

**PROJECT TIMELINE**

<b>PHASE</b>	<b>START DATE</b>	<b>END DATE</b>	<b>TOTAL</b>
Project Conception			1 Month
Design			1 Month
Construction Documents			1 Month
Procurement			1 Month
Construction			12 Months
			16 Months
List to Close			3 Months

## **MARKET PROJECTIONS**

A preliminary sales analysis was performed by a licensed Realtor with expertise in pricing strategy and feasibility analysis. A sampling of townhome / condo / attached homes for sale was taken in which comparable properties were prioritized by GLA (square footage), bedroom / bathroom configuration in order to best profile the finished characteristics of the subject property. Comparable data for the subject's immediate neighborhood is limited, since there has not been any recent new construction of townhomes in the neighborhood. As such, adjustments were necessary for various factors such as location, age, condition, amenities and parking.

While most recent comparables were located closer to LA and adjusted as such, there were four comparables sold during calendar year 2023 within a 3-mile radius of the subject. These comparables are presumed to be the most reliable indicator of the subject's finished value as adjusted, given their location proximity and date of sale.

The average selling price of the best and most proximate comparables is \$785,250

The average adjusted selling price of the best and most proximate comparables is \$931,625

The reason for the variation between the two figures is the fact that the majority of comparables are inferior to the subject in GLA (square footage), parking, age and condition, since the subject will be new upon completion and sale, offering a larger footprint and superior parking to most townhome comparables.

The average selling price of all the comps is \$703,875 and the average adjusted selling price of all the comps is \$763,056. This is a tighter range than that of the most proximate comparables because of the inclusion of comps located closer to LA proper, which required a large location adjustment, and many also requiring amenity adjustments for a feature such as a pool.

Based on the data available at this time, the final selling price range of each unit is indicated to be between \$860,000 and \$1,040,000. (\$430/sf - \$520/sf) This is a selling range that should be revisited with up-to-date comparables during the course of construction to ensure an appropriate marketing position at the time of listing.

**FINANCIALS - Construction Cost Estimate Summary - Marengo St. Townhomes**

**Marengo St. Construction Estimate Summary**

*Full Detail Available for Review*

General Conditions	\$117,400.00
Drainage	\$11,160.00
Sitework	\$58,800.00
Excavation	\$8,801.44
Concrete	\$101,549.08
Carpentry	\$126,811.00
Exterior Finish	\$4,240.00
Roofing	\$22,352.00
Masonry	\$57,600.00
Interior Trim	\$19,216.00
Stairs	\$44,000.00
Doors	\$32,000.00
Windows	\$33,110.00
Insulation	\$34,223.00
Gypsum	\$41,409.75
Painting	\$32,481.50
Finishes	\$41,864.00
Specialties	\$102,800.00
Electric	\$59,732.17
Mechanical / heating	\$29,040.00
Plumbing	\$67,572.00
Subtotal	\$1,046,161.94
Overhead	\$83,692.96
Profit	\$112,985.49
Insurance	\$37,285.21
<b>Total Projected Cost</b>	<b>\$1,280,125.60</b>

**FINANCIALS - Construction Cost Estimate Summary - N. Alma Ave Townhomes**

**N Alma Ave. Construction Estimate Summary**

*Full Detail Available for Review*

General Conditions	\$117,400.00
Drainage	\$11,160.00
Sitework	\$58,800.00
Excavation	\$8,801.44
Concrete	\$93,429.08
Carpentry	\$128,946.00
Exterior Finish	\$3,840.00
Roofing	\$22,304.00
Masonry	\$55,328.00
Interior Trim	\$18,880.00
Stairs	\$44,000.00
Doors	\$32,000.00
Windows	\$29,010.00
Insulation	\$32,900.00
Gypsum	\$42,845.25
Painting	\$32,724.50
Finishes	\$41,864.00
Specialties	\$102,800.00
Electric	\$60,282.17
Mechanical / heating	\$29,040.00
Plumbing	\$67,572.00
Subtotal	\$1,033,926.44
Overhead	\$82,714.12
Profit	\$111,664.06
Insurance	\$36,849.14
<b>Total Projected Cost</b>	<b>\$1,265,153.75</b>

FINANCIALS - Marengo St. Development Pro Forma / Sources & Uses

Marengo St / N Alma Development Pro Forma

Project Name: Marengo St. Units  
 Developer: Murcia Group, Inc. Green Cells are User Input  
 Address: 3200 Marengo St. Los Angeles White Cells are Automatically Calculated Values

Uses

**Acquisition Costs:**

Acquisition: Land	0.00	Land owned
Acquisition: Buildings	0.00	
<b>Total Acquisition:</b>	<b>0.00</b>	

**Construction:**

Contract with GC (incl profit, OH, gen conditions)	1,242,840.39
Insurance	37,285.21
Construction Contingency	0% 0.00
<b>Total Construction:</b>	<b>1,280,125.60</b>

**Soft Costs:**

Building Permit, License & Fees (see construction estimate)	0.00	
Architectural (see construction estimate)	0.00	
Engineering (See construction estimate)	0.00	
Environmental: Site-Specific Review NA	0.00	
Acquisition Closing - Legal and Recording Fees NA	0.00	
Title Search & Title Insurance NA	0.00	
Survey	0.00	
Appraisal - Sales Comp Analysis	1,200.00	\$600 each unit
Builder's Risk and/or Casualty Insurance - (see construction estimate)	0.00	
Carrying Costs - Real Estate Taxes	2,296.00	18 mos
Carrying Costs -Temporary Utilities (see construction estimate)	0.00	
Carrying Costs-Site Security (see construction estimate)	0.00	
Carrying Costs-Grounds Maintenance (see construction estimate)	0.00	
Furniture Fixtures & Equipment	0.00	
Prefunded Replacement Reserve	0.00	
Prefunded Rental Loss Reserves NA	0.00	
Seller Legal and Recording Costs	3,700.00	FA Title estimate
Tenant Relocation NA	0.00	
For Sale Marketing - Listing Fee/Commission	100,000.00	
Other	0.00	
Soft Cost Contingency	0% 0.00	
Developer Fee	5% 69,366.08	
<b>Total Soft Costs:</b>	<b>176,562.08</b>	

<b>Total Development Cost:</b>	<b>1,456,687.68</b>
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Sources

**Additional Sources of Funds:**

Mortgage	0.00	
Sales Proceeds - two units	1,760,000.00	assumes \$440/sf per unit
Owner/Investor Equity	1,456,687.68	
Other	0.00	
<b>Total Development Sources:</b>	<b>3,216,687.68</b>	
<b>Gap/(Or Excess Sources):</b>	<b>1,760,000.00</b>	Estimated profit for distributi