CITY OF BELLINGHAM

ECONOMIC ANALYSIS OF SAMISH WAY URBAN VILLAGE PLAN

PROPERTY COUNSELORS

FEBRUARY 2009

INTRODUCTION AND SUMMARY

BACKGROUND AND PURPOSE

The City of Bellingham has identified the area along Samish Way as a potential Urban Village. (See Figure 1 on the following page.) An urban village is intended to provide a mix of uses including commercial, residential, office, and recreation; with amenities and necessary facilities and services within walking distance. The City's Comprehensive Plan calls for increased density; the Samish Way area is largely underdeveloped; and there are provisions for an urban village in the neighborhood plan for the area. The City is preparing a master plan for the urban village to provide an overall vision and development regulations.

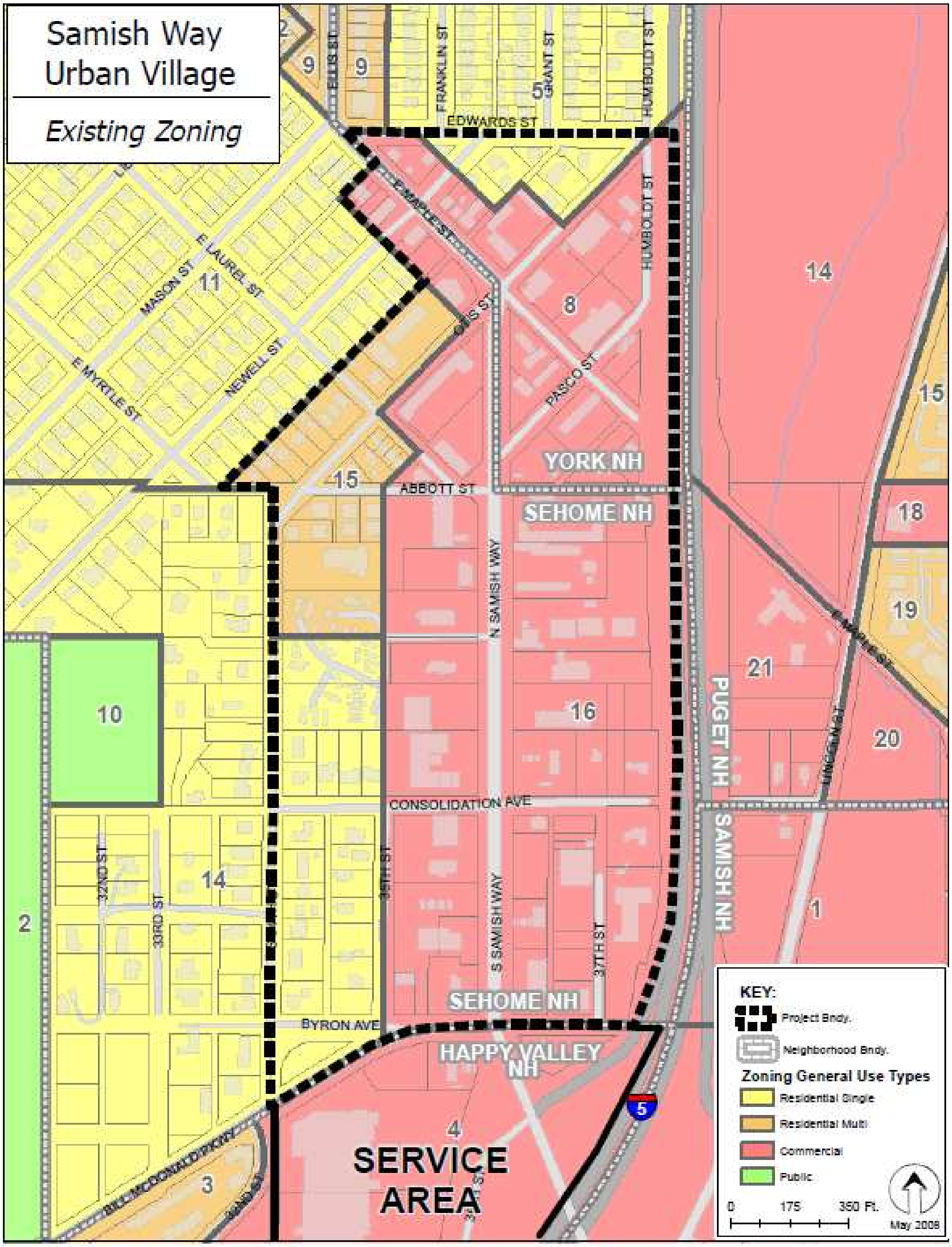
The implementation of the plan will feature a Floor Area Ratio (FAR) bonus system. Floor area ratio is a measure of density and is calculated as the amount of building area divided by the land area. Development beyond a base level is allowed in return for public amenities such as provision of land for public plazas and street right-of-way (ROW); provision of affordable housing, construction of Leadership in Energy and Environmental Design (LEED) or green buildings; and contributions to the Lake Whatcom Watershed Acquisition Fund.

Feasibility of development under an FAR bonus or any regulatory framework is related to market and site conditions. Samish Way enjoys several characteristics that will enhance its marketability for development: primarily proximity to the freeway and Western Washington University. At the same time the existing auto-oriented development in the area has created an identity that must be changed in order to achieve the urban village concept.

Property Counselors, a real estate economic consulting firm has prepared an economic analysis of the proposed FAR Bonus system for the Samish Way Urban Village to determine whether it would provide necessary and sufficient incentives to attract the desired types of development. In particular, this analysis addresses two questions:

> Is development likely to be feasible under an FAR Bonus system in Samish Way?
>
> What are appropriate parameters for the system in terms of base FAR values and bonus rates?

Figure 1


Samish Way
Urban Village
Existing Zoning
EDWARDS ST
E MAPLE ST
E LAUREL ST
MASON ST
NEWELL ST
E MYRTLE ST
OTIS ST
PASCO ST
HUMBOLDT ST
FRANKLIN ST
GRANT ST
ELLIS ST
YORK NH
SEHOME NH
ABBOTT ST
N SAMISH WAY
S SAMISH WAY
CONSOLIDATION AVE
BYRON AVE
35TH ST
37TH ST
32ND ST
33RD ST
PUGET NH
SAMISH NH
LINCOLN ST
HAPPY VALLEY NH
SERVICE AREA
BILL MCDONALD PKWY
5
KEY:
Project Bndy.
Neighborhood Bndy.
Zoning General Use Types
Residential Single
Residential Multi
Commercial
Public
0
175
350 Ft.
May 2008

This report documents the results of the economic analysis. It is organized in five sections.

