

Loveland City Hall

GEIS CONSULTING GROUP LTD

APRIL 24, 2017

Project Charge

1

Develop Pro-
Forma for City
Hall

2

Compare
Ownership by
City with Joint
Venture

3

Create Typical
Conditions for
Ownership &
Joint Venture

Assumptions:

- ▶ Construction is considered a municipal project
 - ▶ 10,300 square footprint
 - ▶ Prevailing wage
 - ▶ Typical Municipal Building Standards
 - ▶ Finishes
 - ▶ Steel Construction
 - ▶ Architecturally designed to match downtown

Assumptions (continued)

- ▶ Cost estimates are typical (Low)
 - ▶ \$ 125.00 shell cost (per foot)
 - ▶ \$ 90.00 Tenant Improvements (Per foot)
 - ▶ \$ 50.00 Tenant Improvement for retail leased space (remainder Tenant responsibility)
 - ▶ \$ 75,000 Demolition Cost
 - ▶ \$ 37,500 Grading & Utility Cost
 - ▶ \$ 37,500 Storm water Cost
 - ▶ \$ 38,500 Streetscape Cost
 - ▶ 5 % Contingency
 - ▶ 6 % Design Fee

Assumptions (continued)

- ▶ Municipal Debt @ 3.45% for 20 years
- ▶ Sale Price for Land is \$ 400,000
- ▶ Retail NNN Rent @ \$20.00 Square foot (per year)
- ▶ Residential Rent @ \$1.65 Square foot (monthly)
- ▶ TIF Values assume existing legislation excluding Government Property
 - ▶ 80% of Appraised value excluding Municipal value
 - ▶ TIF through 2035
 - ▶ \$151,035 annually for 4 floors
 - ▶ \$ 99,896 annually for 3 floors
 - ▶ \$ 49,154 annually for 2 floors

Assumptions (continued)

- ▶ No Leasing Fees are included (Brokers)
- ▶ 80% Residential component used for Leasing (example: 1000 square feet = 800 rentable space)
- ▶ Assumes Full Retail and Residential Leasing (Except as noted)
- ▶ Management Fee attributable to public side of \$50,000 annually (This is in addition to Management fee included in CAM (Common Area Maintenance))
- ▶ Maintenance costs outside of CAM are not included
 - ▶ Escrow for Maintenance is not included (Except as noted)
 - ▶ \$ 2 CAM charge included for City Hall

Description (TWO FLOOR Option)						
	Area - Square Feet		Cost /S.F.		Cost	
					Cost / S..F.	
						Cost
Building Core / Shell	20,600		125		\$ 2,575,000.00	\$ 2,781,000.00
Building Tenant Improvements						
1st Floor Retail	10,300		\$ 50.00		\$ 515,000.00	\$ 618,000.00
2nd Floor - City Hall	10,300		\$ 90.00		\$ 927,000.00	\$ 1,112,400.00
TOTAL	20,600				\$ 1,442,000.00	\$ 1,730,400.00
Site Development						
Demolition	15,000		\$ 5.00		\$ 75,000.00	\$ 105,000.00
Grading and Utilities (per acre)	0.75		\$50,000.00		\$ 37,500.00	\$ 56,250.00
Storm Water Management (per acre)	0.75		\$50,000.00		\$ 37,500.00	\$ 45,000.00
Streetscape	5500		\$ 7.00		\$ 38,500.00	\$ 55,000.00
					\$ 207,250.00	\$ 280,000.00
TOTAL					\$ 4,224,250.00	\$ 4,791,400.00
Contingency			5%		\$ 211,212.50	\$ 335,398.00
Building Core/Shell,	20,600				\$ 125.00	\$ 135.00
Building Area (Finished)	20,600				\$ 227.62	\$ 262.83
T/I costs (Average)	20,600				\$ 70.00	\$ 84.00
Design Fees CMR					\$ 253,455.00	\$ 287,484.00
Total Project Costs					\$ 4,688,917.50	\$ 5,414,282.00
Project	20,600				\$ 4,688,917.50	\$ 5,414,282.00

Description (TWO FLOOR Option)		Owner/Loveland				Joint Venture
Potential TIF Revenue (Existing Agreement)		\$49,153.65			Sale of Site	(\$400,000)
					Floor Cost @ \$228	\$2,344,458.75
Retail @ \$20 Sq/FT NNN		\$206,000.00				
					Net Cost	\$1,944,459
Total Revenue		\$255,153.65				
Management Fee		(\$50,000)			TIF Revenue	\$49,153.65
Debt @ 3.45%		\$328,426.44			Debt @ 3.45%	\$(136,195.97)
(\$ 70,043 per million)(20 Years)					CAM @\$2.00	\$(20,600.00)
Annual Net		\$(123,272.79)			Annual Net	\$(107,642.32)

