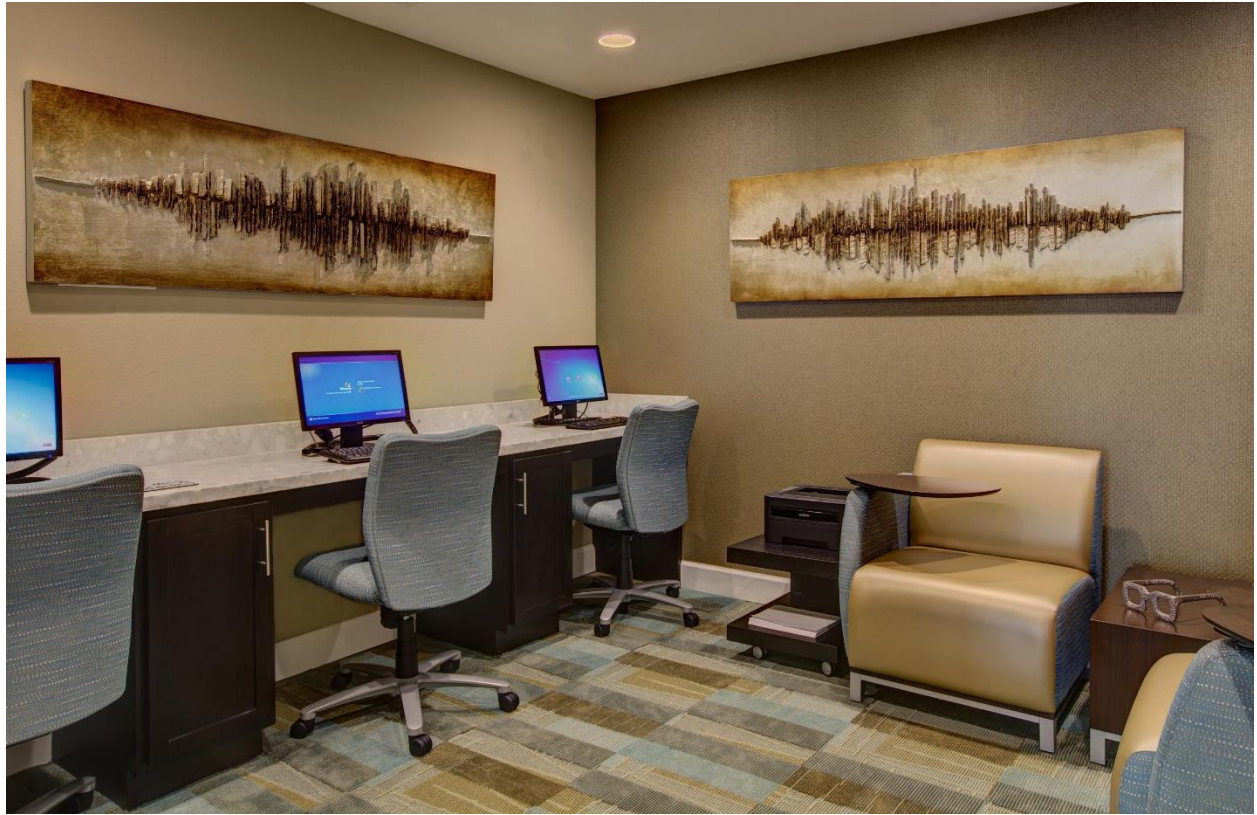
Clubhouse Social Room



Exterior Mid-Rise



Fitness Center



Business Center