Introduction and Summary

Description of FAR Bonus System

Development Scenarios

Feasibility Analysis

Findings and Conclusions

SUMMARY OF CONCLUSIONS

1. For apartment scenarios, development would not be feasible at FAR's less than 3.5, and with bonus requirements higher than those assumed in the analysis.
2. For condominium scenarios, development would be feasible at an FAR of 3.0 at the assumed bonus rates. Development at an FAR of 3.5 could support higher bonus requirements.
3. The cost of the bonuses for the public plaza, affordable housing, right-of-way dedication and contributions to the Watershed Acquisition Fund are generally comparable. The cost of LEED silver certification is considerably higher than the other features. Even at an FAR bonus of 1.0 (twice the bonus for the other features), the return is less than for combinations of the other features.

DESCRIPTION OF FAR BONUS SYSTEM

The proposed FAR system specifies a base level of development that is allowed before bonuses. The base FAR is 2.5 with bonus development up to an FAR of 3.5

Five bonus features are considered:

Land for public plaza.

Portion of additional development devoted to affordable housing.

Land for right-of-way for new side streets.

Contribution to Lake Whatcom Watershed Acquisition Fund.

LEED silver certification.

The Public Plaza bonus earns additional floor area in return for property for City development of public plazas in suitable locations. An FAR increase of .5 FAR is analyzed for a minimum plaza area of 8,000 square feet.

Affordable housing earns additional floor area if a specified percentage of that area is devoted to housing that is affordable to households with incomes that don't exceed 80% of the median for the local county. The US Department of Housing and Urban Development estimates the median income level in Whatcom County to be $63,000 in 2008. The income level for a two-person household at 80% of median (the federal definition of low income) is $40,300. Using factors for housing costs as a percentage of income and financing assumptions, the affordable rents and prices at the 80% of median income level for a one-bedroom unit in Bellingham would be:

Rental: $1,000 per month

Ownership: $170,000 purchase price

20% is the set-aside requirement tested in this analysis.

Right-of-Way Dedication earns bonus floor area in return for land provided for new east-west and north-south side streets in the area. The bonus rate is equivalent to the base FAR of 2.5 square feet of additional building area for each square foot of dedicated right of way. The amount of dedicated right of way for any parcel would vary by size, shape and location, but would be equal to 30 feet (one-half of the width of a new street) times the length of new street frontage. This bonus would be used before any other bonus feature. Streetscape improvements for the new side streets are funded by the developer under all bonus scenarios.

Watershed Acquisition earns bonus floor area in return for contribution to the Lake Whatcom Watershed Acquisition Fund. A fee of $8 per square foot of additional development is assumed based on an estimated current land value of $15 per square foot, with a base FAR of 1.5 and a 20% discount to provide some incentive.

LEED certification earns additional floor area in return for achieving LEED silver certification. LEED certification is determined by a specific rating system for a variety of building factors. Silver certification is a step above basic certification. The cost of achieving silver status varies from project to project, but is estimated by sources such as the US General Services Administration (GSA) LEED Cost Study to be 3% of development cost. A bonus rate of .5 FAR is analyzed.

DEVELOPMENT SCENARIOS

The feasibility analysis provides a comparison of development feasibility for several different development scenarios. The scenarios are intended to reflect differences in:

- Base level development versus bonus development.
- Type of Incentive Feature.
- Ownership Type (rental vs. condominium)

RMC Architects prepared development scenarios for a site with 140 feet of frontage on Samish Way, and a depth of 240 feet. Actual site sizes will vary, but this is considered to be a typical lot in the urban village after right of way dedications for new side streets. Table 1 compares the characteristics of the scenarios considered in that analysis. The scenarios are described in terms of site area, floor area, dwelling units and parking spaces. Key assumptions include:

- Parking for residential units is assumed at one space per unit, and parking for retail is assumed at one space per 700 square feet. Parking is assumed to be provided on the ground floor level with the amount determined by parking layout efficiencies, and commercial depth requirements; with the remaining required parking located on one floor below grade.

- Average unit size is 700 net square feet. Condominium units are assumed to require higher gross square footage (reflecting more common area) with net to gross efficiencies of 82% compared to 85% for apartments.

Table 1
Description of Development Scenarios

Apartments

	1.5 FAR	2.0 FAR	2.5 FAR	3.0 FAR	3.5 FAR
Site Area (Square Feet)	32,200	32,200	32,200	32,200	32,200
Gross Building Area	48,320	64,400	80,500	96,601	112,700
Commercial (Square Feet)	4,800	6,000	6,000	20,825	17,200
Dwelling Units	56	71	91	86	106
Parking Stalls	63	80	100	116	131

Condominiums

	1.5 FAR	2.0 FAR	2.5 FAR	3.0 FAR	3.5 FAR
Site Area (Square Feet)	32,200	32,200	32,200	32,200	32,200
Gross Building Area	48,320	64,400	80,500	96,601	112,700
Commercial (Square Feet)	4,800	6,000	6,000	20,825	17,200
Dwelling Units	54	68	88	83	102
Parking Stalls	61	77	97	113	127

For purposes of this analysis, bonus features were assumed as follows:

FAR 1.5: No bonus features required.

FAR 2.0: No bonus features required.

FAR 2.5: No bonus features required.

FAR 3.0: Use of single bonus feature.

Plaza: .5 FAR for 8,000 square feet additional site area.

Affordable Housing: .5 FAR for 3,220 gross square feet of affordable housing (3 to 4 additional units).

Right-of-Way Dedication: .5 FAR for additional 6,440 square foot of site area (equivalent to the bonus rate of 2.5 square feet of additional bonus area for each square foot of dedicated right of way).

LEED Certification: .5 FAR for silver certification with 3% construction cost premium.

FAR 3.5: Combination of two features with Right-of-Way dedication required as first feature.

FEASIBILITY ANALYSIS

PURPOSE AND METHOD

The proforma feasibility analysis compares the cost of development to completed value to determine the entrepreneurial profit. The entrepreneurial profit for any development plan is compared to a target rate of 10% of development cost to identify whether that option is feasible. The 10% rate is considered a minimum rate falling within a range of 10% to 20%. Such a rate provides adequate incentive for a developer to assume the risk associated with development.

The value of the completed development is estimated as the net sales proceeds in the case of a residential condominium project, or the capitalized value of the operating income in a stabilized year for a rental project. Developer cost is calculated as the sum of land acquisition, building construction, and soft costs.

ASSUMPTIONS

There are a variety of assumptions that are important to the results. While many of the assumptions are constant across all cases, assumptions related to sales prices and rents are related to FAR and building height. All financial assumptions are summarized in Table 2.

Construction costs reflect today's prices. Construction costs have stabilized after several years of rapid escalation. (See Appendix 1.) The construction cost for the affordable apartments is assumed to be the same as for the market apartments; the construction cost for the affordable condominiums is assumed to be the same as the apartments; and the market condominiums have a cost premium for interior finishes.

Rents and sales prices reflect estimated market conditions at the completion of the projects. The rents and prices are considered to be possible within three to five years. Current market conditions are described in Appendix 1 of this report. Condominium price assumptions are at the middle of the range for recent projects in the downtown area. The condominium market is stagnant at this time, so the assumed prices are speculative. Rent levels are shown in a range related to building height, and reflect an assumption that the urban village does offer a new identity and attractive environment. Rents at the lower FAR's are somewhat above existing rents to the south of the area. Rents at the higher FAR's are slightly lower than current rents in the Fairhaven area. Expense rates for apartments are assumed at typical levels.