Description (THREE FLOORS Option)						
	Area - Square Feet	Cost /S.F.	Cost	Cost / S.F.	Cost	
Building Core / Shell	30,900	125	\$3,862,500.00	135	\$4,171,500.00	
Building Tenant Improvements						
1st Floor Retail	10,300	\$50.00	\$515,000.00	\$60.00	\$618,000.00	
2nd Floor - City Hall	10,300	\$90.00	\$927,000.00	\$108.00	\$1,112,400.00	
3rd Floor Residential	10,300	\$90.00	\$927,000.00	\$108.00	\$1,112,400.00	
TOTAL	30,900		\$2,369,000.00		\$2,842,800.00	
Site Development						
Demolition	15,000	\$5.00	\$75,000.00	\$7.00	\$105,000.00	
Grading and Utilities (per acre)	0.75	\$50,000.00	\$37,500.00	\$75,000.00	\$56,250.00	
Storm Water Management (per acre)	0.75	\$50,000.00	\$37,500.00	\$60,000.00	\$45,000.00	
Streetscape	5500	\$7.00	\$38,500.00	\$10.00	\$55,000.00	
			\$207,250.00		\$280,000.00	
TOTAL			\$6,438,750.00		\$7,294,300.00	
Contingency		5%	\$321,937.50	7%	\$510,601.00	
Building Core/Shell,	30,900		\$125.00		\$135.00	
Building Area (Finished)	30,900		\$231.29		\$266.75	
T/I costs (Average)	30,900		\$76.67		\$92.00	
Design Fees CMR			\$386,325.00		\$437,658.00	
Total Project Costs			\$7,147,012.50		\$8,242,559.00	

Description (THREE FLOORS Option)				Owner/Loveland				Joint Venture
Potential TIF Revenue (Existing Agreement)				\$99,895.63			Sale of Site	(\$400,000)
							Floor Cost @ \$231	\$2,382,337.50
Retail @ \$20 Sq/FT NNN				\$206,000.00				
Rent Residential Units @\$1.65 Sq/Ft (80% of available space)				\$163,152.00			Net Cost	\$1,982,338
Total Revenue				\$469,047.63				
Management Fee				(\$50,000)			TIF Revenue	\$99,895.63
Debt @ 3.45% (\$ 70,043 per million)(20 Years)				\$500,599.10			Debt @ 3.45%	\$(138,849.11)
							CAM @\$2.00	\$(20,600.00)
Annual Net				\$(81,551.47)			Annual Net	\$(59,553.48)

Description (FOUR FLOORS Option)	Area - Square Feet	Cost /S.F.	Cost	Cost / S.F.	Cost
Building Core / Shell	41,200	125	\$5,150,000.00	135	\$5,562,000.00
Building Tenant Improvements					
1st Floor Retail	10,300	\$50.00	\$515,000.00	\$60.00	\$618,000.00
2nd Floor - City Hall	10,300	\$90.00	\$927,000.00	\$108.00	\$1,112,400.00
3rd Floor Residential	10,300	\$90.00	\$927,000.00	\$108.00	\$1,112,400.00
4th Floor Residential	10,300	\$90.00	\$927,000.00	\$108.00	\$1,112,400.00
	41,200		\$3,296,000.00		\$3,955,200.00
Site Development					
Demolition	15,000	\$5.00	\$75,000.00	\$7.00	\$105,000.00
Grading and Utilities (per acre)	0.75	\$50,000.00	\$37,500.00	\$75,000.00	\$56,250.00
Storm Water Management (per acre)	0.75	\$50,000.00	\$37,500.00	\$60,000.00	\$45,000.00
Streetscape	5500	\$7.00	\$38,500.00	\$10.00	\$55,000.00
TOTAL			\$207,250.00		\$280,000.00
TOTAL			\$8,653,250.00		\$9,797,200.00
Contingency		5%	\$432,662.50	7%	\$685,804.00
Building Core/Shell,	41,200		\$125.00		\$135.00
Building Area (Finished)	41,200		\$233.13		\$268.71
T/I costs (Average)	41,200		\$80.00		\$96.00
Design Fees CMR			\$519,195.00		\$587,832.00
Total Project Costs			\$9,605,107.50		\$11,070,836.00

Description (FOUR FLOORS Option)				Owner/Loveland				Joint Venture	
Potential TIF Revenue (Existing Agreement)				\$151,034.69			Sale of Site	(\$400,000)	
							Floor Cost @ \$233	\$2,401,276.88	
Retail @ \$20 Sq/FT NNN				\$206,000.00					
Rent Residential Units @\$1.65 Sq/Ft (80% of available space)				\$326,304.00			Net Cost	\$2,001,277	
Total Revenue				\$683,338.69					
Management Fee				(\$50,000)			TIF Revenue	\$151,034.69	
Debt @ 3.45%				\$672,771.75			Debt @ 3.45%	\$(140,175.69)	
(\$ 70,043 per million)(20 Years)							CAM @\$2.00	\$(20,600.00)	
Annual Net				\$(39,433.07)			Annual Net	\$(9,741.00)	