Land prices are assumed at levels of $15 per square foot based on recent sales activity in the area as described in Appendix 1.

The cost of street improvements for new side streets is estimated at $800 per lineal foot for the half of the roadway abutting a development site. This estimate was provided by City staff and includes the cost of the roadway as well as sidewalk improvements. The cost of improvements to Samish Way is not assumed to be borne by the new developments.

As described earlier, the cost premium for LEED Silver certified buildings is assumed to 3%. The parameters for the affordable housing are based on affordable rents for a 700 square foot one bedroom rental unit of $1,000 per unit per month at 80% of median income; and affordable sales price for a 700 square foot condominium of $170,000 at 80% of median income.

Table 2
Feasibility Analysis Assumptions

	1.5 FAR	2.0 FAR	2.5 FAR	3.0 FAR	3.5 FAR
Apartment Rent Market (/sq. ft./yr.)	15.00	15.60	16.80	17.40	18.60
Apartment Rent Market LEED (/sq. ft./y	15.00	15.60	16.80	17.40	18.60
Apartment Rent Affordable (sq. ft./yr.)	15.00	15.60	16.20	16.20	16.20
Apartment Exp. (/sq. ft./yr.)	4.50	4.75	5.00	5.50	5.50
Apartment Exp. LEED (/sq. ft./yr.)	4.50	4.75	5.00	5.50	5.50
Condo Sales Price Market (/sq. ft.)	225.00	250.00	275.00	300.00	325.00
Condo Sales Price Market LEED (/sq. ft	225.00	250.00	275.00	300.00	325.00
Condo Sales Price Affordable (/sq. ft.)	225.00	225.00	225.00	225.00	225.00
Condo Sales Costs (% of Price)	8.0%	8.0%	8.0%	8.0%	8.0%
Retail Rent (/sq. ft./yr)	18.00	18.00	18.00	18.00	18.00
Capitalization Rate					
Apartments	6.0%	6.0%	6.0%	6.0%	6.0%
Retail	7.0%	7.0%	7.0%	7.0%	7.0%
Parking Rent					
Apartments (/sp./mo.)	50.00	50.00	50.00	50.00	50.00
Construction Cost					
Apartments Market (/sq. ft.)	110.00	110.00	110.00	110.00	110.00
Apartments Market LEED (/sq. ft.)	113.00	113.00	113.00	113.00	113.00
Apartments Affordable (/sq. ft.)	110.00	110.00	110.00	110.00	110.00
Condominiums Market (/sq. ft.)	125.00	125.00	125.00	125.00	125.00
Condominiums Market LEED (/sq. ft.)	129.00	129.00	129.00	129.00	129.00
Condominiums Affordable (/sq. ft.)	115.00	115.00	115.00	115.00	115.00
Retail (/sq. ft.)	90.00	90.00	90.00	90.00	90.00
Streetscape (/lin. ft.)	800.00	800.00	800.00	800.00	800.00
Underground Parking (/sp.)	22,500	22,500	22,500	22,500	22,500
Aboveground Parking (/sp)	15,000	15,000	15,000	15,000	15,000
Soft Costs					
Apartments (% of constr.)	28.0%	28.0%	28.0%	28.0%	28.0%
Condominiums (% of constr.)	37.0%	37.0%	37.0%	37.0%	37.0%
Retail (% of constr.)	31.0%	31.0%	31.0%	31.0%	31.0%
Land Price (/sq. ft.)	15.00	15.00	15.00	15.00	15.00
Development Rights ($/SF)	8.00	8.00	8.00	8.00	8.00

RESULTS

The results of the analysis can be expressed in terms of absolute feasibility – meeting the target rate or not – or in terms of the increased performance of alternatives in comparison with the base cases. A particular case is considered feasible if the entrepreneurial profit falls within the acceptable range of 10% to 20%, as highlighted in Table 3. The results are shown in more detail in Appendix 2 of this report.

Table 3
Comparison of Feasibility Results
Entrepreneurial Profit as % of Development Cost

	Apartments	Condominiums
FAR 1.5		
Surface Parking	0.7%	-5.3%
Surface and Structure	-2.6%	-7.8%
FAR 2.0	-11.0%	-8.4%
FAR 2.5	-3.7%	0.6%
FAR 3.0		
Bonus Plaza	0.1%	10.7%
Bonus Affordabel Housing	0.5%	10.7%
Bonus Right of Way Dedication	0.2%	10.9%
Bonus Watershed Rights Acquisition	0.0%	10.7%
Bonus LEED Certification	-1.3%	8.7%
FAR 3.5		
Bonus ROW and Plaza	8.7%	20.6%
Bonus ROW and Affordable Housing	8.8%	20.4%
Bonus ROW and Watershed Acq.	8.6%	20.5%
Bonus ROW and LEED	7.0%	18.2%

Shaded cells indicate scenarios where returns exceed development requirements of 10% .

The results of the analysis can be further summarized as follows.

1. None of the apartment scenarios achieve the minimum entrepreneurial return hurdle of 10%. However, the 3.5 FAR cases achieve returns close to that rate. With optimistic rent performance, savings in construction costs, and relaxation of some bonus requirements, development could be feasible at this density.

2. The 3.0 FAR condominium scenarios are barely feasible, and the 3.5 FAR scenarios are at the upper end of the feasible range. If the future condominium market achieves the sales prices assumed here, the scenarios could support higher bonus requirements.

3. For apartments, the affordable housing bonus feature provides the highest return. Affordable rents are so close to market rents that the cost of this feature is relatively low. The costs of the plaza, right-of-way and watershed acquisition feature are similar in cost. The LEED feature is the most expensive.

4. For condominiums, the costs of the plaza, affordable housing, right-of-way and watershed acquisition feature are similar in cost. The LEED feature is the most expensive.

FINDINGS AND CONCLUSIONS

1. For apartment scenarios, development would not be feasible at FAR's less than 3.5, and with bonus requirements higher than those assumed in the analysis.
2. For condominium scenarios, development would be feasible at an FAR of 3.0 at the assumed bonus rates. Development at an FAR of 3.5 could support higher bonus requirements.
3. The cost of the bonuses for the public plaza, affordable housing, right-of-way dedication and contributions to the Watershed Acquisition Fund are generally comparable. The cost of LEED silver certification is considerably higher than the other features. Even at an FAR bonus of 1.0 (twice the bonus for the other features), the return is less than for combinations of the other features.