No Vacancy & No Increase		OWNER/LOVELAND		OWNER/LOVELAND		OWNER/LOVELAND	
		2 Floor		3 Floor		4 Floor	
		Annual	Net	Annual	Net	Annual	Net
1	2019	\$ (123,272.78)	\$ (123,272.78)	\$ (81,551.47)	\$ (81,551.47)	\$ (39,433.07)	\$ (39,433.07)
2	2020	\$ (123,272.78)	\$ (246,545.57)	\$ (81,551.47)	\$ (163,102.93)	\$ (39,433.07)	\$ (78,866.13)
3	2021	\$ (123,272.78)	\$ (369,818.35)	\$ (81,551.47)	\$ (244,654.40)	\$ (39,433.07)	\$ (118,299.20)
4	2022	\$ (123,272.78)	\$ (493,091.14)	\$ (81,551.47)	\$ (326,205.86)	\$ (39,433.07)	\$ (157,732.26)
5	2023	\$ (123,272.78)	\$ (616,363.92)	\$ (81,551.47)	\$ (407,757.33)	\$ (39,433.07)	\$ (197,165.33)
6	2024	\$ (123,272.78)	\$ (739,636.71)	\$ (81,551.47)	\$ (489,308.79)	\$ (39,433.07)	\$ (236,598.39)
7	2025	\$ (123,272.78)	\$ (862,909.49)	\$ (81,551.47)	\$ (570,860.26)	\$ (39,433.07)	\$ (276,031.46)
8	2026	\$ (123,272.78)	\$ (986,182.28)	\$ (81,551.47)	\$ (652,411.73)	\$ (39,433.07)	\$ (315,464.53)
9	2027	\$ (123,272.78)	\$ (1,109,455.06)	\$ (81,551.47)	\$ (733,963.19)	\$ (39,433.07)	\$ (354,897.59)
10	2028	\$ (123,272.78)	\$ (1,232,727.85)	\$ (81,551.47)	\$ (815,514.66)	\$ (39,433.07)	\$ (394,330.66)
11	2029	\$ (123,272.78)	\$ (1,356,000.63)	\$ (81,551.47)	\$ (897,066.12)	\$ (39,433.07)	\$ (433,763.72)
12	2030	\$ (123,272.78)	\$ (1,479,273.42)	\$ (81,551.47)	\$ (978,617.59)	\$ (39,433.07)	\$ (473,196.79)
13	2031	\$ (123,272.78)	\$ (1,602,546.20)	\$ (81,551.47)	\$ (1,060,169.05)	\$ (39,433.07)	\$ (512,629.85)
14	2032	\$ (123,272.78)	\$ (1,725,818.99)	\$ (81,551.47)	\$ (1,141,720.52)	\$ (39,433.07)	\$ (552,062.92)
15	2033	\$ (123,272.78)	\$ (1,849,091.77)	\$ (81,551.47)	\$ (1,223,271.99)	\$ (39,433.07)	\$ (591,495.98)
16	2034	\$ (123,272.78)	\$ (1,972,364.56)	\$ (81,551.47)	\$ (1,304,823.45)	\$ (39,433.07)	\$ (630,929.05)
17	2035	\$ (123,272.78)	\$ (2,095,637.34)	\$ (81,551.47)	\$ (1,386,374.92)	\$ (39,433.07)	\$ (670,362.12)
18	2036	\$ (172,426.44)	\$ (2,268,063.78)	\$ (181,447.10)	\$ (1,567,822.01)	\$ (190,467.75)	\$ (860,829.87)
19	2037	\$ (172,426.44)	\$ (2,440,490.22)	\$ (181,447.10)	\$ (1,749,269.11)	\$ (190,467.75)	\$ (1,051,297.62)
20	2038	\$ (172,426.44)	\$ (2,612,916.66)	\$ (181,447.10)	\$ (1,930,716.20)	\$ (190,467.75)	\$ (1,241,765.38)
21	2039	\$ 156,000.00	\$ (2,456,916.66)	\$ 319,152.00	\$ (1,611,564.20)	\$ 482,304.00	\$ (759,461.38)
22	2040	\$ 156,000.00	\$ (2,300,916.66)	\$ 319,152.00	\$ (1,292,412.20)	\$ 482,304.00	\$ (277,157.38)
23	2041	\$ 156,000.00	\$ (2,144,916.66)	\$ 319,152.00	\$ (973,260.20)	\$ 482,304.00	\$ 205,146.62
24	2042	\$ 156,000.00	\$ (1,988,916.66)	\$ 319,152.00	\$ (654,108.20)	\$ 482,304.00	\$ 687,450.62
25	2043	\$ 156,000.00	\$ (1,832,916.66)	\$ 319,152.00	\$ (334,956.20)	\$ 482,304.00	\$ 1,169,754.62
26	2044	\$ 156,000.00	\$ (1,676,916.66)	\$ 319,152.00	\$ (15,804.20)	\$ 482,304.00	\$ 1,652,058.62
27	2045	\$ 156,000.00	\$ (1,520,916.66)	\$ 319,152.00	\$ 303,347.80	\$ 482,304.00	\$ 2,134,362.62
28	2046	\$ 156,000.00	\$ (1,364,916.66)	\$ 319,152.00	\$ 622,499.80	\$ 482,304.00	\$ 2,616,666.62
29	2047	\$ 156,000.00	\$ (1,208,916.66)	\$ 319,152.00	\$ 941,651.80	\$ 482,304.00	\$ 3,098,970.62
30	2048	\$ 156,000.00	\$ (1,052,916.66)	\$ 319,152.00	\$ 1,260,803.80	\$ 482,304.00	\$ 3,581,274.62