APPENDICES

1. **Real Estate Market Overview**

2. **Feasibility Analysis**
   - **APARTMENT SCENARIO BASE CASES FAR 1.5, 2.0, 2.5**
   - **APARTMENT SCENARIO BONUS CASES FAR 3.0**
   - **APARTMENT SCENARIO BASE CASES FAR 3.5**
   - **CONDOMINIUM SCENARIO BASE CASES FAR 1.5, 2.0, 2.5**
   - **CONDOMINIUM SCENARIO BONUS CASES FAR 3.0**
   - **CONDOMINIUM SCENARIO BASE CASES FAR 3.5**

APPENDIX 1

REAL ESTATE MARKET OVERVIEW

A review of current real estate market conditions in Bellingham provides a basis for the assumptions used in the feasibility analysis.

RESIDENTIAL MARKET OVERVIEW

Bellingham has an estimated 34,694 housing units in 2008, as shown in Table A-1. This represents a 57% increase since 1990. Single family accounts for 51% (17,566 units) of the total units, while multifamily units represent 47% (16,277 units) of total units. The proportion of multifamily units has increased from 36% of total units in 1990, while the percentage of single family units has declined.

Table A-1
Bellingham Housing Inventory

	1990		2001		2008	
Housing Type	**No. of Units**	**% of Total**	**No. of Units**	**% of Total**	**No. of Units**	**% of Total**
Single Family	13,176	59.6%	15,042	51.7%	17,566	50.6%
Multi Family	8,011	36.2%	13,264	45.6%	16,277	46.9%
Mobile Homes	927	4.2%	792	2.7%	851	2.5%
	22,114	100.0%	29,098	100.0%	34,694	100.0%

Source: Whatcom County Real Estate Research Report 2002
State of Washington Office of Financial Management Sept 2008

As indicated in Table A-2, total residential building permits in Bellingham increased sharply beginning in 2003, then declined significantly in 2007 and 2008 year-to-date. The majority of new permits since 2003 consist of multi-family units, which have outpaced new single family units by a rate of over three to one.

Table A-2

Residential Building Permits
City of Bellingham 1985-2008

Year	Single Family	Duplex	Multi Family	Misc.	Total
1985	84	10	361	*	455
1986	115	5	89		209
1987	133	2	236		371
1988	157	16	411		584
1989	204	32	437		673
1990	149	54	372		575
1991	124	56	319		499
1992	197	92	331		620
1993	204	112	324		640
1994	289	88	835		1,212
1995	258	38	309		605
1996	307	32	113		452
1997	273	58	169		500
1998	272	60	120		452
1999	275	44	467		786
2000	238	38	617		893
2001	249	26	414		689
2002	223	40	373	10	646
2003	260	34	701	63	1,058
2004	306	38	563	26	933
2005	179	46	722	23	970
2006	157	42	1485	-39	1,645
2007	189	22	289	-8	492
2008 (thru Aug.)	53	0	84	0	137

Source: *Whatcom County Real Estate Research Report 2008*
Whatcom County Planning Department

* Misc. permits prior to 2002 were included elsewhere

APARTMENT MARKET OVERVIEW

Apartment market conditions in Whatcom County as of March 2008 are summarized in Table A-3.

Table A-3

Whatcom County Apartment Market
Rent and Vacancy Data as of March 2008
Buildings of 20 Units or more

	All	Studio	1 BR	2 BR/1 BA	2 BR/2 BA	3 BR/2 BA
Market Vacancy	2.0%	0.0%	1.3%	1.6%	2.6%	4.9%
Actual Rent	$730	$515	$629	$717	$834	$800
Actual Rent per NRSF	$0.90	$1.16	$1.03	$0.84	$0.89	$0.80
Buildings Surveyed	30	4	24	26	11	14
Units Surveyed	2,892	64	850	1,124	500	307

Source: *Whatcom County Real Estate Research Report 2008*
Washington Center for Real Estate Research

Whatcom County Apartment Market
Rent and Vacancy Data for March 2003 - March 2008
Buildings of 20 Units or more

	Mar-03	Mar-04	Mar-05	Mar-06	Mar-07	Mar-08
Vacancy Rate	3.1%	4.1%	4.1%	2.5%	2.3%	2.0%
Average Rent	$661	$664	$675	$679	$709	$730

Source: *The Apartment Vacancy Report* , Dupre + Scott Apartment Advisors, Inc., March 2003-March 2006
Whatcom County Real Estate Research Report 2008 , Washington Center for Real Estate Research

County-wide, vacancy rates have declined since March 2004 to their low current level of 2.0%. Studios and one-bedroom units are in greatest demand with vacancy of 0.0% and 1.3%, respectively. Average rent has increased from $661 per month five years ago to the March 2008 average of $730 (up 10.4%). On a per square foot basis, rents range from a high of $1.16 per square foot per month for studios to a low of $0.80 per square foot for three bedroom units. Average rent for all unit types is $0.90 per square foot per month.

Table A-4 summarizes apartment rent and vacancy data for 12 census tracts within Bellingham. For the areas containing or adjacent to Samish Way (tracts 5, 9 and 10), average rents for studios range between $430 and $520; one-bedroom units range between $457 and $517; two-bedroom units range between $579 and $627; and three-bedroom units average $760 per month.

Table A-4

Bellingham Apartment Market
Rent and Vacancy Data as of May 2007

Census Tract	Area Description	Unit Type	Sample Size	Avg. Rent/Mo	Vacancy Rate
1	Mt. Baker	1 BR	92	$588	
		2 BR	406	$706	
		3 BR	83	$876	
	Subtotal		581		11.2%
2	Bellingham Airport	1 BR	114	$585	
		2 BR	327	$694	
		3 BR	73	$815	
	Subtotal		514		8.2%
3	Birchwood	Studio	37	$461	
		1 BR	134	$509	
		2 BR	450	$597	
		3 BR	74	$895	
	Subtotal		695		13.2%
4	Columbia/Cornwall Park	Studio	2	$460	
		1 BR	162	$479	
		2 BR	189	$585	
		3 BR	22	$600	
	Subtotal		375		12.0%
5	Lettered Streets/Sunnyland/York	Studio	56	$520	
		1 BR	96	$493	
		2 BR	9	$579	
	Subtotal		161		4.4%
6	Central Business District	Studio	9	$490	0.0%
7	Roosevelt	Studio	14	$533	
		1 BR	114	$665	
		2 BR	142	$763	
		3 BR	2	$810	
	Subtotal		272		12.5%
8	Alabama Hill/Silver Beach				
		1 BR	86	$535	
		2 BR	18	$710	
		3 BR	11	$1,057	
	Subtotal		115		11.3%
9	Samish/Lakeway	Studio	16	$430	
		1 BR	118	$517	
		2 BR	267	$601	
		3 BR	64	$734	
	Subtotal		465		6.2%
10	Sehome/WWU	Studio	11	$441	
		1 BR	1,110	$457	
		2 BR	313	$627	
		3 BR	16	$785	
		4 BR	10	$1,012	
	Subtotal		1,460		8.0%
11	Fairhaven/South Hill	Studio	158	$323	
		1 BR	83	$505	
		2 BR	147	$620	
		3 BR	19	$786	
		4 BR	54	$1,118	
	Subtotal		461		18.7%
12	Happy Valley/South	Studio	6	$410	
		1 BR	172	$597	
		2 BR	217	$707	
		3 BR	68	$924	
			463		4.5%
	Totals	Studio	309	$452	
		1 BR	1,281	$539	
		2 BR	2,485	$654	
		3 BR	432	$828	
		4 BR	64	$952	
			4,571		10.3%