1% Increases		OWNER/LOVELAND		OWNER/LOVELAND		OWNER/LOVELAND	
No Vacancy		2 Floor		3 Floor		4 Floor	
		Annual	Net	Annual	Net	Annual	Net
1	2019	\$ (123,272.78)	\$ (123,272.78)	\$(81,551.47)	\$(81,551.47)	\$(39,433.07)	\$(39,433.07)
2	2020	\$ (121,212.78)	\$ (244,485.57)	\$(77,859.95)	\$(159,411.41)	\$(34,110.03)	\$(73,543.09)
3	2021	\$ (119,152.78)	\$ (363,638.35)	\$(74,168.43)	\$(233,579.84)	\$(28,786.99)	\$(102,330.08)
4	2022	\$ (117,092.78)	\$ (480,731.14)	\$(70,476.91)	\$(304,056.74)	\$(23,463.95)	\$(125,794.02)
5	2023	\$ (115,032.78)	\$ (595,763.92)	\$(66,785.39)	\$(370,842.13)	\$(18,140.91)	\$(143,934.93)
6	2024	\$ (112,972.78)	\$ (708,736.71)	\$(63,093.87)	\$(433,935.99)	\$(12,817.87)	\$(156,752.79)
7	2025	\$ (110,912.78)	\$ (819,649.49)	\$(59,402.35)	\$(493,338.34)	\$(7,494.83)	\$(164,247.62)
8	2026	\$ (108,852.78)	\$ (928,502.28)	\$(55,710.83)	\$(549,049.17)	\$(2,171.79)	\$(166,419.41)
9	2027	\$ (106,792.78)	\$ (1,035,295.06)	\$(52,019.31)	\$(601,068.47)	\$3,151.25	\$(163,268.15)
10	2028	\$ (104,732.78)	\$ (1,140,027.85)	\$(48,327.79)	\$(649,396.26)	\$8,474.29	\$(154,793.86)
11	2029	\$ (102,672.78)	\$ (1,242,700.63)	\$(44,636.27)	\$(694,032.52)	\$13,797.33	\$(140,996.52)
12	2030	\$ (100,612.78)	\$ (1,343,313.42)	\$(40,944.75)	\$(734,977.27)	\$19,120.37	\$(121,876.15)
13	2031	\$ (98,552.78)	\$ (1,441,866.20)	\$(37,253.23)	\$(772,230.49)	\$24,443.41	\$(97,432.73)
14	2032	\$ (96,492.78)	\$ (1,538,358.99)	\$(33,561.71)	\$(805,792.20)	\$29,766.45	\$(67,666.28)
15	2033	\$ (94,432.78)	\$ (1,632,791.77)	\$(29,870.19)	\$(835,662.39)	\$35,089.49	\$(32,576.78)
16	2034	\$ (92,372.78)	\$ (1,725,164.56)	\$(26,178.67)	\$(861,841.05)	\$40,412.53	\$7,835.75
17	2035	\$ (90,312.78)	\$ (1,815,477.34)	\$(22,487.15)	\$(884,328.20)	\$45,735.57	\$53,571.32
18	2036	\$ (137,406.44)	\$ (1,952,883.78)	\$(118,691.26)	\$(1,003,019.45)	\$(99,976.07)	\$(46,404.75)
19	2037	\$ (135,346.44)	\$ (2,088,230.22)	\$(114,999.74)	\$(1,118,019.19)	\$(94,653.03)	\$(141,057.78)
20	2038	\$ (133,286.44)	\$ (2,221,516.66)	\$(111,308.22)	\$(1,229,327.40)	\$(89,329.99)	\$(230,387.78)
21	2039	\$ 197,200.00	\$ (2,024,316.66)	\$392,982.40	\$(836,345.00)	\$588,764.80	\$358,377.02
22	2040	\$ 199,260.00	\$ (1,825,056.66)	\$396,673.92	\$(439,671.08)	\$594,087.84	\$952,464.86
23	2041	\$ 201,320.00	\$ (1,623,736.66)	\$400,365.44	\$(39,305.64)	\$599,410.88	\$1,551,875.74
24	2042	\$ 203,380.00	\$ (1,420,356.66)	\$404,056.96	\$364,751.32	\$604,733.92	\$2,156,609.66
25	2043	\$ 205,440.00	\$ (1,214,916.66)	\$407,748.48	\$772,499.80	\$610,056.96	\$2,766,666.62
26	2044	\$ 207,500.00	\$ (1,007,416.66)	\$411,440.00	\$1,183,939.80	\$615,380.00	\$3,382,046.62
27	2045	\$ 209,560.00	\$ (797,856.66)	\$415,131.52	\$1,599,071.32	\$620,703.04	\$4,002,749.66
28	2046	\$ 211,620.00	\$ (586,236.66)	\$418,823.04	\$2,017,894.36	\$626,026.08	\$4,628,775.74
29	2047	\$ 213,680.00	\$ (372,556.66)	\$422,514.56	\$2,440,408.92	\$631,349.12	\$5,260,124.86
30	2048	\$ 215,740.00	\$ (156,816.66)	\$426,206.08	\$2,866,615.00	\$636,672.16	\$5,896,797.02

1% Increases/ Vacancy & Escrow		OWNER/LOVELAND		OWNER/LOVELAND		OWNER/LOVELAND	
		2 Floor		3 Floor		4 Floor	
		Annual	Net	Annual	Net	Annual	Net
		\$15,000.00		\$20,000.00		\$25,000.00	
		\$20,600.00		\$36,915.20		\$53,230.40	Maintenance Escrow 10% Vacancy
1	2019	\$ (158,872.78)	\$ (158,872.78)	\$ (138,466.67)	\$ (138,466.67)	\$ (117,663.47)	\$ (117,663.47)
2	2020	\$ (156,812.78)	\$ (315,685.57)	\$ (134,775.15)	\$ (273,241.81)	\$ (112,340.43)	\$ (230,003.89)
3	2021	\$ (154,752.78)	\$ (470,438.35)	\$ (131,083.63)	\$ (404,325.44)	\$ (107,017.39)	\$ (337,021.28)
4	2022	\$ (152,692.78)	\$ (623,131.14)	\$ (127,392.11)	\$ (531,717.54)	\$ (101,694.35)	\$ (438,715.62)
5	2023	\$ (150,632.78)	\$ (773,763.92)	\$ (123,700.59)	\$ (655,418.13)	\$ (96,371.31)	\$ (535,086.93)
6	2024	\$ (148,572.78)	\$ (922,336.71)	\$ (120,009.07)	\$ (775,427.19)	\$ (91,048.27)	\$ (626,135.19)
7	2025	\$ (146,512.78)	\$ (1,068,849.49)	\$ (116,317.55)	\$ (891,744.74)	\$ (85,725.23)	\$ (711,860.42)
8	2026	\$ (144,452.78)	\$ (1,213,302.28)	\$ (112,626.03)	\$ (1,004,370.77)	\$ (80,402.19)	\$ (792,262.61)
9	2027	\$ (142,392.78)	\$ (1,355,695.06)	\$ (108,934.51)	\$ (1,113,305.27)	\$ (75,079.15)	\$ (867,341.75)
10	2028	\$ (140,332.78)	\$ (1,496,027.85)	\$ (105,242.99)	\$ (1,218,548.26)	\$ (69,756.11)	\$ (937,097.86)
11	2029	\$ (138,272.78)	\$ (1,634,300.63)	\$ (101,551.47)	\$ (1,320,099.72)	\$ (64,433.07)	\$ (1,001,530.92)
12	2030	\$ (136,212.78)	\$ (1,770,513.42)	\$ (97,859.95)	\$ (1,417,959.67)	\$ (59,110.03)	\$ (1,060,640.95)
13	2031	\$ (134,152.78)	\$ (1,904,666.20)	\$ (94,168.43)	\$ (1,512,128.09)	\$ (53,786.99)	\$ (1,114,427.93)
14	2032	\$ (132,092.78)	\$ (2,036,758.99)	\$ (90,476.91)	\$ (1,602,605.00)	\$ (48,463.95)	\$ (1,162,891.88)
15	2033	\$ (130,032.78)	\$ (2,166,791.77)	\$ (86,785.39)	\$ (1,689,390.39)	\$ (43,140.91)	\$ (1,206,032.78)
16	2034	\$ (127,972.78)	\$ (2,294,764.56)	\$ (83,093.87)	\$ (1,772,484.25)	\$ (37,817.87)	\$ (1,243,850.65)
17	2035	\$ (125,912.78)	\$ (2,420,677.34)	\$ (79,402.35)	\$ (1,851,886.60)	\$ (32,494.83)	\$ (1,276,345.48)
18	2036	\$ (173,006.44)	\$ (2,593,683.78)	\$ (175,606.46)	\$ (2,027,493.05)	\$ (178,206.47)	\$ (1,454,551.95)
19	2037	\$ (170,946.44)	\$ (2,764,630.22)	\$ (171,914.94)	\$ (2,199,407.99)	\$ (172,883.43)	\$ (1,627,435.38)
20	2038	\$ (168,886.44)	\$ (2,933,516.66)	\$ (168,223.42)	\$ (2,367,631.40)	\$ (167,560.39)	\$ (1,794,995.78)
21	2039	\$ 161,600.00	\$ (2,771,916.66)	\$336,067.20	\$ (2,031,564.20)	\$510,534.40	\$ (1,284,461.38)
22	2040	\$ 163,660.00	\$ (2,608,256.66)	\$339,758.72	\$ (1,691,805.48)	\$515,857.44	\$ (768,603.94)
23	2041	\$ 165,720.00	\$ (2,442,536.66)	\$343,450.24	\$ (1,348,355.24)	\$521,180.48	\$ (247,423.46)
24	2042	\$ 167,780.00	\$ (2,274,756.66)	\$347,141.76	\$ (1,001,213.48)	\$526,503.52	\$279,080.06
25	2043	\$ 169,840.00	\$ (2,104,916.66)	\$350,833.28	\$ (650,380.20)	\$531,826.56	\$810,906.62
26	2044	\$ 171,900.00	\$ (1,933,016.66)	\$354,524.80	\$ (295,855.40)	\$537,149.60	\$1,348,056.22
27	2045	\$ 173,960.00	\$ (1,759,056.66)	\$358,216.32	\$62,360.92	\$542,472.64	\$1,890,528.86
28	2046	\$ 176,020.00	\$ (1,583,036.66)	\$361,907.84	\$424,268.76	\$547,795.68	\$2,438,324.54
29	2047	\$ 178,080.00	\$ (1,404,956.66)	\$365,599.36	\$789,868.12	\$553,118.72	\$2,991,443.26
30	2048	\$ 180,140.00	\$ (1,224,816.66)	\$369,290.88	\$1,159,159.00	\$558,441.76	\$3,549,885.02