Source: Whatcom County Real Estate Research Report, 2007

Table A-5
Apartment Rental Rates

Name/ Address	No. of Units	Year Built	Unit Types	Unit Size Range (Sq Ft)	Rental Rates/Mo	Rent/Sq Ft Range
McKenzie Square 1440 10th St.		2005	One Bed/1 Bath Two Bed/2 Bath TwoBed/2 Bath	651 985-1207 1,180	\$819-\$919 \$1460-\$1690 \$2000-\$2290	\$1.26 - \$1.41 \$1.40 - \$1.48 \$1.69 - \$1.94
Marketplace Apts. 1225 Railroad Ave.			One Bed/1 Bath Two Bed/2 Bath		\$1125-1275	
Barkley Trails 3100 Racine St.	82	2004	Studio One Bed/1 Bath Two Bed/2 Bath Three Bed/2 Bath	400 - 562 466 - 685 822 - 1,008 1,093	\$595 - \$650 \$649 - \$720 \$879 - \$955 \$1,099	\$1.16 - \$1.49 \$1.05 - \$1.39 \$0.95 \$1.01

Source: Apartments.com; For Rent; Property Counselors

Table A-5 summarizes rental information on several newer apartment complexes in Bellingham. McKenzie Square is an upscale development in Fairhaven, reflecting some of the highest rents in the region. Marketplace Apartments is a good quality complex in downtown. Barkley Trails is a garden-style apartment complex adjacent to Barkley Village in northeast Bellingham.

New construction currently underway includes a 51-unit complex known as Walton Place, located at 1511 N. State St. in the downtown area. This is an affordable housing project by the Bellingham Housing Authority which will offer one- two-, and three bedroom units. Scheduled completion date is September 2009.

Apartments at the south end of the urban village near Haggen's are attracting rents of approximately $1.15 per square foot per month.

CONDOMINIUM MARKET OVERVIEW

Condominium construction has increased substantially in Whatcom County in recent years, with total units up nearly 30% in the last four years, nearly equal to the growth of the previous 10 years combined. Primary reasons for this growth are single family home prices have become less affordable, many of the liability issues that once scared developers have been resolved, and the rise in condominium popularity nationwide.

Condominium sale activity during 2007 in Bellingham is summarized in Table A-6.

Table A-6
Condominium Sales in 2007 - Bellingham

Subdivision	Units Sold	Average Price	Average Sq Ft	Average Price/Sq Ft
Bay Vista	5	$236,480	1,071	$221
Centre Point	8	$138,325	793	$174
City Lights	5	$126,145	741	$170
Cordata Cottages	6	$165,767	784	$211
Cottage Creek	21	$119,517	753	$159
Creekside Villas	5	$116,380	577	$202
Cypress Place	50	$152,604	611	$250
Darby Estates	70	$203,749	1,141	$179
Drake Building	6	$157,325	834	$189
Fir Ridge	31	$238,847	985	$242
Harris Square	12	$175,125	716	$245
Keystone	32	$177,594	719	$247
King Meadows	7	$173,334	835	$208
Lakeview	7	$216,238	1,264	$171
Maple Glen	15	$228,811	1,474	$155
Maples Reserve	40	$231,749	1,450	$160
Meadowbrook	7	$204,857	1,297	$158
Morse Square	10	$264,310	1,250	$211
Pacific Wood	5	$154,540	898	$172
Southwinds	9	$347,568	1,453	$239
Spinnaker Reach	6	$358,361	1,270	$282
Village at Cordata	5	$248,900	1,188	$210
Other	139	$301,493	1,267	$238
Total and Averages	501	$206,001	1,016	$203

Source: Whatcom County Real Estate Research Report, 2008

There were a total of 501 condominium sales in Bellingham in 2007. Sale prices ranged between $116,380 and $358,361, with an average price of $206,001 ($203 per square foot). Unit size ranged between 577 and 1,474 square feet, with an overall average of 1,016 square feet.

Recent sale data for several new condominium projects in Bellingham is summarized in Table A-7.

Table A-7

Recent Sale Data - New Condominiums

Name/ Address	No. of Units	Year Built	Unit Types	Unit Size Range (Sq Ft)	Recent Sale Prices	Price/Sq Ft Range
Morse Square 1015 Railroad Ave.	82	2006	One-Bedroom Two-Bedroom	636 - 681 834 - 969	$177,000 - $245,000 $260,000 - $375,000	$278 - $360 $312 - $387
Keystone 1001 N. State St.		2003	One-Bedroom Two-Bedroom	554-607 600-838	$128,000 - $158,000 $170,000 - $237,000	$231 - $260 $283
Laurel Park 1000 High St.	20	2007	Two-Bedroom	729 - 1830	$281,000 - $575,000	$314 - $385
The Drake at Barkley Village Barkley Blvd./Newmarket St.	36	2007	Studio One-Bedroom One-Bedroom+Den	675 773 - 872 771	$200,000 $248,000 - $310,000 $282,400	$296 $321 - $356 $366
The Atrium 1031 N. State St.		2006	One-Bedroom Two-Bedroom	598 - 656 754 - 962	$138,000 - $165,000 $160,000 - $218,000	$231 - $252 $212 - $227

Source: Condocompare.com; Property Counselors

Morse Square is an 82-unit complex at 1015 Railroad Ave., just west of downtown. Within the past year, one- and two-bedroom units have sold at prices ranging between $177,000 and $375,000 ($278 - $387 per square foot). A proposed 18-story high-rise containing one and two bedroom units, representing a second phase of Morse Square, is on hold.

The Keystone Condominiums, located at State and Laurel St., is another large complex near downtown. One bedroom units have recently sold at prices between $128,000 and $158,000 ($231-$260 per square foot), with two bedroom units going for $170,000 to $237,000 ($283 per square foot). Laurel Park, located between downtown and WWU, contains 20 two-bedroom units built in 2007. Recent sales have been reported at $281,000 to $575,000 ($314-$385 per square foot). The Atrium, adjacent to the Keystone Condominiums, has smaller units selling between $138,000 to $218,000 ($231 - $252 per square foot for one bedroom units and $212 - $227 per square foot for two bedroom units).

New development includes the 16-unit Edgewater Place Condominiums, currently under construction at 472 S. State St. overlooking Boulevard Park and Bellingham Bay. This project is scheduled to be completed in Spring 2009.

OFFICE MARKET OVERVIEW

Supply and vacancy statistics for the Bellingham office market are summarized by census tract in Table A-8.

Table A-8
Bellingham Office Market
2008 Supply/Vacancy Data by Census Tract

Census Tract	Area Description	Total Sq Ft	Vacant Sq Ft	Vacancy Rate
1	Meridian Area/I-5	136,631	15,090	11.04%
2	Meridian/Airport Area	492,555	22,918	4.65%
3	Birchwood/Northwest Area	85,859	22,992	26.78%
4	Fountain District/Northwest Area	361,001	21,515	5.96%
5	Iowa - West of I-5/Central Business Area	571,068	10,080	1.77%
6	Central Business Area	948,728	66,076	6.96%
7	Iowa- East of I-5	194,554	8,000	4.11%
8	Alabama/Yew/Silver Beach	244,106	0	0.00%
9	Lakeway/King/West of I-5	65,111	3,316	5.09%
10	North State/Samish/WWU	134,348	38,428	28.60%
11	Fairhaven	117,995	4,742	4.02%
12	Sehome Village - West of I-5/Fairhaven Pkwy.	78,066	2,288	2.93%
	Totals	3,430,022	215,445	6.28%

Source: *Whatcom County Real Estate Research Report, 2008*

Bellingham Office Market
Vacancy Data by Census Tract 2003-2008

Census Tract	Area Description	2003	2004	2005	2006	2007	2008
1	Meridian Area/I-5	27%	15%	3%	1%	17%	11%
2	Meridian/Airport Area	8%	9%	1%	5%	4%	5%
3	Birchwood/Northwest Area	2%	3%	0%	0%	6%	27%
4	Fountain District/Northwest Area	5%	4%	5%	2%	2%	6%
5	Iowa - West of I-5/Central Business Area	2%	3%	2%	2%	3%	2%
6	Central Business Area	10%	5%	4%	2%	6%	7%
7	Iowa- East of I-5	11%	4%	29%	16%	5%	4%
8	Alabama/Yew/Silver Beach	3%	10%	0%	0%	0%	0%
9	Lakeway/King/West of I-5	8%	11%	9%	7%	8%	5%
10	North State/Samish/WWU	22%	5%	8%	4%	2%	29%
11	Fairhaven	7%	8%	0%	2%	20%	4%
12	Sehome Village - West of I-5/Fairhaven Pkwy.	5%	2%	26%	26%	3%	3%
	Totals	8%	6%	5%	4%	6%	8%

Source: *Whatcom County Real Estate Research Reports, 2003-2008*

A total of 3.43 million square feet of office space reportedly exists in Bellingham as of 2007. The vacancy rate was 6.28%. Since 2003, average vacancy among the 12 census tracts in the city declined to a low of 4% in 2006, and then increased to 6% in 2007 and 2008. Area 10, which includes Samish Way, witnessed a substantial increase in vacancy in 2008 due primarily to the departure of Puget Sound Energy from their building on State St. The other two tracts closest to Samish Way, Areas 5 and 9, reported 2008 vacancy rates of 1.8% and 5.1%, respectively.

Characteristics of several office buildings in downtown Bellingham are summarized in Tale A-9.

Table A-9
Larger Bellingham Office Buildings

Identification	Address	Size (Sq Ft)	Vacancy Rate	Rental Rate
Crown Plaza	114 W. Magnolia St.	62,665	11%	$14
Bellwether Building	11 Bellwether Way	22,500	12%	$24
Marina Building	851 Coho Way	47,442	11%	$16
4220 Meridian Building	4220 Guide Meridian	9,700	18%	$14
Iowa Business Center	1736 Iowa St.	10,788	46%	$13
King Street Prof. Bldg.	1334 King St.	7,000	31%	$12
Walton Investments Bldg.	515 Lakeway Dr.	6,000	100%	$18
Puget Sound Energy Bldg.	1329 N. State St.	30,000	33%	$14
Copper Building	2011 Young St.	16,000	43%	$18
1319 Cornwall	1319 Cornwall Ave.	13,750	42%	$10
Mt. Baker Prof. Bldg.	1235 Cornwall Ave.	28,352	3%	$14
Bellingham Nat'l. Bank	101 E. Holly St.	19,766	31%	$21

Source: CBA; Property Counselors

Average rental rates range from a low of $10 per square foot, triple net, to a high of $24 per square foot per year, fully serviced. Significant vacancy exists at several buildings, although one unleased suite at a small building can skew the data.

Within the Samish Way corridor there is a very limited number of existing office buildings. The largest is Gateway Center, a three-story, 25,400 sq ft building at 1313 E. Maple St. This building consists almost entirely of small executive suites ranging between 150 and 220 square feet, other than a 5,000 square foot pharmacy on the ground floor. Current rental rates for the executive suites are approximately $676 to $1,000 per month ($48 to $54 per square foot), full service plus receptionist services, office furnishings, etc.

Two other office properties in the Samish Way corridor are currently vacant. A two-story, 2,800 square foot building at 1326 E. Laurel St. is listed for lease at $12.00 per square foot per year, triple net. A one-story, 2,137 square foot building at 101 S. Samish Way is currently available, also at an asking rate of $12.00 per square foot (modified gross).

RETAIL MARKET OVERVIEW

Supply and vacancy statistics for the Bellingham retail market are summarized by census tract in Table A-10. There is a total of 7.94 million square feet of retail space in Bellingham, with an overall vacancy rate of 4.3%. Average vacancy among the 12 census tracts remained below 5% in 2005-2006, bumped up to 8% in 2007, and then dropped back down to 6% this past year. Census Tract 10, which includes Samish Way as well as North State St. and Western Washington University retail areas, reports a total of 178,000 square feet of retail space, with a 14.6% vacancy factor.

Table A-10
Bellingham Retail Market
2008 Supply/Vacancy Data by Census Tract

Census Tract	Area Description	Total Sq Ft	Vacant Sq Ft	Vacancy Rate
1	Meridian Area/I-5	407,472	150,592	36.96%
2	Meridian/Airport Area	1,529,924	39,605	2.59%
3	Birchwood/Northwest Area	1,534,019	6,523	0.43%
4	Fountain District/Northwest Area	385,749	33,107	8.58%
5	Iowa - West of I-5/Central Business Area	971,583	28,807	2.96%
6	Central Business Area	1,198,352	29,324	2.45%
7	Iowa- East of I-5	893,128	10,969	1.23%
8	Alabama/Yew/Silver Beach	80,875	0	0.00%
9	Lakeway/King/West of I-5	278,823	2,000	0.72%
10	North State/Samish/WWU	178,232	26,018	14.60%
11	Fairhaven	204,481	0	0.00%
12	Sehome Village - West of I-5/Fairhaven Pkwy.	277,824	15,453	5.56%
	Totals	7,940,462	342,398	4.31%

Source: *Whatcom County Real Estate Research Report, 2008*

Bellingham Retail Market
Vacancy Data by Census Tract 2003-2008

Census Tract	Area Description	2003	2004	2005	2006	2007	2008
1	Meridian Area/I-5	12%	10%	34%	49%	38%	37%
2	Meridian/Airport Area	0%	6%	3%	3%	1%	3%
3	Birchwood/Northwest Area	5%	3%	2%	1%	7%	0%
4	Fountain District/Northwest Area	4%	4%	4%	2%	6%	9%
5	Iowa - West of I-5/Central Business Area	2%	3%	3%	1%	8%	3%
6	Central Business Area	10%	6%	0%	1%	2%	2%
7	Iowa- East of I-5	1%	0%	0%	0%	0%	1%
8	Alabama/Yew/Silver Beach	0%	0%	0%	2%	14%	0%
9	Lakeway/King/West of I-5	4%	3%	1%	1%	1%	1%
10	North State/Samish/WWU	5%	2%	5%	7%	5%	15%
11	Fairhaven	1%	1%	0%	4%	11%	0%
12	Sehome Village - West of I-5/Fairhaven Pkwy.	4%	3%	4%	4%	1%	6%
	Totals	8%	7%	4%	4%	8%	6%

Source: *Whatcom County Real Estate Research Reports, 2003-2008*

A representative sample of numerous retail facilities in Bellingham is provided in Table A-11 below. Highest retail rents in the area are generally obtained at buildings located near Bellis Fair Mall, with rates typically in the high teens to mid-$20 range. In most other retail districts around the city, current rental rates generally fall in the range of $12 to $16 per square foot, triple net.

Table A-11
Bellingham Retail Rents

Identification	Address	Size (Sq Ft)	Rental Rate
Whatcom Plaza	4236 Cordata Parkway	22,425	$23
4220 Meridian Bldg	4220 Guide Meridian	9,700	$14
Iowa Retail Bldg	1511 Iowa St.	5,000	$13
Sunnyland Square	2410 James St.	40,000	$12
Cordata Place	4151 Guide Meridian	31,368	$16
Cordata Bakerview	4145 Guide Meridian	10,025	$16
Meridian Retail Center		41,475	$19
1701 N. State St. Bldg	1701 N. State St.	14,400	$12
Park Manor Shopping Ctr.	3212 Northwest Ave.	96,266	$16
Fussner Building	1431 State St.	13,000	$18
Meridian Plaza	193 Telegraph Rd.	18,000	$11

Source: CBA; Property Counselors

HOTEL MARKET OVERVIEW

The hotel market in Bellingham and Whatcom county is relatively strong. As shown in the table below, the average room rate is higher than all areas except Downtown Seattle, SeaTac and Southcenter, Bellevue and Eastside, and Spokane.

Table A-12
Comparison of Hotel Markets
Year to Date – September 2008

	Occupancy	Average Daily Rate
Downtown Seattle	79.5%	$173.54
SeaTac and Southcenter	77.8	108.64
Bellevue and Eastside	70.1	150.38
Everett and Snohomish County	70.1	77.90
Tacoma and Pierce County	72.2	86.97
Bellingham and Northwest Washington	69.3	102.41
Olympia and Southwest Washington	68.5	77.18
TriCities and Central Washington	71.3	88.15
Spokane and Eastern Washington	65.5	106.99
Resorts and Inns	61.2	194.43
Statewide	74.4	133.24

Source: Wolfgang Rood Hospitality Consulting and PKF Consulting, *Trends in the Hotel Industry*

The local market area has shown strong growth in average room rate, with stable occupancy over time. The average room rate has increased by 7.1% per year between 2000 and 2007. The average rate grew by 15% per year between 2005 and 2007.

Table A-13
Trends in Hotel Market Conditions

	Occupancy	Average Daily Rate
2000	63.6%	$58.79
2001	66.3%	58.39
2002	64.9%	59.38
2003	65.9%	65.75
2004	64.2%	64.05
2005	69.0%	71.59
2006	67.8%	86.88
2007	69.6%	94.94

Source: Wolfgang Rood Hospitality Consulting and PKF Consulting, *Trends in the Hotel Industry*

Generally the hotels in the Samish Way Corridor are small limited service properties with secondary if any, affiliations. As shown below, the room rates are well below the average rates for market area.

Table A-14
Samish Way Corridor Lodging Facilities

Name	Location	Room Rates	No. of Rooms	On-site Restaurant	Pool	Fitness Center	Kitchen Facs.
Aloha Motel	315 N. Samish Way		28	No	No	No	Yes
Bay City Motor Inn	116 N. Samish Way	$56-$110	51	No	No	Yes	No
Cascade Inn	208 N. Samish Way		96	No	No	No	Yes
Coachman Inn	120 N. Samish Way	$50-$100	60	No	Yes	No	No
Mac's Motel	1215 E. Maple St.		24	No	No	No	No
Motel 6	3701 Byron Ave.	$50-$56	60	No	Yes	No	No
Days Inn	215 N. Samish Way	$70-$160	66	No	Yes	Yes	No
Travelodge	101 N. Samish Way	$55-$66	56	No	No	No	No
Villa Inn	212 N. Samish Way		39	Yes	Yes	No	Yes

Sources: Bellingham/Whatcom County 2007/2008 Vistors Guide; QwestDex Bellingham/Whatcom County Directory 2008

EXISTING LAND USES – SAMISH WAY CORRIDOR

Lodging and restaurants represent the dominant existing uses along the Samish Way corridor. Numerous fast-food establishments, including national chains Wendy's, Taco Time, and McDonald's are concentrated near the south end of the corridor around the intersection of Bill McDonald Parkway and Samish Way. Nine motels flank the east and west sides of Samish Way between E. Maple St. and Bill McDonald Parkway. Information about these lodging facilities is provided in Table A-12 below.

LAND VALUE OVERVIEW

There has been very little land sale activity in the Samish Way corridor in recent years. Table 13 summarizes the limited evidence available for Samish Way, with some land sales and listings from similar commercial corridors included as supplemental data.

Table A-15
Land Sales/Listings

Location	Sale Date	Analysis Price	Area (Sq Ft)	Price/ Sq Ft
218 N. Samish Way	Sep-06	$400,000	20,038	$19.96
100 block 37th St.	Listing	$76,500	3,000	$25.50
1315 Dupont St.	Jan-07	$510,000	19,000	$26.84
1300 Iowa St.	Sep-04	$850,000	52,795	$16.10
1270 Barkely Blvd.	Listing	$1,400,000	39,822	$35.16
522 W. Bakerview Rd.	Listing	$650,000	20,037	$32.44

A 20,036 square foot site at the northeast corner of Samish Way and Abbott St. sold two years ago for $20 per square foot. The property is now improved with a small coffee kiosk. A 3,000 square foot vacant parcel just north of the former Black Angus restaurant along the east side of Samish Way is currently listed for sale at $25.50 per square foot. Sales of commercial land on Dupont St. and Iowa St. indicate prices of $27 and $16 per square foot, respectively. Current listings of developable land near Barkley Village and the W. Bakerview Rd. corridor, areas considered superior to Samish Way, exceed $30 per square foot.

In light of the limited land sale data available, current land values in the Samish Way corridor are estimated in the range of $15 to $20 per square foot.

CONSTRUCTION COST INCREASES

Construction costs have continued to increase over the past year. According to the Engineering News Record *Construction Economics Report*, the Building Cost Index increased by 6.4% over the past year. Cost increases for steel offset decreases in costs for cement and lumber. However, recent monthly changes indicate that prices have leveled off or declined slightly.

These results are consistent with the experience of a local cost estimator and a contractor/developer.

APPENDIX 2

FEASIBILITY ANALYSIS

- **APARTMENT SCENARIO BASE CASES FAR 1.5, 2.0, 2.5**
- **APARTMENT SCENARIO BONUS CASES FAR 3.0**
- **APARTMENT SCENARIO BASE CASES FAR 3.5**
- **CONDOMINIUM SCENARIO BASE CASES FAR 1.5, 2.0, 2.5**
- **CONDOMINIUM SCENARIO BONUS CASES FAR 3.0**
- **CONDOMINIUM SCENARIO BASE CASES FAR 3.5**

Summary of Financial Analysis
Apartment Scenarios

	1.5 FAR Surface Parking	1.5 FAR Some Structure	2.0 FAR Base	2.5 FAR Base
Description				
Site Area (Square Feet)	32,200	32,200	32,200	32,200
Development Rights Transfer (SF Building	-	-	-	-
Gross Building Area	48,320	48,320	64,400	80,500
Commercial (Square Feet)	4,800	4,800	6,000	6,000
Dwelling Units	56	56	71	91
Affordable Units	-	-	-	-
Parking Stalls	63	63	80	100
Financial Performance				
Capitalized Value	7,510,085	7,510,085	10,213,390	13,650,367
Capital Investment	7,459,511	7,709,751	11,477,962	14,174,814
Entrepreneurial Return	50,574	(199,666)	(1,264,572)	(524,448)
Return as % of Investment	0.7%	-2.6%	-11.0%	-3.7%

Summary of Financial Analysis
Apartment Scenarios

	3.0 FAR Plaza	3.0 FAR Affordable	3.0 FAR ROW Dedication	3.0 FAR Watershed Acq.	3.0 FAR LEED
Description					
Site Area (Square Feet)	40,200	32,200	38,640	32,200	32,200
Development Rights Transfer (SF Building	-	-	-	16,100	-
Gross Building Area	96,601	96,601	96,601	96,601	96,601
Commercial (Square Feet)	20,825	20,825	20,825	20,825	20,825
Dwelling Units	86	86	86	86	86
Affordable Units	-	4	-	-	-
Parking Stalls	116	116	116	116	116
Financial Performance					
Capitalized Value	16,771,860	16,719,857	16,771,860	16,771,860	16,771,860
Capital Investment	16,762,941	16,642,941	16,739,541	16,771,741	16,988,482
Entrepreneurial Return	8,919	76,916	32,319	119	(216,622)
Return as % of Investment	0.1%	0.5%	0.2%	0.0%	-1.3%

Summary of Financial Analysis
Apartment Scenarios

	3.5 FAR ROW Ded. & Plaza	3.5 FAR ROW Ded. & Affordable	3.5 FAR ROW Ded. & Watershed Acq.	3.5 FAR ROW Ded. & LEED
Description				
Site Area (Square Feet)	46,640	38,640	38,640	38,640
Development Rights Transfer (SF Building	-	-	16,100	-
Gross Building Area	112,700	112,700	112,700	112,700
Commercial (Square Feet)	17,200	17,200	17,200	17,200
Dwelling Units	106	106	106	106
Affordable Units	-	4	-	-
Parking Stalls	131	131	131	131
Financial Performance				
Capitalized Value	20,887,596	20,783,590	20,887,596	20,887,596
Capital Investment	19,223,144	19,103,144	19,231,944	19,514,928
Entrepreneurial Return	1,664,452	1,680,446	1,655,652	1,372,668
Return as % of Investment	8.7%	8.8%	8.6%	7.0%

Summary of Financial Analysis
Condominium Scenarios

	1.5 FAR Surface Parking	1.5 FAR Some Structure	2.0 FAR Base	2.5 FAR Base
Description				
Site Area (Square Feet)	32,200	32,200	32,200	32,200
Development Rights Transfer (SF Building	-	-	-	-
Gross Building Area	48,320	48,320	64,400	80,500
Commercial (Square Feet)	4,800	4,800	6,000	6,000
Dwelling Units	54	54	68	88
Affordable Units	-	-	-	-
Parking Stalls	61	61	77	97
Financial Performance				
Capitalized Value	8,325,485	8,325,485	12,187,240	16,628,770
Capital Investment	8,792,745	9,029,070	13,304,366	16,522,032
Entrepreneurial Return	(467,260)	(703,585)	(1,117,126)	106,738
Return as % of Investment	-5.3%	-7.8%	-8.4%	0.6%

Summary of Financial Analysis
Condominium Scenarios

	3.0 FAR Plaza	3.0 FAR Affordable	3.0 FAR ROW Dedication	3.0 FAR Watershed Acq.	3.0 FAR LEED
Description					
Site Area (Square Feet)	40,200	32,200	38,640	32,200	32,200
Development Rights Transfer (SF Building	-	-	-	16,100	-
Gross Building Area	96,601	96,601	96,601	96,601	96,601
Commercial (Square Feet)	20,825	20,825	20,825	20,825	20,825
Dwelling Units	83	83	83	83	83
Affordable Units	-	4	-	-	-
Parking Stalls	113	113	113	113	113
Financial Performance					
Capitalized Value	21,220,912	21,038,724	21,220,912	21,220,912	21,220,912
Capital Investment	19,165,648	19,001,534	19,142,248	19,174,448	19,515,462
Entrepreneurial Return	2,055,263	2,037,190	2,078,663	2,046,463	1,705,450
Return as % of Investment	10.7%	10.7%	10.9%	10.7%	8.7%

Summary of Financial Analysis
Condominium Scenarios

	3.5 FAR ROW Ded. & Plaza	3.5 FAR ROW Ded. & Affordable	3.5 FAR ROW Ded. & Watershed Acq.	3.5 FAR ROW Ded. & LEED
Description				
Site Area (Square Feet)	46,640	38,640	38,640	38,640
Development Rights Transfer (SF Building	-	-	16,100	-
Gross Building Area	112,700	112,700	112,700	112,700
Commercial (Square Feet)	17,200	17,200	17,200	17,200
Dwelling Units	102	102	102	102
Affordable Units	-	3	-	-
Parking Stalls	127	127	127	127
Financial Performance				
Capitalized Value	26,777,290	26,534,373	26,777,290	26,777,290
Capital Investment	22,211,408	22,047,294	22,220,208	22,659,812
Entrepreneurial Return	4,565,882	4,487,080	4,557,082	4,117,478
Return as % of Investment	20.6%	20.4%	20.5%	18.2%