	1% Increases / Vacancy & Escrow						
	OWNER/LOVELAND		OWNER/LOVELAND		OWNER/LOVELAND		
	2 Floor		3 Floor		4 Floor		
	Annual	Net	Annual	Net	Annual	Net	
	\$25,000.00		\$35,000.00		\$45,000.00		Maintenance Escrow
	\$61,800.00		\$110,745.60		\$159,691.20		30% Vacancy
1	2019	\$ (210,072.78)	\$ (210,072.78)	\$ (227,297.07)	\$ (227,297.07)	\$ (244,124.27)	\$ (244,124.27)
2	2020	\$ (208,012.78)	\$ (418,085.57)	\$ (223,605.55)	\$ (450,902.61)	\$ (238,801.23)	\$ (482,925.49)
3	2021	\$ (205,952.78)	\$ (624,038.35)	\$ (219,914.03)	\$ (670,816.64)	\$ (233,478.19)	\$ (716,403.68)
4	2022	\$ (203,892.78)	\$ (827,931.14)	\$ (216,222.51)	\$ (887,039.14)	\$ (228,155.15)	\$ (944,558.82)
5	2023	\$ (201,832.78)	\$ (1,029,763.92)	\$ (212,530.99)	\$ (1,099,570.13)	\$ (222,832.11)	\$ (1,167,390.93)
6	2024	\$ (199,772.78)	\$ (1,229,536.71)	\$ (208,839.47)	\$ (1,308,409.59)	\$ (217,509.07)	\$ (1,384,899.99)
7	2025	\$ (197,712.78)	\$ (1,427,249.49)	\$ (205,147.95)	\$ (1,513,557.54)	\$ (212,186.03)	\$ (1,597,086.02)
8	2026	\$ (195,652.78)	\$ (1,622,902.28)	\$ (201,456.43)	\$ (1,715,013.97)	\$ (206,862.99)	\$ (1,803,949.01)
9	2027	\$ (193,592.78)	\$ (1,816,495.06)	\$ (197,764.91)	\$ (1,912,778.87)	\$ (201,539.95)	\$ (2,005,488.95)
10	2028	\$ (191,532.78)	\$ (2,008,027.85)	\$ (194,073.39)	\$ (2,106,852.26)	\$ (196,216.91)	\$ (2,201,705.86)
11	2029	\$ (189,472.78)	\$ (2,197,500.63)	\$ (190,381.87)	\$ (2,297,234.12)	\$ (190,893.87)	\$ (2,392,599.72)
12	2030	\$ (187,412.78)	\$ (2,384,913.42)	\$ (186,690.35)	\$ (2,483,924.47)	\$ (185,570.83)	\$ (2,578,170.55)
13	2031	\$ (185,352.78)	\$ (2,570,266.20)	\$ (182,998.83)	\$ (2,666,923.29)	\$ (180,247.79)	\$ (2,758,418.33)
14	2032	\$ (183,292.78)	\$ (2,753,558.99)	\$ (179,307.31)	\$ (2,846,230.60)	\$ (174,924.75)	\$ (2,933,343.08)
15	2033	\$ (181,232.78)	\$ (2,934,791.77)	\$ (175,615.79)	\$ (3,021,846.39)	\$ (169,601.71)	\$ (3,102,944.78)
16	2034	\$ (179,172.78)	\$ (3,113,964.56)	\$ (171,924.27)	\$ (3,193,770.65)	\$ (164,278.67)	\$ (3,267,223.45)
17	2035	\$ (177,112.78)	\$ (3,291,077.34)	\$ (168,232.75)	\$ (3,362,003.40)	\$ (158,955.63)	\$ (3,426,179.08)
18	2036	\$ (224,206.44)	\$ (3,515,283.78)	\$ (264,436.86)	\$ (3,626,440.25)	\$ (304,667.27)	\$ (3,730,846.35)
19	2037	\$ (222,146.44)	\$ (3,737,430.22)	\$ (260,745.34)	\$ (3,887,185.59)	\$ (299,344.23)	\$ (4,030,190.58)
20	2038	\$ (220,086.44)	\$ (3,957,516.66)	\$ (257,053.82)	\$ (4,144,239.40)	\$ (294,021.19)	\$ (4,324,211.78)
21	2039	\$ 110,400.00	\$ (3,847,116.66)	\$ 247,236.80	\$ (3,897,002.60)	\$ 330,843.20	\$ (3,993,368.58)
22	2040	\$ 112,460.00	\$ (3,734,656.66)	\$ 250,928.32	\$ (3,646,074.28)	\$ 277,612.80	\$ (3,715,755.78)
23	2041	\$ 69,200.00	\$ (3,665,456.66)	\$ 254,619.84	\$ (3,391,454.44)	\$ 282,935.84	\$ (3,432,819.94)
24	2042	\$ 71,260.00	\$ (3,594,196.66)	\$ 258,311.36	\$ (3,133,143.08)	\$ 288,258.88	\$ (3,144,561.06)
25	2043	\$ 73,320.00	\$ (3,520,876.66)	\$ 262,002.88	\$ (2,871,140.20)	\$ 293,581.92	\$ (2,850,979.14)
26	2044	\$ 75,380.00	\$ (3,445,496.66)	\$ 265,694.40	\$ (2,605,445.80)	\$ 298,904.96	\$ (2,552,074.18)
27	2045	\$ 77,440.00	\$ (3,368,056.66)	\$ 269,385.92	\$ (2,336,059.88)	\$ 304,228.00	\$ (2,247,846.18)
28	2046	\$ 79,500.00	\$ (3,288,556.66)	\$ 273,077.44	\$ (2,062,982.44)	\$ 309,551.04	\$ (1,938,295.14)
29	2047	\$ 81,560.00	\$ (3,206,996.66)	\$ 276,768.96	\$ (1,786,213.48)	\$ 314,874.08	\$ (1,623,421.06)
30	2048	\$ 83,620.00	\$ (3,123,376.66)	\$ 280,460.48	\$ (1,505,753.00)	\$ 320,197.12	\$ (1,303,223.94)

		JOINT VENTURE		JOINT VENTURE		JOINT VENTURE	
		2 Floor		3 Floor		4 Floor	
		Annual	Net	Annual	Net	Annual	Net
1	2019	\$(107,642.32)	\$(107,642.32)	\$(59,553.48)	\$(59,553.48)	\$(9,741.00)	\$(9,741.00)
2	2020	\$(107,642.32)	\$(215,284.63)	\$(59,553.48)	\$(119,106.97)	\$(9,741.00)	\$(19,482.00)
3	2021	\$(107,642.32)	\$(322,926.95)	\$(59,553.48)	\$(178,660.45)	\$(9,741.00)	\$(29,223.00)
4	2022	\$(107,642.32)	\$(430,569.26)	\$(59,553.48)	\$(238,213.94)	\$(9,741.00)	\$(38,964.00)
5	2023	\$(107,642.32)	\$(538,211.58)	\$(59,553.48)	\$(297,767.42)	\$(9,741.00)	\$(48,705.00)
6	2024	\$(107,642.32)	\$(645,853.89)	\$(59,553.48)	\$(357,320.91)	\$(9,741.00)	\$(58,446.00)
7	2025	\$(107,642.32)	\$(753,496.21)	\$(59,553.48)	\$(416,874.39)	\$(9,741.00)	\$(68,187.00)
8	2026	\$(107,642.32)	\$(861,138.52)	\$(59,553.48)	\$(476,427.88)	\$(9,741.00)	\$(77,928.00)
9	2027	\$(107,642.32)	\$(968,780.84)	\$(59,553.48)	\$(535,981.36)	\$(9,741.00)	\$(87,669.00)
10	2028	\$(107,642.32)	\$(1,076,423.15)	\$(59,553.48)	\$(595,534.85)	\$(9,741.00)	\$(97,410.00)
11	2029	\$(107,642.32)	\$(1,184,065.47)	\$(59,553.48)	\$(655,088.33)	\$(9,741.00)	\$(107,151.00)
12	2030	\$(107,642.32)	\$(1,291,707.78)	\$(59,553.48)	\$(714,641.82)	\$(9,741.00)	\$(116,892.00)
13	2031	\$(107,642.32)	\$(1,399,350.10)	\$(59,553.48)	\$(774,195.30)	\$(9,741.00)	\$(126,633.00)
14	2032	\$(107,642.32)	\$(1,506,992.41)	\$(59,553.48)	\$(833,748.79)	\$(9,741.00)	\$(136,374.00)
15	2033	\$(107,642.32)	\$(1,614,634.73)	\$(59,553.48)	\$(893,302.27)	\$(9,741.00)	\$(146,115.00)
16	2034	\$(107,642.32)	\$(1,722,277.05)	\$(59,553.48)	\$(952,855.75)	\$(9,741.00)	\$(155,856.00)
17	2035	\$(107,642.32)	\$(1,829,919.36)	\$(59,553.48)	\$(1,012,409.24)	\$(9,741.00)	\$(165,597.00)
18	2036	\$(107,642.32)	\$(1,937,561.68)	\$(59,553.48)	\$(1,071,962.72)	\$(9,741.00)	\$(175,338.00)
19	2037	\$(107,642.32)	\$(2,045,203.99)	\$(59,553.48)	\$(1,131,516.21)	\$(9,741.00)	\$(185,079.00)
20	2038	\$(107,642.32)	\$(2,152,846.31)	\$(59,553.48)	\$(1,191,069.69)	\$(9,741.00)	\$(194,820.01)
21	2039	\$(20,600.00)	\$(2,173,446.31)	\$(20,600.00)	\$(1,211,669.69)	\$(20,600.00)	\$(215,420.01)
22	2040	\$(20,600.00)	\$(2,194,046.31)	\$(20,600.00)	\$(1,232,269.69)	\$(20,600.00)	\$(236,020.01)
23	2041	\$(20,600.00)	\$(2,214,646.31)	\$(20,600.00)	\$(1,252,869.69)	\$(20,600.00)	\$(256,620.01)
24	2042	\$(20,600.00)	\$(2,235,246.31)	\$(20,600.00)	\$(1,273,469.69)	\$(20,600.00)	\$(277,220.01)
25	2043	\$(20,600.00)	\$(2,255,846.31)	\$(20,600.00)	\$(1,294,069.69)	\$(20,600.00)	\$(297,820.01)
26	2044	\$(20,600.00)	\$(2,276,446.31)	\$(20,600.00)	\$(1,314,669.69)	\$(20,600.00)	\$(318,420.01)
27	2045	\$(20,600.00)	\$(2,297,046.31)	\$(20,600.00)	\$(1,335,269.69)	\$(20,600.00)	\$(339,020.01)
28	2046	\$(20,600.00)	\$(2,317,646.31)	\$(20,600.00)	\$(1,355,869.69)	\$(20,600.00)	\$(359,620.01)
29	2047	\$(20,600.00)	\$(2,338,246.31)	\$(20,600.00)	\$(1,376,469.69)	\$(20,600.00)	\$(380,220.01)
30	2048	\$(20,600.00)	\$(2,358,846.31)	\$(20,600.00)	\$(1,397,069.69)	\$(20,600.00)	\$(400,820.01)

10 Year Total Cost to City	No Vacancy No Increase		10% Vacancy & Escrow No Increase		30% Vacancy & Escrow No Increase		Joint Venture	
	2 Floor	\$(1,232,727.85)	\$(1,588,727.85)	\$(2,100,727.85)	\$(1,076,423.15)			
	3 Floor	\$(815,514.66)	\$(1,384,666.66)	\$(2,272,970.66)	\$(595,534.85)			
	4 Floor	\$(394,330.66)	\$(1,176,634.66)	\$(2,441,242.66)	\$(97,410.00)			

20 Year Total Cost to City	No Vacancy No Increase		10% Vacancy & Escrow No Increase		30% Vacancy & Escrow No Increase		Joint Venture	
	2 Floor	\$(2,612,916.66)	\$(3,324,916.66)	\$(4,348,916.66)	\$(2,152,846.31)			
	3 Floor	\$(1,930,716.20)	\$(3,069,020.20)	\$(4,845,628.20)	\$(1,191,069.69)			
	4 Floor	\$(1,241,765.38)	\$(2,806,373.38)	\$(5,335,589.38)	\$(194,820.01)			

30 Year Total Cost to City	No Vacancy No Increase		10% Vacancy & Escrow No Increase		30% Vacancy & Escrow No Increase		Joint Venture	
	2 Floor	\$(1,052,916.66)	\$(2,120,916.66)	\$(3,656,916.66)	\$(2,358,846.31)			
	3 Floor	\$1,260,803.80	\$(446,652.20)	\$(3,111,564.20)	\$(1,397,069.69)			
	4 Floor	\$3,581,274.62	\$1,234,362.62	\$(2,559,461.38)	\$(400,820.01)			

10 Year Total Cost to City	No Vacancy 1% Increase				10% Vacancy & Escrow & 1% Increase	30% Vacancy & Escrow & 1% Increase	Joint Venture	
	2 Floor	\$ (1,140,027.85)				\$ (1,496,027.85)	\$ (2,008,027.85)	\$ (1,076,423.15)
	3 Floor	\$ (649,396.26)				\$ (1,218,548.26)	\$ (2,106,852.26)	\$ (595,534.85)
	4 Floor	\$ (154,793.86)				\$ (937,097.86)	\$ (2,201,705.86)	\$ (97,410.00)

20 Year Total Cost to City	No Vacancy 1% Increase				10% Vacancy & Escrow & 1% Increase	30% Vacancy & Escrow & 1% Increase	Joint Venture	
	2 Floor	\$ (2,221,516.66)				\$ (2,933,516.66)	\$ (3,957,516.66)	\$ (2,152,846.31)
	3 Floor	\$ (1,229,327.40)				\$ (2,367,631.40)	\$ (4,144,239.40)	\$ (1,191,069.69)
	4 Floor	\$ (230,387.78)				\$ (1,794,995.78)	\$ (4,324,211.78)	\$ (194,820.01)

30 Year Total Cost to City	No Vacancy 1% Increase				10% Vacancy & Escrow & 1% Increase	30% Vacancy & Escrow & 1% Increase	Joint Venture	
	2 Floor	\$ (156,816.66)				\$ (1,224,816.66)	\$ (3,123,376.66)	\$ (2,358,846.31)
	3 Floor	\$ 2,866,615.00				\$ 1,159,159.00	\$ (1,505,753.00)	\$ (1,397,069.69)
	4 Floor	\$ 5,896,797.02				\$ 3,549,885.02	\$ (1,303,223.94)	\$ (400,820.01)

LOVELAND CITY HALL 4-24-2017

▶ QUESTIONS: