



**KEYSER MARSTON ASSOCIATES™**  
ADVISORS IN PUBLIC/PRIVATE REAL ESTATE DEVELOPMENT

**MEMORANDUM**

**To:** Mr. Brian Schoenfisch, Program Manager  
Housing, Ordinance, and Policy Team – City of San Diego Planning Department

**From:** KEYSER MARSTON ASSOCIATES, INC.

**Date:** June 12, 2020

**Subject:** City of San Diego – Complete Communities: Housing Solutions  
Program Feasibility Analysis – Executive Summary Memorandum

ADVISORS IN:  
REAL ESTATE  
AFFORDABLE HOUSING  
ECONOMIC DEVELOPMENT

BERKELEY  
A. JERRY KEYSER  
TIMOTHY C. KELLY  
DEBBIE M. KERN  
DAVID DOEZEMA  
KEVIN FEENEY

LOS ANGELES  
KATHLEEN H. HEAD  
JAMES A. RABE  
GREGORY D. SOO-HOO  
KEVIN E. ENGSTROM  
JULIE L. ROMNEY  
TIM BRETZ

SAN DIEGO  
PAUL C. MARRA

**I. INTRODUCTION**

The City of San Diego (City) engaged Keyser Marston Associates, Inc. (KMA) to conduct financial feasibility analyses related to the proposed Complete Communities Housing Solutions Program (Program). The proposed Program is intended to increase the supply of affordable housing units while improving opportunities for affordability within the City's Transit Priority Areas (TPAs). The Program's requirements and incentives as of the date of this executive summary memorandum report are summarized below.

Summary of Proposed Complete Communities Housing Solutions Program	
<b>Requirements</b>	<ul style="list-style-type: none"><li>• Within the City's TPAs</li><li>• Affordable housing located on- or off-site (for rental housing, 10% at 60% Area Median Income [AMI] + 10% at 120% AMI)</li><li>• Replacement of existing covenant-restricted and naturally occurring affordable units</li><li>• Addition of neighborhood-serving infrastructure amenities or in-lieu fee</li><li>• Meet specific design requirements</li></ul>
<b>Incentives</b>	<ul style="list-style-type: none"><li>• Ministerial processing</li><li>• Floor Area Ratio (FAR)-based density</li><li>• FAR-based height</li><li>• Affordable housing incentives and waivers</li><li>• City Development Impact Fee (DIF) scaling for market-rate units</li><li>• City DIF exemption for affordable units and micro-units (units not exceeding 500 square feet [SF])</li></ul>

To assess the financial feasibility of the proposed Program, KMA performed the following tasks:

- Reviewed potential development concepts prepared by urban designer Citythinkers for six (6) test sites (Test Sites) within the City's TPAs. These Test Sites were selected because they represent a variety of characteristics, including site location, zoning, density, lot size/coverage, design standards, open space requirements, and the ability to include neighborhood-serving infrastructure amenities.
- Formulated two (2) multi-family rental development prototype scenarios for each Test Site: (a) a Base Case Scenario, reflecting maximum development yield under existing zoning, and (b) a Bonus Scenario, reflecting potential development yield achievable based on the requirements and incentives contained in the proposed Program.
- Prepared financial pro forma models for each pair of Base Case/Bonus Scenarios, for each Test Site, in order to measure the impact of the Program on development economics.
- Surveyed market-rate and affordable housing developers to evaluate the potential viability of the proposed Program with respect to factors such as development incentives, neighborhood-serving infrastructure requirement, cost savings through ministerial approval, and other key features.

This memorandum report is organized as follows:

- Following this Introduction, Section II presents the KMA key findings.
- Section III presents the financial pro forma methodology.
- Section IV reviews key development feasibility issues.
- Finally, Section V presents Limiting Conditions governing the KMA feasibility analysis.

## **II. KEY FINDINGS**

A key purpose of the KMA financial feasibility analysis was to assist the City in formulating the proposed Program so that it captures value enhancement for community benefits. In any density bonus program, a jurisdiction seeks to incentivize developers to use the additional density in exchange for providing public exactions in the form of desired community benefits. Under the proposed Program, the community benefits take the form of creation of additional affordable units and neighborhood-serving infrastructure amenities. It is important to calibrate the density bonus vs. public exaction formula so that developers are motivated to use the Program and create the community benefits, rather than generate a windfall in increased land value to property owners. It is the KMA conclusion that the proposed Program, with its specific affordability requirements and offsetting incentives, is appropriately formulated to strike this balance.

It is important to consider that density bonuses do not always result in improved economics for multi-family development projects. In many cases, developers are already maximizing the achievable building height and density within the most feasible construction type (e.g., wood, steel, or concrete) and parking configuration (e.g., surface, tuck-under, wrap, podium, or subterranean). Additional height or density may trigger a change in construction type, thereby rendering the entire project more expensive to build. Depending on the site location and surrounding market, this taller, denser building may or may not be able to achieve higher market rents to offset the higher construction costs. The KMA feasibility analyses assume that the Bonus Scenarios will result in projects with smaller unit sizes and more amenities; all of these factors typically contribute to higher market rents per SF for market-rate units. Where these higher market rents are achievable, the Program's density bonus is likely to improve the economic feasibility of a multi-family development.

In addition, the proposed Program incorporates other features that contribute to enhanced development feasibility:

- Developers can utilize the TPA Multi-family Residential Parking Standards (TPA MRPS) previously enacted by the City Council in 2019. The TPA MRPS effectively eliminate City-imposed parking requirements for multi-family developments in TPAs, allowing developers to include only as much parking as the private market demands.
- The Program alters the City DIFs that will be charged to a multi-family development. Market-rate units will pay a "scaled" DIF reflective of unit size. Although existing DIF schedules vary widely by Community Plan Area, it is estimated that this "scaling" results in a potential savings per market-rate unit on the order of \$500 to \$3,700. All affordable units, whether developed on- or off-site, will be exempt from City DIFs, a potential savings of approximately \$8,600 to \$10,400 per affordable unit.
- Projects developed using the Program will be eligible for ministerial review, unless a project impacts a sensitive resource such as environmentally sensitive lands, a historical resource, or is located within the Coastal Zone. Discretionary permits would still be required if it is concluded that a project would generate such impacts. A ministerial approval process provides developers with much greater certainty and time savings in the entitlement process. These factors, in turn, generate cost savings in terms of reduced architecture and engineering, entitlement, developer overhead, and financing costs. On a conservative basis, KMA estimates cost savings resulting from the ministerial approval process on the order of \$6,000 to \$12,000 per unit. However, many developers cite the benefits of ministerial review as intangible and a substantial reason for developers to use the Program.

Based on the site testing and developer surveys conducted for this feasibility analysis, as well as review of recent comparable TPA in-fill projects, the estimated FAR for in-fill projects that utilize this Program is not anticipated to exceed the FAR described in the Bonus Scenarios. While the Program affords greater FAR than is likely to be utilized in the near-term, the proposed FAR bonus ranges in the June 2020 Program Draft Regulations allow for more intensive land uses over time across the most Vehicle Miles Traveled (VMT)-efficient areas in the City.

It should be noted that the KMA feasibility analyses were conducted prior to the onset of the COVID-19 pandemic. Multi-family development economics in the San Diego market were already challenging prior to COVID-19. The pandemic has had immediate, extraordinary impacts on the global and local economies, which are expected to generate lasting impacts on the local real estate and construction industries. These longer-term effects of the lasting economic downturn likely to result from the pandemic have not been factored into the KMA analyses.

### **III. FINANCIAL PRO FORMA METHODOLOGY**

This section provides an overview of the KMA financial pro forma methodology used to conduct the comparative evaluation of the Base Case vs. Bonus Scenarios.

1. KMA participated in discussions with Citythinkers and City staff that resulted in the identification of potential development concepts for six (6) Test Sites within the City's TPAs. Test Sites were located in San Ysidro, Clairemont, Morena/Linda Vista, Mission Hills, College Area, and Bankers Hill. These Test Sites were selected because they represent a variety of characteristics, including site location, zoning, density, lot size/coverage, design standards, open space requirements, and the ability to include neighborhood-serving infrastructure amenities.
2. Citythinkers formulated two (2) multi-family rental development prototype scenarios for each Test Site:
  - A Base Case Scenario, reflecting maximum development yield under existing zoning. The Base Case Scenarios ranged in density from 15 to 109 units per acre. These range from Type V (wood) townhomes with private garages to Type III (wood/steel) stacked flats over double podium parking.
  - A Bonus Scenario, reflecting potential development yield achievable based on the requirements and incentives contained in the proposed Program. The Bonus Scenarios ranged in density from 26 to 242 units per acre, or FARs ranging from 0.68 to 5.22. These scenarios range from Type V (wood) stacked flats with tuck-under/garage parking to Type I (concrete) stacked flats with structured parking.

3. KMA prepared financial pro forma models for each pair of Base Case/Bonus Scenarios, for each Test Site, in order to measure the impact of the Program requirements and incentives on development economics. Economic impact to developers was measured as the difference between the Base Case vs. Bonus Scenarios, expressed in terms of developer profit (Return on Investment, or ROI). All development concepts were tested as rental housing, reflective of recent development trends in the San Diego market. All Base Case pro formas were modeled as economically feasible projects in order to provide an appropriate starting point for comparison with the Bonus Scenario pro forma under the proposed Program. In some cases, this required assuming a break-even market rent in the Base Case pro forma in excess of current market conditions in selected submarkets within the City.
4. Bonus Scenario projects were assumed to pay “scaled” (reduced) City DIFs for market-rate units and no City DIFs for affordable units. It should be noted that DIFs vary by Community Plan Area. KMA estimated that the average City DIFs ranged from \$8,600 to \$10,400 per unit, depending on the location/product type analyzed. Potential savings in DIFs from “residential scaling” were estimated to be approximately \$500 to \$3,700 per market-rate unit. By comparison, affordable units would be exempt from paying City DIFs, resulting in a savings of approximately \$8,600 to \$10,400 per affordable unit.
5. On a conservative basis, KMA estimated that the cost savings resulting from ministerial review could range from \$6,000 to \$12,000 per unit.
6. Base Case projects were assumed to pay the City’s Inclusionary Affordable Housing Fee at \$25 per SF (stabilized year of the City’s inclusionary ordinance). Bonus Scenario projects were assumed to build affordable units either on- or off-site, depending on the scenario tested.
7. Bonus Scenario projects were assumed to either build a public promenade or pay the Neighborhood Enhancement Fee at \$9 per SF of site area.
8. For each Test Site, and each pair of Base Case vs. Bonus Scenarios, KMA tested a total of 11 potential program requirements in terms of the mix of affordable units required. These ranged as follows:
  - Set-asides ranging from 15% to 25% of pre-bonus total units
  - Income levels ranging from 50% to 120% of AMI
  - Affordable units developed either on-site, off-site, or a combination

The following table presents the 2020 income limits used to estimate the maximum monthly rent for each level of affordability.

2020 San Diego Income Limits <sup>(1)</sup>					
Persons Per Household	50% AMI	60% AMI	80% AMI	100% AMI	120% AMI
1.0	\$40,450	\$48,540	\$64,700	\$64,900	\$77,900
2.0	\$46,200	\$55,440	\$73,950	\$74,150	\$89,000
3.0	\$52,000	\$62,400	\$83,200	\$83,450	\$100,150
4.0	\$57,750	\$69,300	\$92,400	\$92,700	\$111,250
5.0	\$62,400	\$74,880	\$99,800	\$100,100	\$120,150
(1) Source: U.S. Department of Housing and Urban Development. Based on 2020 San Diego Median Income of \$92,700 (family size of 4).					

The 11 scenarios and range of affordability parameters are summarized in the table below. More detail regarding each scenario is presented in Appendix A attached to this memorandum.

Range of Affordability Parameters Tested					
Scenario	50% AMI	60% AMI	80% AMI	100% AMI	120% AMI
1		✓ 10% On-Site			✓ 5% On-Site
2		✓ 10% Off-Site			✓ 5% Off-Site
3		✓ 10% On-Site			✓ 10% On-Site
4		✓ 10% Off-Site			✓ 10% Off-Site
5				✓ 15% On-Site	
6		✓ 15% Off-Site			✓ 10% Off-Site
7		✓ 15% Off-Site			✓ 10% On-Site
8		✓ 15% Off-Site			✓ 5% Off-Site
9		✓ 15% Off-Site			✓ 5% On-Site
10	✓ 10% On-Site	✓ 10% On-Site			
11		✓ 10% On-Site	✓ 10% On-Site		

As highlighted above, the proposed Program requires affordable rental units in the Bonus Scenario to be comprised of (a) 10% of Base Case Scenario total units at 60% AMI to meet the City's Inclusionary Affordable Housing Regulations and (b) an additional 10% of Base Case Scenario total units at 120% AMI (Scenarios #3 and #4).

In sum, the KMA feasibility analyses consisted of a total of 132 financial pro formas: six (6) Test Sites, two (2) scenarios (Base Case vs. Bonus Scenarios), and 11 sets of affordability parameters. These pro formas were also analyzed using five (5) potential market rent levels for the Bonus Scenario. As previously described, the Bonus Scenarios are assumed to result in projects with smaller unit sizes and more amenities; all contributing to higher market rents per SF for market-rate units. Where these higher market rents are achievable, the Program's density bonus is likely to improve the viability of the multi-family development. Viability of the Program was measured in terms of an increase (viable) or decrease (not viable) in ROI when moving from a Base Case to Bonus Scenario across each of the six (6) Test Sites analyzed. KMA identified an industry standard target ROI for multi-family rental developments in the range of 5.5% to 6.0%. Base Case ROIs in the KMA pro formas ranged from 4.7% to 5.9% depending on site characteristics and scope of development.

The table below presents rent level increases and corresponding ROI increase/decrease as a result of the proposed Program's requirements and incentives. Detailed financial pro formas and summary tables related to the proposed Program are presented in Appendices B and C attached to this memorandum.

Change in Return on Investment (ROI) from Base Case to Bonus Scenario						
Scenario #3: Affordable Units On-Site (10% @ 60% AMI + 10% @ 120% AMI)						
Per SF Monthly Rent Increase	Site 1	Site 2	Site 3	Site 4 (1)	Site 5	Site 6
\$0.00	-1.0%	0.4%	0.4%	-0.4%	0.1%	-1.0%
\$0.25	-0.5%	0.9%	0.8%	-0.1%	0.5%	-0.6%
\$0.50	0.0%	1.4%	1.2%	0.2%	0.9%	-0.3%
\$0.75	0.5%	1.9%	1.5%	0.5%	1.2%	0.1%
\$1.00	0.9%	2.4%	1.9%	0.8%	1.6%	0.4%
Scenario #4: Affordable Units Off-Site (10% @ 60% AMI + 10% @ 120% AMI)						
\$0.00	-1.0%	0.6%	0.3%	-0.5%	0.1%	-0.8%
\$0.25	-0.5%	1.2%	0.7%	-0.2%	0.5%	-0.4%
\$0.50	0.1%	1.7%	1.1%	0.1%	0.9%	0.0%
\$0.75	0.6%	2.3%	1.6%	0.4%	1.3%	0.3%
\$1.00	1.2%	2.8%	2.0%	0.7%	1.7%	0.7%
(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.						

Based on this feasibility testing, it is the KMA conclusion that the following key factors contribute to the viability of the proposed Program, resulting in greater likelihood that developers will use the Program.

Project Characteristics

- The project does not otherwise trigger discretionary review.
- The project is located in a submarket where higher market rents are achievable for smaller units offered in a multi-family or mixed-use building with more extensive amenities such as community space, pool/jacuzzi, and/or other recreational facilities.
- The project is able to utilize the Program bonus, in terms of height and density, to provide additional units without advancing to a more costly construction type and/or parking configuration.

Program Features

- The total affordability set-aside requirement does not exceed 20%.
- The required proportion of units at 60% AMI or below does not exceed 10%.
- An off-site option for the affordable units is available to developers.

**IV. KEY DEVELOPMENT FEASIBILITY ISSUES**

To supplement the financial feasibility analyses, KMA conducted formal and informal surveys with a variety of market-rate and affordable housing developers with history of development projects in the City. The focus of the survey was to solicit developer input with respect to the viability of the proposed Program in general, and the likelihood of these developers to use the Program in particular. Key findings from the developer surveys are highlighted below.

- In terms of proposed Program appeal, both market-rate and affordable housing developers see benefits from FAR-based density, increased density, ministerial processing, and the option to develop affordable units off-site.
- With respect to affordable housing, the amount of affordable units and level of affordability is a large determinant in the likelihood of market-rate developers to opt into the Program. For



example, despite the appeal of increased density, the requirement of more affordable units at lower levels of affordability would deter market-rate developers to opt into the Program.

- Although developers expressed that FAR-based density can be beneficial, they noted that increased density does not always increase project feasibility. This is due to the probable increase in construction costs, which may or may not be offset by increased market rents.
- With respect to the construction of an on-site public promenade, or the payment of a fee to the Neighborhood Enhancement Fund for infrastructure amenities, most surveyed developers indicated that they were more likely to pay the fee rather than incur the cost of construction and encroachment/setback requirements associated with an on-site promenade.
- Surveyed developers indicated that the opportunity for ministerial review provides intangible benefits in the form of time and reduced development costs.
- In general, developers agree that the proposed Program is likely to incentivize both affordable and market-rate unit production. Most developers agreed that it is difficult to quantify the potential increase in housing production (market-rate and affordable).
- The proposed Program would be more attractive to developers if it provided additional incentives (i.e., waivers) and flexibility (i.e., lessen the impacts of the encroachment and setbacks required for the on-site public promenade).
- Other developer suggestions included: (1) a tiered reduction in City DIFs for projects providing more affordability; (2) shifting the emphasis of affordability requirements to moderate income units; and (3) allowing an affordable housing fee option instead of requiring market-rate developers to build affordable units.

## **V. LIMITING CONDITIONS**

1. KMA has made extensive efforts to confirm the accuracy and timeliness of the information contained in this document. Although KMA believes all information in this document is correct, it does not guarantee the accuracy of such and assumes no responsibility for inaccuracies in the information provided by third parties.
2. The findings are based on economic rather than political considerations. Therefore, they should be construed neither as a representation nor opinion that government approvals for development can be secured. No guarantee is made as to the possible effect on development of current or future Federal, State, or local legislation including environmental or ecological matters.

3. The analysis, opinions, recommendations, and conclusions of this document are KMA's informed judgment based on market and economic conditions as of the date of this report. Due to the volatility of market conditions and complex dynamics influencing the economic conditions of the building and development industry, conclusions and recommended actions contained herein should not be relied upon as sole input for final business decisions regarding current and future development and planning.
4. Development opportunities are assumed to be achievable during the specified time frame. A change in development schedule requires that the conclusions contained herein be reviewed for validity. If an unforeseen change occurs in the local or national economy, the analysis and conclusions contained herein may no longer be valid.
5. Any estimates of development costs, project income, and/or value in this evaluation are based on the best available project-specific data as well as the experiences of similar projects. They are not intended to be predictions of the future for the specific project. No warranty or representation is made that any of these estimates or projections will actually materialize.
6. It has been assumed that the value of the property will not be impacted by the presence of any soils, toxic, or hazardous conditions that require remediation to allow development. Additionally, it is assumed that perceived toxic conditions (if any) on surrounding properties will not affect the value of the property.
7. KMA is not advising or recommending any action be taken by the City with respect to any prospective, new or existing municipal financial products or issuance of municipal securities (including with respect to the structure, timing, terms and other similar matters concerning such financial products or issues);
8. KMA is not acting as a municipal advisor to the City and does not assume any fiduciary duty hereunder, including, without limitation, a fiduciary duty to the City pursuant to Section 15B of the Exchange Act with respect to the services provided hereunder and any information and material contained in KMA's work product; and
9. The City shall discuss any such information and material contained in KMA's work product with any and all internal and/or external advisors and experts, including its own municipal advisors, that it deems appropriate before acting on the information and material.

# **APPENDIX A**

## **SUMMARY OF IMPACTS ON PROFIT BY SCENARIO**

**COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO**

TABLE A-1

SCENARIO #1

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

10% @ 60% AMI (AVERAGE) + 5% @ 120% AMI  
AFFORDABLE UNITS ON-SITE

	SITE #1		SITE #2		SITE #3	
	Base Case	Bonus	Base Case	Bonus	Base Case	Bonus
	Type V Townhomes with Private Garages/Surface 15 Units/Acre	Type V Stacked Flats with Tuck-Under Garage 26 Units/Acre	Type V Garden Apartments with Tuck-Under Garage 29 Units/Acre	Type V Stacked Flats with Wrap Parking 50 Units/Acre	Type V Garden Apartments with Tuck-Under Garage 29 Units/Acre	Type V Stacked Flats with Podium Parking 109 Units/Acre
I. PROJECT DESCRIPTION						
A. Construction Type	Type V	Type V	Type V	Type V	Type V	Type V
B. Site Area	1.22 Acres	1.22 Acres	5.07 Acres	5.07 Acres	0.37 Acres	0.37 Acres
C. Linear Promenade	0 SF	4,640 SF	0 SF	11,300 SF	0 SF	2,500 SF
D. Density	15 Units/Acre	26 Units/Acre	29 Units/Acre	50 Units/Acre	29 Units/Acre	109 Units/Acre
E. Floor Area Ratio (FAR)	0.52 FAR	0.68 FAR	0.80 FAR	1.55 FAR	0.56 FAR	2.13 FAR
F. Number of Units	18 Units	32 Units	147 Units	253 Units	11 Units	40 Units
G. Stories	2 Stories	3 Stories	4 Stories	4 Stories	3 Stories	5 Stories
H. Base Case Rent	\$2.50 /SF/Month	---	\$3.25 /SF/Month	---	\$3.25 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$543,000 /Unit \$356 /SF GBA	\$392,000 /Unit \$347 /SF GBA	\$452,000 /Unit \$376 /SF GBA	\$455,000 /Unit \$336 /SF GBA	\$355,000 /Unit \$434 /SF GBA	\$335,000 /Unit \$390 /SF GBA
II. RETURN ON INVESTMENT <sup>(1)</sup>						
A. Market Rents @ \$0.00 Increase	5.6%	4.6%	5.9%	6.4%	4.7%	5.0%
Difference in ROI		-1.0%		0.5%		0.3%
B. Market Rents @ \$0.25 Increase	5.6%	5.1%	5.9%	6.9%	4.7%	5.5%
Difference in ROI		-0.5%		1.0%		0.8%
C. Market Rents @ \$0.50 Increase	5.6%	5.6%	5.9%	7.4%	4.7%	5.9%
Difference in ROI		0.0%		1.5%		1.2%
D. Market Rents @ \$0.75 Increase	5.6%	6.1%	5.9%	7.9%	4.7%	6.3%
Difference in ROI		0.5%		2.0%		1.6%
E. Market Rents @ \$1.00 Increase	5.6%	6.6%	5.9%	8.4%	4.7%	6.7%
Difference in ROI		1.0%		2.5%		2.0%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

TABLE A-1 (CONT'D.)

SCENARIO #1

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

10% @ 60% AMI (AVERAGE) + 5% @ 120% AMI  
AFFORDABLE UNITS ON-SITE

	SITE #4		SITE #5		SITE #6	
	Base Case	Bonus	Base Case	Bonus	Base Case	Bonus
	Type V Garden Apartments with Tuck-Under Garage 44 Units/Acre	Type I Stacked Flats with No Residential Parking 242 Units/Acre	Type V Stacked Flats with Wrap/Podium Parking 73 Units/Acre	Type III over Type I with Structure/Below Grade Parking 167 Units/Acre	Type III Stacked Flats with Double Podium Parking 109 Units/Acre	Type I Stacked Flats with Structured Parking 193 Units/Acre
I. PROJECT DESCRIPTION						
A. Construction Type	Type V	Type I	Type V	Type III over Type I	Type III	Type I
B. Site Area	0.20 Acres	0.20 Acres	0.90 Acres	0.90 Acres	0.92 Acres	0.92 Acres
C. Linear Promenade	0 SF	1,900 SF	0 SF	5,300 SF	0 SF	4,000 SF
D. Density	44 Units/Acre	242 Units/Acre	73 Units/Acre	167 Units/Acre	109 Units/Acre	193 Units/Acre
E. Floor Area Ratio (FAR)	0.85 FAR	2.62 FAR	1.41 FAR	3.22 FAR	3.53 FAR	5.22 FAR
F. Number of Units	9 Units	48 Units	66 Units	150 Units	100 Units	178 Units
G. Stories	3 Stories	8 Stories	5 Stories	6 Stories	5 Stories	15 Stories
H. Base Case Rent	\$3.50 /SF/Month	---	\$3.75 /SF/Month	---	\$3.50 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$347,000 /Unit \$425 /SF GBA	\$216,000 /Unit \$458 /SF GBA	\$409,000 /Unit \$487 /SF GBA	\$375,000 /Unit \$446 /SF GBA	\$640,000 /Unit \$453 /SF GBA	\$542,000 /Unit \$461 /SF GBA
II. RETURN ON INVESTMENT <sup>(1)</sup>						
A. Market Rents @ \$0.00 Increase	5.3%	4.9%	5.1%	5.2%	5.5%	4.6%
Difference in ROI		-0.4%		0.1%		-0.9%
B. Market Rents @ \$0.25 Increase	5.3%	5.2%	5.1%	5.6%	5.5%	4.9%
Difference in ROI		-0.1%		0.5%		-0.6%
C. Market Rents @ \$0.50 Increase	5.3%	5.5%	5.1%	6.0%	5.5%	5.3%
Difference in ROI		0.2%		0.9%		-0.2%
D. Market Rents @ \$0.75 Increase	5.3%	5.8%	5.1%	6.3%	5.5%	5.6%
Difference in ROI		0.5%		1.2%		0.1%
E. Market Rents @ \$1.00 Increase	5.3%	6.1%	5.1%	6.7%	5.5%	6.0%
Difference in ROI		0.8%		1.6%		0.5%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

TABLE A-2

SCENARIO #2

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

10% @ 60% AMI (AVERAGE) + 5% @ 120% AMI  
AFFORDABLE UNITS OFF-SITE

	SITE #1		SITE #2		SITE #3	
	Base Case Type V Townhomes with Private Garages/Surface 15 Units/Acre	Bonus Type V Stacked Flats with Tuck-Under Garage 26 Units/Acre	Base Case Type V Garden Apartments with Tuck-Under Garage 29 Units/Acre	Bonus Type V Stacked Flats with Wrap Parking 50 Units/Acre	Base Case Type V Garden Apartments with Tuck-Under Garage 29 Units/Acre	Bonus Type V Stacked Flats with Podium Parking 109 Units/Acre
<b>I. PROJECT DESCRIPTION</b>						
A. Construction Type	Type V	Type V	Type V	Type V	Type V	Type V
B. Site Area	1.22 Acres	1.22 Acres	5.07 Acres	5.07 Acres	0.37 Acres	0.37 Acres
C. Linear Promenade	0 SF	4,640 SF	0 SF	11,300 SF	0 SF	2,500 SF
D. Density	15 Units/Acre	26 Units/Acre	29 Units/Acre	50 Units/Acre	29 Units/Acre	109 Units/Acre
E. Floor Area Ratio (FAR)	0.52 FAR	0.68 FAR	0.80 FAR	1.55 FAR	0.56 FAR	2.13 FAR
F. Number of Units	18 Units	32 Units	147 Units	253 Units	11 Units	40 Units
G. Stories	2 Stories	3 Stories	4 Stories	4 Stories	3 Stories	5 Stories
H. Base Case Rent	\$2.50 /SF/Month	---	\$3.25 /SF/Month	---	\$3.25 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$543,000 /Unit \$356 /SF GBA	\$402,000 /Unit \$356 /SF GBA	\$452,000 /Unit \$376 /SF GBA	\$466,000 /Unit \$344 /SF GBA	\$355,000 /Unit \$434 /SF GBA	\$343,000 /Unit \$399 /SF GBA
<b>II. RETURN ON INVESTMENT <sup>(1)</sup></b>						
A. Market Rents @ \$0.00 Increase	5.6%	4.6%	5.9%	6.6%	4.7%	5.0%
Difference in ROI		-1.0%		0.7%		0.3%
B. Market Rents @ \$0.25 Increase	5.6%	5.2%	5.9%	7.1%	4.7%	5.4%
Difference in ROI		-0.4%		1.2%		0.7%
C. Market Rents @ \$0.50 Increase	5.6%	5.7%	5.9%	7.7%	4.7%	5.9%
Difference in ROI		0.1%		1.8%		1.2%
D. Market Rents @ \$0.75 Increase	5.6%	6.2%	5.9%	8.2%	4.7%	6.3%
Difference in ROI		0.6%		2.3%		1.6%
E. Market Rents @ \$1.00 Increase	5.6%	6.8%	5.9%	8.8%	4.7%	6.7%
Difference in ROI		1.2%		2.9%		2.0%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

TABLE A-2 (CONT'D.)

SCENARIO #2

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

10% @ 60% AMI (AVERAGE) + 5% @ 120% AMI  
AFFORDABLE UNITS OFF-SITE

	SITE #4		SITE #5		SITE #6	
	Base Case	Bonus	Base Case	Bonus	Base Case	Bonus
	Type V Garden Apartments with Tuck-Under Garage 44 Units/Acre	Type I Stacked Flats with No Residential Parking 242 Units/Acre	Type V Stacked Flats with Wrap/Podium Parking 73 Units/Acre	Type III over Type I with Structure/Below Grade Parking 167 Units/Acre	Type III Stacked Flats with Double Podium Parking 109 Units/Acre	Type I Stacked Flats with Structured Parking 193 Units/Acre
I. PROJECT DESCRIPTION						
A. Construction Type	Type V	Type I	Type V	Type III over Type I	Type III	Type I
B. Site Area	0.20 Acres	0.20 Acres	0.90 Acres	0.90 Acres	0.92 Acres	0.92 Acres
C. Linear Promenade	0 SF	1,900 SF	0 SF	5,300 SF	0 SF	4,000 SF
D. Density	44 Units/Acre	242 Units/Acre	73 Units/Acre	167 Units/Acre	109 Units/Acre	193 Units/Acre
E. Floor Area Ratio (FAR)	0.85 FAR	2.62 FAR	1.41 FAR	3.22 FAR	3.53 FAR	5.22 FAR
F. Number of Units	9 Units	48 Units	66 Units	150 Units	100 Units	178 Units
G. Stories	3 Stories	8 Stories	5 Stories	6 Stories	5 Stories	15 Stories
H. Base Case Rent	\$3.50 /SF/Month	---	\$3.75 /SF/Month	---	\$3.50 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$347,000 /Unit \$425 /SF GBA	\$220,000 /Unit \$467 /SF GBA	\$409,000 /Unit \$487 /SF GBA	\$383,000 /Unit \$455 /SF GBA	\$640,000 /Unit \$453 /SF GBA	\$552,000 /Unit \$469 /SF GBA
II. RETURN ON INVESTMENT <sup>(1)</sup>						
A. Market Rents @ \$0.00 Increase	5.3%	4.8%	5.1%	5.3%	5.5%	4.7%
Difference in ROI		-0.5%		0.2%		-0.8%
B. Market Rents @ \$0.25 Increase	5.3%	5.1%	5.1%	5.6%	5.5%	5.1%
Difference in ROI		-0.2%		0.5%		-0.4%
C. Market Rents @ \$0.50 Increase	5.3%	5.4%	5.1%	6.0%	5.5%	5.5%
Difference in ROI		0.1%		0.9%		0.0%
D. Market Rents @ \$0.75 Increase	5.3%	5.7%	5.1%	6.4%	5.5%	5.9%
Difference in ROI		0.4%		1.3%		0.4%
E. Market Rents @ \$1.00 Increase	5.3%	6.0%	5.1%	6.8%	5.5%	6.2%
Difference in ROI		0.7%		1.7%		0.7%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

TABLE A-3

SCENARIO #3

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

10% @ 60% AMI (AVERAGE) + 10% @ 120% AMI  
AFFORDABLE UNITS ON-SITE

	SITE #1		SITE #2		SITE #3	
	Base Case Type V Townhomes with Private Garages/Surface 15 Units/Acre	Bonus Type V Stacked Flats with Tuck-Under Garage 26 Units/Acre	Base Case Type V Garden Apartments with Tuck-Under Garage 29 Units/Acre	Bonus Type V Stacked Flats with Wrap Parking 50 Units/Acre	Base Case Type V Garden Apartments with Tuck-Under Garage 29 Units/Acre	Bonus Type V Stacked Flats with Podium Parking 109 Units/Acre
<b>I. PROJECT DESCRIPTION</b>						
A. Construction Type	Type V	Type V	Type V	Type V	Type V	Type V
B. Site Area	1.22 Acres	1.22 Acres	5.07 Acres	5.07 Acres	0.37 Acres	0.37 Acres
C. Linear Promenade	0 SF	4,640 SF	0 SF	11,300 SF	0 SF	2,500 SF
D. Density	15 Units/Acre	26 Units/Acre	29 Units/Acre	50 Units/Acre	29 Units/Acre	109 Units/Acre
E. Floor Area Ratio (FAR)	0.52 FAR	0.68 FAR	0.80 FAR	1.55 FAR	0.56 FAR	2.13 FAR
F. Number of Units	18 Units	32 Units	147 Units	253 Units	11 Units	40 Units
G. Stories	2 Stories	3 Stories	4 Stories	4 Stories	3 Stories	5 Stories
H. Base Case Rent	\$2.50 /SF/Month	---	\$3.25 /SF/Month	---	\$3.25 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$543,000 /Unit \$356 /SF GBA	\$391,000 /Unit \$347 /SF GBA	\$452,000 /Unit \$376 /SF GBA	\$455,000 /Unit \$336 /SF GBA	\$355,000 /Unit \$434 /SF GBA	\$335,000 /Unit \$390 /SF GBA
<b>II. RETURN ON INVESTMENT <sup>(1)</sup></b>						
A. Market Rents @ \$0.00 Increase	5.6%	4.6%	5.9%	6.3%	4.7%	5.1%
Difference in ROI		-1.0%		0.4%		0.4%
B. Market Rents @ \$0.25 Increase	5.6%	5.1%	5.9%	6.8%	4.7%	5.5%
Difference in ROI		-0.5%		0.9%		0.8%
C. Market Rents @ \$0.50 Increase	5.6%	5.6%	5.9%	7.3%	4.7%	5.9%
Difference in ROI		0.0%		1.4%		1.2%
D. Market Rents @ \$0.75 Increase	5.6%	6.1%	5.9%	7.8%	4.7%	6.3%
Difference in ROI		0.5%		1.9%		1.6%
E. Market Rents @ \$1.00 Increase	5.6%	6.5%	5.9%	8.3%	4.7%	6.6%
Difference in ROI		0.9%		2.4%		1.9%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.



TABLE A-3 (CONT'D.)

SCENARIO #3

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

10% @ 60% AMI (AVERAGE) + 10% @ 120% AMI  
AFFORDABLE UNITS ON-SITE

	SITE #4		SITE #5		SITE #6	
	Base Case	Bonus	Base Case	Bonus	Base Case	Bonus
	Type V Garden Apartments with Tuck-Under Garage 44 Units/Acre	Type I Stacked Flats with No Residential Parking 242 Units/Acre	Type V Stacked Flats with Wrap/Podium Parking 73 Units/Acre	Type III over Type I with Structure/Below Grade Parking 167 Units/Acre	Type III Stacked Flats with Double Podium Parking 109 Units/Acre	Type I Stacked Flats with Structured Parking 193 Units/Acre
I. PROJECT DESCRIPTION						
A. Construction Type	Type V	Type I	Type V	Type III over Type I	Type III	Type I
B. Site Area	0.20 Acres	0.20 Acres	0.90 Acres	0.90 Acres	0.92 Acres	0.92 Acres
C. Linear Promenade	0 SF	1,900 SF	0 SF	5,300 SF	0 SF	4,000 SF
D. Density	44 Units/Acre	242 Units/Acre	73 Units/Acre	167 Units/Acre	109 Units/Acre	193 Units/Acre
E. Floor Area Ratio (FAR)	0.85 FAR	2.62 FAR	1.41 FAR	3.22 FAR	3.53 FAR	5.22 FAR
F. Number of Units	9 Units	48 Units	66 Units	150 Units	100 Units	178 Units
G. Stories	3 Stories	8 Stories	5 Stories	6 Stories	5 Stories	15 Stories
H. Base Case Rent	\$3.50 /SF/Month	---	\$3.75 /SF/Month	---	\$3.50 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$347,000 /Unit \$425 /SF GBA	\$216,000 /Unit \$458 /SF GBA	\$409,000 /Unit \$487 /SF GBA	\$375,000 /Unit \$446 /SF GBA	\$640,000 /Unit \$453 /SF GBA	\$542,000 /Unit \$461 /SF GBA
II. RETURN ON INVESTMENT <sup>(1)</sup>						
A. Market Rents @ \$0.00 Increase	5.3%	4.9%	5.1%	5.2%	5.5%	4.5%
Difference in ROI		-0.4%		0.1%		-1.0%
B. Market Rents @ \$0.25 Increase	5.3%	5.2%	5.1%	5.6%	5.5%	4.9%
Difference in ROI		-0.1%		0.5%		-0.6%
C. Market Rents @ \$0.50 Increase	5.3%	5.5%	5.1%	6.0%	5.5%	5.2%
Difference in ROI		0.2%		0.9%		-0.3%
D. Market Rents @ \$0.75 Increase	5.3%	5.8%	5.1%	6.3%	5.5%	5.6%
Difference in ROI		0.5%		1.2%		0.1%
E. Market Rents @ \$1.00 Increase	5.3%	6.1%	5.1%	6.7%	5.5%	5.9%
Difference in ROI		0.8%		1.6%		0.4%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

TABLE A-4

SCENARIO #4

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

10% @ 60% AMI (AVERAGE) + 10% @ 120% AMI  
AFFORDABLE UNITS OFF-SITE

	SITE #1		SITE #2		SITE #3	
	Base Case	Bonus	Base Case	Bonus	Base Case	Bonus
	Type V Townhomes with Private Garages/Surface	Type V Stacked Flats with Tuck-Under Garage	Type V Garden Apartments with Tuck-Under Garage	Type V Stacked Flats with Wrap Parking	Type V Garden Apartments with Tuck-Under Garage	Type V Stacked Flats with Podium Parking
	15 Units/Acre	26 Units/Acre	29 Units/Acre	50 Units/Acre	29 Units/Acre	109 Units/Acre
<b>I. PROJECT DESCRIPTION</b>						
A. Construction Type	Type V	Type V	Type V	Type V	Type V	Type V
B. Site Area	1.22 Acres	1.22 Acres	5.07 Acres	5.07 Acres	0.37 Acres	0.37 Acres
C. Linear Promenade	0 SF	4,640 SF	0 SF	11,300 SF	0 SF	2,500 SF
D. Density	15 Units/Acre	26 Units/Acre	29 Units/Acre	50 Units/Acre	29 Units/Acre	109 Units/Acre
E. Floor Area Ratio (FAR)	0.52 FAR	0.68 FAR	0.80 FAR	1.55 FAR	0.56 FAR	2.13 FAR
F. Number of Units	18 Units	32 Units	147 Units	253 Units	11 Units	40 Units
G. Stories	2 Stories	3 Stories	4 Stories	4 Stories	3 Stories	5 Stories
H. Base Case Rent	\$2.50 /SF/Month	---	\$3.25 /SF/Month	---	\$3.25 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$543,000 /Unit \$356 /SF GBA	\$405,000 /Unit \$358 /SF GBA	\$452,000 /Unit \$376 /SF GBA	\$468,000 /Unit \$345 /SF GBA	\$355,000 /Unit \$434 /SF GBA	\$345,000 /Unit \$402 /SF GBA
<b>II. RETURN ON INVESTMENT <sup>(1)</sup></b>						
A. Market Rents @ \$0.00 Increase	5.6%	4.6%	5.9%	6.5%	4.7%	5.0%
Difference in ROI		-1.0%		0.6%		0.3%
B. Market Rents @ \$0.25 Increase	5.6%	5.1%	5.9%	7.1%	4.7%	5.4%
Difference in ROI		-0.5%		1.2%		0.7%
C. Market Rents @ \$0.50 Increase	5.6%	5.7%	5.9%	7.6%	4.7%	5.8%
Difference in ROI		0.1%		1.7%		1.1%
D. Market Rents @ \$0.75 Increase	5.6%	6.2%	5.9%	8.2%	4.7%	6.3%
Difference in ROI		0.6%		2.3%		1.6%
E. Market Rents @ \$1.00 Increase	5.6%	6.8%	5.9%	8.7%	4.7%	6.7%
Difference in ROI		1.2%		2.8%		2.0%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

TABLE A-4 (CONT'D.)

SCENARIO #4

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

10% @ 60% AMI (AVERAGE) + 10% @ 120% AMI  
AFFORDABLE UNITS OFF-SITE

	SITE #4		SITE #5		SITE #6	
	Base Case	Bonus	Base Case	Bonus	Base Case	Bonus
	Type V Garden Apartments with Tuck-Under Garage	Type I Stacked Flats with No Residential Parking	Type V Stacked Flats with Wrap/Podium Parking	Type III over Type I with Structure/Below Grade Parking	Type III Stacked Flats with Double Podium Parking	Type I Stacked Flats with Structured Parking
	44 Units/Acre	242 Units/Acre	73 Units/Acre	167 Units/Acre	109 Units/Acre	193 Units/Acre
<b>I. PROJECT DESCRIPTION</b>						
A. Construction Type	Type V	Type I	Type V	Type III over Type I	Type III	Type I
B. Site Area	0.20 Acres	0.20 Acres	0.90 Acres	0.90 Acres	0.92 Acres	0.92 Acres
C. Linear Promenade	0 SF	1,900 SF	0 SF	5,300 SF	0 SF	4,000 SF
D. Density	44 Units/Acre	242 Units/Acre	73 Units/Acre	167 Units/Acre	109 Units/Acre	193 Units/Acre
E. Floor Area Ratio (FAR)	0.85 FAR	2.62 FAR	1.41 FAR	3.22 FAR	3.53 FAR	5.22 FAR
F. Number of Units	9 Units	48 Units	66 Units	150 Units	100 Units	178 Units
G. Stories	3 Stories	8 Stories	5 Stories	6 Stories	5 Stories	15 Stories
H. Base Case Rent	\$3.50 /SF/Month	---	\$3.75 /SF/Month	---	\$3.50 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$347,000 /Unit \$425 /SF GBA	\$220,000 /Unit \$467 /SF GBA	\$409,000 /Unit \$487 /SF GBA	\$385,000 /Unit \$457 /SF GBA	\$640,000 /Unit \$453 /SF GBA	\$554,000 /Unit \$471 /SF GBA
<b>II. RETURN ON INVESTMENT <sup>(1)</sup></b>						
A. Market Rents @ \$0.00 Increase	5.3%	4.8%	5.1%	5.2%	5.5%	4.7%
Difference in ROI		-0.5%		0.1%		-0.8%
B. Market Rents @ \$0.25 Increase	5.3%	5.1%	5.1%	5.6%	5.5%	5.1%
Difference in ROI		-0.2%		0.5%		-0.4%
C. Market Rents @ \$0.50 Increase	5.3%	5.4%	5.1%	6.0%	5.5%	5.5%
Difference in ROI		0.1%		0.9%		0.0%
D. Market Rents @ \$0.75 Increase	5.3%	5.7%	5.1%	6.4%	5.5%	5.8%
Difference in ROI		0.4%		1.3%		0.3%
E. Market Rents @ \$1.00 Increase	5.3%	6.0%	5.1%	6.8%	5.5%	6.2%
Difference in ROI		0.7%		1.7%		0.7%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

TABLE A-5

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

SCENARIO #5  
15% @ 100% AMI  
AFFORDABLE UNITS ON-SITE

	SITE #1		SITE #2		SITE #3	
	Base Case Type V Townhomes with Private Garages/Surface 15 Units/Acre	Bonus Type V Stacked Flats with Tuck-Under Garage 26 Units/Acre	Base Case Type V Garden Apartments with Tuck-Under Garage 29 Units/Acre	Bonus Type V Stacked Flats with Wrap Parking 50 Units/Acre	Base Case Type V Garden Apartments with Tuck-Under Garage 29 Units/Acre	Bonus Type V Stacked Flats with Podium Parking 109 Units/Acre
<b>I. PROJECT DESCRIPTION</b>						
A. Construction Type	Type V	Type V	Type V	Type V	Type V	Type V
B. Site Area	1.22 Acres	1.22 Acres	5.07 Acres	5.07 Acres	0.37 Acres	0.37 Acres
C. Linear Promenade	0 SF	4,640 SF	0 SF	11,300 SF	0 SF	2,500 SF
D. Density	15 Units/Acre	26 Units/Acre	29 Units/Acre	50 Units/Acre	29 Units/Acre	109 Units/Acre
E. Floor Area Ratio (FAR)	0.52 FAR	0.68 FAR	0.80 FAR	1.55 FAR	0.56 FAR	2.13 FAR
F. Number of Units	18 Units	32 Units	147 Units	253 Units	11 Units	40 Units
G. Stories	2 Stories	3 Stories	4 Stories	4 Stories	3 Stories	5 Stories
H. Base Case Rent	\$2.50 /SF/Month	---	\$3.25 /SF/Month	---	\$3.25 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$543,000 /Unit \$356 /SF GBA	\$392,000 /Unit \$347 /SF GBA	\$452,000 /Unit \$376 /SF GBA	\$455,000 /Unit \$336 /SF GBA	\$355,000 /Unit \$434 /SF GBA	\$335,000 /Unit \$390 /SF GBA
<b>II. RETURN ON INVESTMENT <sup>(1)</sup></b>						
A. Market Rents @ \$0.00 Increase	5.6%	4.6%	5.9%	6.4%	4.7%	5.1%
Difference in ROI		-1.0%		0.5%		0.4%
B. Market Rents @ \$0.25 Increase	5.6%	5.1%	5.9%	6.9%	4.7%	5.5%
Difference in ROI		-0.5%		1.0%		0.8%
C. Market Rents @ \$0.50 Increase	5.6%	5.6%	5.9%	7.4%	4.7%	5.9%
Difference in ROI		0.0%		1.5%		1.2%
D. Market Rents @ \$0.75 Increase	5.6%	6.2%	5.9%	7.9%	4.7%	6.3%
Difference in ROI		0.6%		2.0%		1.6%
E. Market Rents @ \$1.00 Increase	5.6%	6.7%	5.9%	8.4%	4.7%	6.8%
Difference in ROI		1.1%		2.5%		2.1%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

TABLE A-5 (CONT'D.)

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

SCENARIO #5

15% @ 100% AMI  
AFFORDABLE UNITS ON-SITE

	SITE #4		SITE #5		SITE #6	
	Base Case	Bonus	Base Case	Bonus	Base Case	Bonus
	Type V Garden Apartments with Tuck-Under Garage 44 Units/Acre	Type I Stacked Flats with No Residential Parking 242 Units/Acre	Type V Stacked Flats with Wrap/Podium Parking 73 Units/Acre	Type III over Type I with Structure/Below Grade Parking 167 Units/Acre	Type III Stacked Flats with Double Podium Parking 109 Units/Acre	Type I Stacked Flats with Structured Parking 193 Units/Acre
I. PROJECT DESCRIPTION						
A. Construction Type	Type V	Type I	Type V	Type III over Type I	Type III	Type I
B. Site Area	0.20 Acres	0.20 Acres	0.90 Acres	0.90 Acres	0.92 Acres	0.92 Acres
C. Linear Promenade	0 SF	1,900 SF	0 SF	5,300 SF	0 SF	4,000 SF
D. Density	44 Units/Acre	242 Units/Acre	73 Units/Acre	167 Units/Acre	109 Units/Acre	193 Units/Acre
E. Floor Area Ratio (FAR)	0.85 FAR	2.62 FAR	1.41 FAR	3.22 FAR	3.53 FAR	5.22 FAR
F. Number of Units	9 Units	48 Units	66 Units	150 Units	100 Units	178 Units
G. Stories	3 Stories	8 Stories	5 Stories	6 Stories	5 Stories	15 Stories
H. Base Case Rent	\$3.50 /SF/Month	---	\$3.75 /SF/Month	---	\$3.50 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$347,000 /Unit \$425 /SF GBA	\$216,000 /Unit \$458 /SF GBA	\$409,000 /Unit \$487 /SF GBA	\$375,000 /Unit \$446 /SF GBA	\$640,000 /Unit \$453 /SF GBA	\$542,000 /Unit \$461 /SF GBA
II. RETURN ON INVESTMENT <sup>(1)</sup>						
A. Market Rents @ \$0.00 Increase	5.3%	4.9%	5.1%	5.3%	5.5%	4.6%
Difference in ROI		-0.4%		0.2%		-0.9%
B. Market Rents @ \$0.25 Increase	5.3%	5.2%	5.1%	5.6%	5.5%	5.0%
Difference in ROI		-0.1%		0.5%		-0.5%
C. Market Rents @ \$0.50 Increase	5.3%	5.5%	5.1%	6.0%	5.5%	5.3%
Difference in ROI		0.2%		0.9%		-0.2%
D. Market Rents @ \$0.75 Increase	5.3%	5.8%	5.1%	6.4%	5.5%	5.7%
Difference in ROI		0.5%		1.3%		0.2%
E. Market Rents @ \$1.00 Increase	5.3%	6.1%	5.1%	6.8%	5.5%	6.0%
Difference in ROI		0.8%		1.7%		0.5%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

TABLE A-6

SCENARIO #6

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

15% @ 60% AMI (AVERAGE) + 10% @ 120% AMI  
AFFORDABLE UNITS OFF-SITE

	SITE #1		SITE #2		SITE #3	
	Base Case Type V Townhomes with Private Garages/Surface 15 Units/Acre	Bonus Type V Stacked Flats with Tuck-Under Garage 26 Units/Acre	Base Case Type V Garden Apartments with Tuck-Under Garage 29 Units/Acre	Bonus Type V Stacked Flats with Wrap Parking 50 Units/Acre	Base Case Type V Garden Apartments with Tuck-Under Garage 29 Units/Acre	Bonus Type V Stacked Flats with Podium Parking 109 Units/Acre
I. PROJECT DESCRIPTION						
A. Construction Type	Type V	Type V	Type V	Type V	Type V	Type V
B. Site Area	1.22 Acres	1.22 Acres	5.07 Acres	5.07 Acres	0.37 Acres	0.37 Acres
C. Linear Promenade	0 SF	4,640 SF	0 SF	11,300 SF	0 SF	2,500 SF
D. Density	15 Units/Acre	26 Units/Acre	29 Units/Acre	50 Units/Acre	29 Units/Acre	109 Units/Acre
E. Floor Area Ratio (FAR)	0.52 FAR	0.68 FAR	0.80 FAR	1.55 FAR	0.56 FAR	2.13 FAR
F. Number of Units	18 Units	32 Units	147 Units	253 Units	11 Units	40 Units
G. Stories	2 Stories	3 Stories	4 Stories	4 Stories	3 Stories	5 Stories
H. Base Case Rent	\$2.50 /SF/Month	---	\$3.25 /SF/Month	---	\$3.25 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$543,000 /Unit \$356 /SF GBA	\$408,000 /Unit \$362 /SF GBA	\$452,000 /Unit \$376 /SF GBA	\$471,000 /Unit \$348 /SF GBA	\$355,000 /Unit \$434 /SF GBA	\$345,000 /Unit \$402 /SF GBA
II. RETURN ON INVESTMENT <sup>(1)</sup>						
A. Market Rents @ \$0.00 Increase	5.6%	4.6%	5.9%	6.5%	4.7%	5.0%
Difference in ROI		-1.0%		0.6%		0.3%
B. Market Rents @ \$0.25 Increase	5.6%	5.1%	5.9%	7.0%	4.7%	5.4%
Difference in ROI		-0.5%		1.1%		0.7%
C. Market Rents @ \$0.50 Increase	5.6%	5.6%	5.9%	7.6%	4.7%	5.8%
Difference in ROI		0.0%		1.7%		1.1%
D. Market Rents @ \$0.75 Increase	5.6%	6.2%	5.9%	8.1%	4.7%	6.3%
Difference in ROI		0.6%		2.2%		1.6%
E. Market Rents @ \$1.00 Increase	5.6%	6.7%	5.9%	8.6%	4.7%	6.7%
Difference in ROI		1.1%		2.7%		2.0%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

TABLE A-6 (CONT'D.)

SCENARIO #6

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

15% @ 60% AMI (AVERAGE) + 10% @ 120% AMI  
AFFORDABLE UNITS OFF-SITE

	SITE #4		SITE #5		SITE #6	
	Base Case	Bonus	Base Case	Bonus	Base Case	Bonus
	Type V Garden Apartments with Tuck-Under Garage 44 Units/Acre	Type I Stacked Flats with No Residential Parking 242 Units/Acre	Type V Stacked Flats with Wrap/Podium Parking 73 Units/Acre	Type III over Type I with Structure/Below Grade Parking 167 Units/Acre	Type III Stacked Flats with Double Podium Parking 109 Units/Acre	Type I Stacked Flats with Structured Parking 193 Units/Acre
I. PROJECT DESCRIPTION						
A. Construction Type	Type V	Type I	Type V	Type III over Type I	Type III	Type I
B. Site Area	0.20 Acres	0.20 Acres	0.90 Acres	0.90 Acres	0.92 Acres	0.92 Acres
C. Linear Promenade	0 SF	1,900 SF	0 SF	5,300 SF	0 SF	4,000 SF
D. Density	44 Units/Acre	242 Units/Acre	73 Units/Acre	167 Units/Acre	109 Units/Acre	193 Units/Acre
E. Floor Area Ratio (FAR)	0.85 FAR	2.62 FAR	1.41 FAR	3.22 FAR	3.53 FAR	5.22 FAR
F. Number of Units	9 Units	48 Units	66 Units	150 Units	100 Units	178 Units
G. Stories	3 Stories	8 Stories	5 Stories	6 Stories	5 Stories	15 Stories
H. Base Case Rent	\$3.50 /SF/Month	---	\$3.75 /SF/Month	---	\$3.50 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$347,000 /Unit \$425 /SF GBA	\$222,000 /Unit \$472 /SF GBA	\$409,000 /Unit \$487 /SF GBA	\$387,000 /Unit \$460 /SF GBA	\$640,000 /Unit \$453 /SF GBA	\$557,000 /Unit \$474 /SF GBA
II. RETURN ON INVESTMENT <sup>(1)</sup>						
A. Market Rents @ \$0.00 Increase	5.3%	4.7%	5.1%	5.2%	5.5%	4.7%
Difference in ROI		-0.6%		0.1%		-0.8%
B. Market Rents @ \$0.25 Increase	5.3%	5.0%	5.1%	5.6%	5.5%	5.1%
Difference in ROI		-0.3%		0.5%		-0.4%
C. Market Rents @ \$0.50 Increase	5.3%	5.3%	5.1%	6.0%	5.5%	5.4%
Difference in ROI		0.0%		0.9%		-0.1%
D. Market Rents @ \$0.75 Increase	5.3%	5.6%	5.1%	6.4%	5.5%	5.8%
Difference in ROI		0.3%		1.3%		0.3%
E. Market Rents @ \$1.00 Increase	5.3%	5.9%	5.1%	6.8%	5.5%	6.2%
Difference in ROI		0.6%		1.7%		0.7%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

TABLE A-7

SCENARIO #7

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

15% @ 60% AMI (AVERAGE)(OFF-SITE) + 10% @ 120% AMI (ON-SITE)

	SITE #1		SITE #2		SITE #3	
	Base Case Type V Townhomes with Private Garages/Surface 15 Units/Acre	Bonus Type V Stacked Flats with Tuck-Under Garage 26 Units/Acre	Base Case Type V Garden Apartments with Tuck-Under Garage 29 Units/Acre	Bonus Type V Stacked Flats with Wrap Parking 50 Units/Acre	Base Case Type V Garden Apartments with Tuck-Under Garage 29 Units/Acre	Bonus Type V Stacked Flats with Podium Parking 109 Units/Acre
<b>I. PROJECT DESCRIPTION</b>						
A. Construction Type	Type V	Type V	Type V	Type V	Type V	Type V
B. Site Area	1.22 Acres	1.22 Acres	5.07 Acres	5.07 Acres	0.37 Acres	0.37 Acres
C. Linear Promenade	0 SF	4,640 SF	0 SF	11,300 SF	0 SF	2,500 SF
D. Density	15 Units/Acre	26 Units/Acre	29 Units/Acre	50 Units/Acre	29 Units/Acre	109 Units/Acre
E. Floor Area Ratio (FAR)	0.52 FAR	0.68 FAR	0.80 FAR	1.55 FAR	0.56 FAR	2.13 FAR
F. Number of Units	18 Units	32 Units	147 Units	253 Units	11 Units	40 Units
G. Stories	2 Stories	3 Stories	4 Stories	4 Stories	3 Stories	5 Stories
H. Base Case Rent	\$2.50 /SF/Month	---	\$3.25 /SF/Month	---	\$3.25 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$543,000 /Unit \$356 /SF GBA	\$403,000 /Unit \$357 /SF GBA	\$452,000 /Unit \$376 /SF GBA	\$466,000 /Unit \$344 /SF GBA	\$355,000 /Unit \$434 /SF GBA	\$341,000 /Unit \$397 /SF GBA
<b>II. RETURN ON INVESTMENT <sup>(1)</sup></b>						
A. Market Rents @ \$0.00 Increase	5.6%	4.6%	5.9%	6.4%	4.7%	5.1%
Difference in ROI		-1.0%		0.5%		0.4%
B. Market Rents @ \$0.25 Increase	5.6%	5.1%	5.9%	6.9%	4.7%	5.5%
Difference in ROI		-0.5%		1.0%		0.8%
C. Market Rents @ \$0.50 Increase	5.6%	5.6%	5.9%	7.4%	4.7%	5.9%
Difference in ROI		0.0%		1.5%		1.2%
D. Market Rents @ \$0.75 Increase	5.6%	6.1%	5.9%	8.0%	4.7%	6.3%
Difference in ROI		0.5%		2.1%		1.6%
E. Market Rents @ \$1.00 Increase	5.6%	6.6%	5.9%	8.5%	4.7%	6.7%
Difference in ROI		1.0%		2.6%		2.0%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.



TABLE A-7 (CONT'D.)

SCENARIO #7

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

15% @ 60% AMI (AVERAGE)(OFF-SITE) + 10% @ 120% AMI (ON-SITE)

	SITE #4		SITE #5		SITE #6	
	Base Case	Bonus	Base Case	Bonus	Base Case	Bonus
	Type V Garden Apartments with Tuck-Under Garage 44 Units/Acre	Type I Stacked Flats with No Residential Parking 242 Units/Acre	Type V Stacked Flats with Wrap/Podium Parking 73 Units/Acre	Type III over Type I with Structure/Below Grade Parking 167 Units/Acre	Type III Stacked Flats with Double Podium Parking 109 Units/Acre	Type I Stacked Flats with Structured Parking 193 Units/Acre
I. PROJECT DESCRIPTION						
A. Construction Type	Type V	Type I	Type V	Type III over Type I	Type III	Type I
B. Site Area	0.20 Acres	0.20 Acres	0.90 Acres	0.90 Acres	0.92 Acres	0.92 Acres
C. Linear Promenade	0 SF	1,900 SF	0 SF	5,300 SF	0 SF	4,000 SF
D. Density	44 Units/Acre	242 Units/Acre	73 Units/Acre	167 Units/Acre	109 Units/Acre	193 Units/Acre
E. Floor Area Ratio (FAR)	0.85 FAR	2.62 FAR	1.41 FAR	3.22 FAR	3.53 FAR	5.22 FAR
F. Number of Units	9 Units	48 Units	66 Units	150 Units	100 Units	178 Units
G. Stories	3 Stories	8 Stories	5 Stories	6 Stories	5 Stories	15 Stories
H. Base Case Rent	\$3.50 /SF/Month	---	\$3.75 /SF/Month	---	\$3.50 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$347,000 /Unit \$425 /SF GBA	\$220,000 /Unit \$468 /SF GBA	\$409,000 /Unit \$487 /SF GBA	\$383,000 /Unit \$455 /SF GBA	\$640,000 /Unit \$453 /SF GBA	\$552,000 /Unit \$469 /SF GBA
II. RETURN ON INVESTMENT <sup>(1)</sup>						
A. Market Rents @ \$0.00 Increase	5.3%	4.8%	5.1%	5.2%	5.5%	4.6%
Difference in ROI		-0.5%		0.1%		-0.9%
B. Market Rents @ \$0.25 Increase	5.3%	5.1%	5.1%	5.6%	5.5%	5.0%
Difference in ROI		-0.2%		0.5%		-0.5%
C. Market Rents @ \$0.50 Increase	5.3%	5.4%	5.1%	6.0%	5.5%	5.3%
Difference in ROI		0.1%		0.9%		-0.2%
D. Market Rents @ \$0.75 Increase	5.3%	5.7%	5.1%	6.4%	5.5%	5.7%
Difference in ROI		0.4%		1.3%		0.2%
E. Market Rents @ \$1.00 Increase	5.3%	6.0%	5.1%	6.7%	5.5%	6.1%
Difference in ROI		0.7%		1.6%		0.6%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

TABLE A-8

SCENARIO #8

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

15% @ 60% AMI (AVERAGE) + 5% @ 120% AMI  
AFFORDABLE UNITS OFF-SITE

	SITE #1		SITE #2		SITE #3	
	Base Case	Bonus	Base Case	Bonus	Base Case	Bonus
	Type V Townhomes with Private Garages/Surface	Type V Stacked Flats with Tuck-Under Garage	Type V Garden Apartments with Tuck-Under Garage	Type V Stacked Flats with Wrap Parking	Type V Garden Apartments with Tuck-Under Garage	Type V Stacked Flats with Podium Parking
	15 Units/Acre	26 Units/Acre	29 Units/Acre	50 Units/Acre	29 Units/Acre	109 Units/Acre
<b>I. PROJECT DESCRIPTION</b>						
A. Construction Type	Type V	Type V	Type V	Type V	Type V	Type V
B. Site Area	1.22 Acres	1.22 Acres	5.07 Acres	5.07 Acres	0.37 Acres	0.37 Acres
C. Linear Promenade	0 SF	4,640 SF	0 SF	11,300 SF	0 SF	2,500 SF
D. Density	15 Units/Acre	26 Units/Acre	29 Units/Acre	50 Units/Acre	29 Units/Acre	109 Units/Acre
E. Floor Area Ratio (FAR)	0.52 FAR	0.68 FAR	0.80 FAR	1.55 FAR	0.56 FAR	2.13 FAR
F. Number of Units	18 Units	32 Units	147 Units	253 Units	11 Units	40 Units
G. Stories	2 Stories	3 Stories	4 Stories	4 Stories	3 Stories	5 Stories
H. Base Case Rent	\$2.50 /SF/Month	---	\$3.25 /SF/Month	---	\$3.25 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$543,000 /Unit \$356 /SF GBA	\$406,000 /Unit \$359 /SF GBA	\$452,000 /Unit \$376 /SF GBA	\$469,000 /Unit \$346 /SF GBA	\$355,000 /Unit \$434 /SF GBA	\$343,000 /Unit \$399 /SF GBA
<b>II. RETURN ON INVESTMENT <sup>(1)</sup></b>						
A. Market Rents @ \$0.00 Increase	5.6%	4.6%	5.9%	6.5%	4.7%	5.0%
Difference in ROI		-1.0%		0.6%		0.3%
B. Market Rents @ \$0.25 Increase	5.6%	5.1%	5.9%	7.1%	4.7%	5.4%
Difference in ROI		-0.5%		1.2%		0.7%
C. Market Rents @ \$0.50 Increase	5.6%	5.7%	5.9%	7.6%	4.7%	5.9%
Difference in ROI		0.1%		1.7%		1.2%
D. Market Rents @ \$0.75 Increase	5.6%	6.2%	5.9%	8.1%	4.7%	6.3%
Difference in ROI		0.6%		2.2%		1.6%
E. Market Rents @ \$1.00 Increase	5.6%	6.7%	5.9%	8.7%	4.7%	6.7%
Difference in ROI		1.1%		2.8%		2.0%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

TABLE A-8 (CONT'D.)

SCENARIO #8

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

15% @ 60% AMI (AVERAGE) + 5% @ 120% AMI  
AFFORDABLE UNITS OFF-SITE

	SITE #4		SITE #5		SITE #6	
	Base Case	Bonus	Base Case	Bonus	Base Case	Bonus
	Type V Garden Apartments with Tuck-Under Garage 44 Units/Acre	Type I Stacked Flats with No Residential Parking 242 Units/Acre	Type V Stacked Flats with Wrap/Podium Parking 73 Units/Acre	Type III over Type I with Structure/Below Grade Parking 167 Units/Acre	Type III Stacked Flats with Double Podium Parking 109 Units/Acre	Type I Stacked Flats with Structured Parking 193 Units/Acre
I. PROJECT DESCRIPTION						
A. Construction Type	Type V	Type I	Type V	Type III over Type I	Type III	Type I
B. Site Area	0.20 Acres	0.20 Acres	0.90 Acres	0.90 Acres	0.92 Acres	0.92 Acres
C. Linear Promenade	0 SF	1,900 SF	0 SF	5,300 SF	0 SF	4,000 SF
D. Density	44 Units/Acre	242 Units/Acre	73 Units/Acre	167 Units/Acre	109 Units/Acre	193 Units/Acre
E. Floor Area Ratio (FAR)	0.85 FAR	2.62 FAR	1.41 FAR	3.22 FAR	3.53 FAR	5.22 FAR
F. Number of Units	9 Units	48 Units	66 Units	150 Units	100 Units	178 Units
G. Stories	3 Stories	8 Stories	5 Stories	6 Stories	5 Stories	15 Stories
H. Base Case Rent	\$3.50 /SF/Month	---	\$3.75 /SF/Month	---	\$3.50 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$347,000 /Unit \$425 /SF GBA	\$222,000 /Unit \$472 /SF GBA	\$409,000 /Unit \$487 /SF GBA	\$386,000 /Unit \$458 /SF GBA	\$640,000 /Unit \$453 /SF GBA	\$555,000 /Unit \$472 /SF GBA
II. RETURN ON INVESTMENT <sup>(1)</sup>						
A. Market Rents @ \$0.00 Increase	5.3%	4.7%	5.1%	5.2%	5.5%	4.7%
Difference in ROI		-0.6%		0.1%		-0.8%
B. Market Rents @ \$0.25 Increase	5.3%	5.0%	5.1%	5.6%	5.5%	5.1%
Difference in ROI		-0.3%		0.5%		-0.4%
C. Market Rents @ \$0.50 Increase	5.3%	5.3%	5.1%	6.0%	5.5%	5.4%
Difference in ROI		0.0%		0.9%		-0.1%
D. Market Rents @ \$0.75 Increase	5.3%	5.6%	5.1%	6.4%	5.5%	5.8%
Difference in ROI		0.3%		1.3%		0.3%
E. Market Rents @ \$1.00 Increase	5.3%	5.9%	5.1%	6.8%	5.5%	6.2%
Difference in ROI		0.6%		1.7%		0.7%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

TABLE A-9

SCENARIO #9

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

15% @ 60% AMI (AVERAGE)(OFF-SITE) + 5% @ 120% AMI (ON-SITE)

	SITE #1		SITE #2		SITE #3	
	Base Case	Bonus	Base Case	Bonus	Base Case	Bonus
	Type V Townhomes with Private Garages/Surface	Type V Stacked Flats with Tuck-Under Garage	Type V Garden Apartments with Tuck-Under Garage	Type V Stacked Flats with Wrap Parking	Type V Garden Apartments with Tuck-Under Garage	Type V Stacked Flats with Podium Parking
	15 Units/Acre	26 Units/Acre	29 Units/Acre	50 Units/Acre	29 Units/Acre	109 Units/Acre
<b>I. PROJECT DESCRIPTION</b>						
A. Construction Type	Type V	Type V	Type V	Type V	Type V	Type V
B. Site Area	1.22 Acres	1.22 Acres	5.07 Acres	5.07 Acres	0.37 Acres	0.37 Acres
C. Linear Promenade	0 SF	4,640 SF	0 SF	11,300 SF	0 SF	2,500 SF
D. Density	15 Units/Acre	26 Units/Acre	29 Units/Acre	50 Units/Acre	29 Units/Acre	109 Units/Acre
E. Floor Area Ratio (FAR)	0.52 FAR	0.68 FAR	0.80 FAR	1.55 FAR	0.56 FAR	2.13 FAR
F. Number of Units	18 Units	32 Units	147 Units	253 Units	11 Units	40 Units
G. Stories	2 Stories	3 Stories	4 Stories	4 Stories	3 Stories	5 Stories
H. Base Case Rent	\$2.50 /SF/Month	---	\$3.25 /SF/Month	---	\$3.25 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$543,000 /Unit \$356 /SF GBA	\$403,000 /Unit \$357 /SF GBA	\$452,000 /Unit \$376 /SF GBA	\$466,000 /Unit \$344 /SF GBA	\$355,000 /Unit \$434 /SF GBA	\$341,000 /Unit \$397 /SF GBA
<b>II. RETURN ON INVESTMENT <sup>(1)</sup></b>						
A. Market Rents @ \$0.00 Increase	5.6%	4.6%	5.9%	6.5%	4.7%	5.1%
Difference in ROI		-1.0%		0.6%		0.4%
B. Market Rents @ \$0.25 Increase	5.6%	5.1%	5.9%	7.0%	4.7%	5.5%
Difference in ROI		-0.5%		1.1%		0.8%
C. Market Rents @ \$0.50 Increase	5.6%	5.7%	5.9%	7.5%	4.7%	5.9%
Difference in ROI		0.1%		1.6%		1.2%
D. Market Rents @ \$0.75 Increase	5.6%	6.2%	5.9%	8.1%	4.7%	6.3%
Difference in ROI		0.6%		2.2%		1.6%
E. Market Rents @ \$1.00 Increase	5.6%	6.7%	5.9%	8.6%	4.7%	6.7%
Difference in ROI		1.1%		2.7%		2.0%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

TABLE A-9 (CONT'D.)

SCENARIO #9

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

15% @ 60% AMI (AVERAGE)(OFF-SITE) + 5% @ 120% AMI (ON-SITE)

	SITE #4		SITE #5		SITE #6	
	Base Case	Bonus	Base Case	Bonus	Base Case	Bonus
	Type V Garden Apartments with Tuck-Under Garage	Type I Stacked Flats with No Residential Parking	Type V Stacked Flats with Wrap/Podium Parking	Type III over Type I with Structure/Below Grade Parking	Type III Stacked Flats with Double Podium Parking	Type I Stacked Flats with Structured Parking
	44 Units/Acre	242 Units/Acre	73 Units/Acre	167 Units/Acre	109 Units/Acre	193 Units/Acre
<b>I. PROJECT DESCRIPTION</b>						
A. Construction Type	Type V	Type I	Type V	Type III over Type I	Type III	Type I
B. Site Area	0.20 Acres	0.20 Acres	0.90 Acres	0.90 Acres	0.92 Acres	0.92 Acres
C. Linear Promenade	0 SF	1,900 SF	0 SF	5,300 SF	0 SF	4,000 SF
D. Density	44 Units/Acre	242 Units/Acre	73 Units/Acre	167 Units/Acre	109 Units/Acre	193 Units/Acre
E. Floor Area Ratio (FAR)	0.85 FAR	2.62 FAR	1.41 FAR	3.22 FAR	3.53 FAR	5.22 FAR
F. Number of Units	9 Units	48 Units	66 Units	150 Units	100 Units	178 Units
G. Stories	3 Stories	8 Stories	5 Stories	6 Stories	5 Stories	15 Stories
H. Base Case Rent	\$3.50 /SF/Month	---	\$3.75 /SF/Month	---	\$3.50 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$347,000 /Unit \$425 /SF GBA	\$220,000 /Unit \$468 /SF GBA	\$409,000 /Unit \$487 /SF GBA	\$383,000 /Unit \$455 /SF GBA	\$640,000 /Unit \$453 /SF GBA	\$552,000 /Unit \$470 /SF GBA
<b>II. RETURN ON INVESTMENT <sup>(1)</sup></b>						
A. Market Rents @ \$0.00 Increase	5.3%	4.8%	5.1%	5.2%	5.5%	4.7%
Difference in ROI		-0.5%		0.1%		-0.8%
B. Market Rents @ \$0.25 Increase	5.3%	5.1%	5.1%	5.6%	5.5%	5.0%
Difference in ROI		-0.2%		0.5%		-0.5%
C. Market Rents @ \$0.50 Increase	5.3%	5.4%	5.1%	6.0%	5.5%	5.4%
Difference in ROI		0.1%		0.9%		-0.1%
D. Market Rents @ \$0.75 Increase	5.3%	5.7%	5.1%	6.4%	5.5%	5.8%
Difference in ROI		0.4%		1.3%		0.3%
E. Market Rents @ \$1.00 Increase	5.3%	6.0%	5.1%	6.8%	5.5%	6.1%
Difference in ROI		0.7%		1.7%		0.6%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

TABLE A-10

SCENARIO #10

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

10% @ 50% AMI + 10% @ 60% AMI (AVERAGE)  
AFFORDABLE UNITS ON-SITE

	SITE #1		SITE #2		SITE #3	
	Base Case Type V Townhomes with Private Garages/Surface 15 Units/Acre	Bonus Type V Stacked Flats with Tuck-Under Garage 26 Units/Acre	Base Case Type V Garden Apartments with Tuck-Under Garage 29 Units/Acre	Bonus Type V Stacked Flats with Wrap Parking 50 Units/Acre	Base Case Type V Garden Apartments with Tuck-Under Garage 29 Units/Acre	Bonus Type V Stacked Flats with Podium Parking 109 Units/Acre
<b>I. PROJECT DESCRIPTION</b>						
A. Construction Type	Type V	Type V	Type V	Type V	Type V	Type V
B. Site Area	1.22 Acres	1.22 Acres	5.07 Acres	5.07 Acres	0.37 Acres	0.37 Acres
C. Linear Promenade	0 SF	4,640 SF	0 SF	11,300 SF	0 SF	2,500 SF
D. Density	15 Units/Acre	26 Units/Acre	29 Units/Acre	50 Units/Acre	29 Units/Acre	109 Units/Acre
E. Floor Area Ratio (FAR)	0.52 FAR	0.68 FAR	0.80 FAR	1.55 FAR	0.56 FAR	2.13 FAR
F. Number of Units	18 Units	32 Units	147 Units	253 Units	11 Units	40 Units
G. Stories	2 Stories	3 Stories	4 Stories	4 Stories	3 Stories	5 Stories
H. Base Case Rent	\$2.50 /SF/Month	---	\$3.25 /SF/Month	---	\$3.25 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$543,000 /Unit \$356 /SF GBA	\$391,000 /Unit \$347 /SF GBA	\$452,000 /Unit \$376 /SF GBA	\$455,000 /Unit \$336 /SF GBA	\$355,000 /Unit \$434 /SF GBA	\$335,000 /Unit \$390 /SF GBA
<b>II. RETURN ON INVESTMENT <sup>(1)</sup></b>						
A. Market Rents @ \$0.00 Increase	5.6%	4.4%	5.9%	6.2%	4.7%	4.9%
Difference in ROI		-1.2%		0.3%		0.2%
B. Market Rents @ \$0.25 Increase	5.6%	4.9%	5.9%	6.7%	4.7%	5.3%
Difference in ROI		-0.7%		0.8%		0.6%
C. Market Rents @ \$0.50 Increase	5.6%	5.4%	5.9%	7.1%	4.7%	5.7%
Difference in ROI		-0.2%		1.2%		1.0%
D. Market Rents @ \$0.75 Increase	5.6%	5.9%	5.9%	7.6%	4.7%	6.1%
Difference in ROI		0.3%		1.7%		1.4%
E. Market Rents @ \$1.00 Increase	5.6%	6.4%	5.9%	8.1%	4.7%	6.5%
Difference in ROI		0.8%		2.2%		1.8%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

TABLE A-10 (CONT'D.)

SCENARIO #10

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

10% @ 50% AMI + 10% @ 60% AMI (AVERAGE)  
AFFORDABLE UNITS ON-SITE

	SITE #4		SITE #5		SITE #6	
	Base Case	Bonus	Base Case	Bonus	Base Case	Bonus
	Type V Garden Apartments with Tuck-Under Garage 44 Units/Acre	Type I Stacked Flats with No Residential Parking 242 Units/Acre	Type V Stacked Flats with Wrap/Podium Parking 73 Units/Acre	Type III over Type I with Structure/Below Grade Parking 167 Units/Acre	Type III Stacked Flats with Double Podium Parking 109 Units/Acre	Type I Stacked Flats with Structured Parking 193 Units/Acre
I. PROJECT DESCRIPTION						
A. Construction Type	Type V	Type I	Type V	Type III over Type I	Type III	Type I
B. Site Area	0.20 Acres	0.20 Acres	0.90 Acres	0.90 Acres	0.92 Acres	0.92 Acres
C. Linear Promenade	0 SF	1,900 SF	0 SF	5,300 SF	0 SF	4,000 SF
D. Density	44 Units/Acre	242 Units/Acre	73 Units/Acre	167 Units/Acre	109 Units/Acre	193 Units/Acre
E. Floor Area Ratio (FAR)	0.85 FAR	2.62 FAR	1.41 FAR	3.22 FAR	3.53 FAR	5.22 FAR
F. Number of Units	9 Units	48 Units	66 Units	150 Units	100 Units	178 Units
G. Stories	3 Stories	8 Stories	5 Stories	6 Stories	5 Stories	15 Stories
H. Base Case Rent	\$3.50 /SF/Month	---	\$3.75 /SF/Month	---	\$3.50 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$347,000 /Unit \$425 /SF GBA	\$216,000 /Unit \$458 /SF GBA	\$409,000 /Unit \$487 /SF GBA	\$375,000 /Unit \$446 /SF GBA	\$640,000 /Unit \$453 /SF GBA	\$542,000 /Unit \$461 /SF GBA
II. RETURN ON INVESTMENT <sup>(1)</sup>						
A. Market Rents @ \$0.00 Increase	5.3%	4.8%	5.1%	5.1%	5.5%	4.4%
Difference in ROI		-0.5%		0.0%		-1.1%
B. Market Rents @ \$0.25 Increase	5.3%	5.1%	5.1%	5.5%	5.5%	4.8%
Difference in ROI		-0.2%		0.4%		-0.7%
C. Market Rents @ \$0.50 Increase	5.3%	5.4%	5.1%	5.8%	5.5%	5.1%
Difference in ROI		0.1%		0.7%		-0.4%
D. Market Rents @ \$0.75 Increase	5.3%	5.7%	5.1%	6.2%	5.5%	5.5%
Difference in ROI		0.4%		1.1%		0.0%
E. Market Rents @ \$1.00 Increase	5.3%	6.0%	5.1%	6.5%	5.5%	5.8%
Difference in ROI		0.7%		1.4%		0.3%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

TABLE A-11

SCENARIO #11

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

10% @ 60% AMI (AVERAGE) + 10% @ 80% AMI  
AFFORDABLE UNITS ON-SITE

	SITE #1		SITE #2		SITE #3	
	Base Case Type V Townhomes with Private Garages/Surface 15 Units/Acre	Bonus Type V Stacked Flats with Tuck-Under Garage 26 Units/Acre	Base Case Type V Garden Apartments with Tuck-Under Garage 29 Units/Acre	Bonus Type V Stacked Flats with Wrap Parking 50 Units/Acre	Base Case Type V Garden Apartments with Tuck-Under Garage 29 Units/Acre	Bonus Type V Stacked Flats with Podium Parking 109 Units/Acre
<b>I. PROJECT DESCRIPTION</b>						
A. Construction Type	Type V	Type V	Type V	Type V	Type V	Type V
B. Site Area	1.22 Acres	1.22 Acres	5.07 Acres	5.07 Acres	0.37 Acres	0.37 Acres
C. Linear Promenade	0 SF	4,640 SF	0 SF	11,300 SF	0 SF	2,500 SF
D. Density	15 Units/Acre	26 Units/Acre	29 Units/Acre	50 Units/Acre	29 Units/Acre	109 Units/Acre
E. Floor Area Ratio (FAR)	0.52 FAR	0.68 FAR	0.80 FAR	1.55 FAR	0.56 FAR	2.13 FAR
F. Number of Units	18 Units	32 Units	147 Units	253 Units	11 Units	40 Units
G. Stories	2 Stories	3 Stories	4 Stories	4 Stories	3 Stories	5 Stories
H. Base Case Rent	\$2.50 /SF/Month	---	\$3.25 /SF/Month	---	\$3.25 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$543,000 /Unit \$356 /SF GBA	\$391,000 /Unit \$347 /SF GBA	\$452,000 /Unit \$376 /SF GBA	\$455,000 /Unit \$336 /SF GBA	\$355,000 /Unit \$434 /SF GBA	\$335,000 /Unit \$390 /SF GBA
<b>II. RETURN ON INVESTMENT <sup>(1)</sup></b>						
A. Market Rents @ \$0.00 Increase	5.6%	4.5%	5.9%	6.3%	4.7%	5.0%
Difference in ROI		-1.1%		0.4%		0.3%
B. Market Rents @ \$0.25 Increase	5.6%	5.0%	5.9%	6.7%	4.7%	5.4%
Difference in ROI		-0.6%		0.8%		0.7%
C. Market Rents @ \$0.50 Increase	5.6%	5.5%	5.9%	7.2%	4.7%	5.8%
Difference in ROI		-0.1%		1.3%		1.1%
D. Market Rents @ \$0.75 Increase	5.6%	6.0%	5.9%	7.7%	4.7%	6.2%
Difference in ROI		0.4%		1.8%		1.5%
E. Market Rents @ \$1.00 Increase	5.6%	6.5%	5.9%	8.2%	4.7%	6.6%
Difference in ROI		0.9%		2.3%		1.9%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.



TABLE A-11 (CONT'D).

SCENARIO #11

SUMMARY OF IMPACTS ON PROFIT  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

10% @ 60% AMI (AVERAGE) + 10% @ 80% AMI  
AFFORDABLE UNITS ON-SITE

	SITE #4		SITE #5		SITE #6	
	Base Case	Bonus	Base Case	Bonus	Base Case	Bonus
	Type V Garden Apartments with Tuck-Under Garage 44 Units/Acre	Type I Stacked Flats with No Residential Parking 242 Units/Acre	Type V Stacked Flats with Wrap/Podium Parking 73 Units/Acre	Type III over Type I with Structure/Below Grade Parking 167 Units/Acre	Type III Stacked Flats with Double Podium Parking 109 Units/Acre	Type I Stacked Flats with Structured Parking 193 Units/Acre
I. PROJECT DESCRIPTION						
A. Construction Type	Type V	Type I	Type V	Type III over Type I	Type III	Type I
B. Site Area	0.20 Acres	0.20 Acres	0.90 Acres	0.90 Acres	0.92 Acres	0.92 Acres
C. Linear Promenade	0 SF	1,900 SF	0 SF	5,300 SF	0 SF	4,000 SF
D. Density	44 Units/Acre	242 Units/Acre	73 Units/Acre	167 Units/Acre	109 Units/Acre	193 Units/Acre
E. Floor Area Ratio (FAR)	0.85 FAR	2.62 FAR	1.41 FAR	3.22 FAR	3.53 FAR	5.22 FAR
F. Number of Units	9 Units	48 Units	66 Units	150 Units	100 Units	178 Units
G. Stories	3 Stories	8 Stories	5 Stories	6 Stories	5 Stories	15 Stories
H. Base Case Rent	\$3.50 /SF/Month	---	\$3.75 /SF/Month	---	\$3.50 /SF/Month	---
I. Total Development Costs - Incl. Land Acquisition	\$347,000 /Unit \$425 /SF GBA	\$216,000 /Unit \$458 /SF GBA	\$409,000 /Unit \$487 /SF GBA	\$375,000 /Unit \$446 /SF GBA	\$640,000 /Unit \$453 /SF GBA	\$542,000 /Unit \$461 /SF GBA
II. RETURN ON INVESTMENT <sup>(1)</sup>						
A. Market Rents @ \$0.00 Increase	5.3%	4.9%	5.1%	5.2%	5.5%	4.5%
Difference in ROI		-0.4%		0.1%		-1.0%
B. Market Rents @ \$0.25 Increase	5.3%	5.2%	5.1%	5.5%	5.5%	4.9%
Difference in ROI		-0.1%		0.4%		-0.6%
C. Market Rents @ \$0.50 Increase	5.3%	5.5%	5.1%	5.9%	5.5%	5.2%
Difference in ROI		0.2%		0.8%		-0.3%
D. Market Rents @ \$0.75 Increase	5.3%	5.8%	5.1%	6.3%	5.5%	5.5%
Difference in ROI		0.5%		1.2%		0.0%
E. Market Rents @ \$1.00 Increase	5.3%	6.1%	5.1%	6.6%	5.5%	5.9%
Difference in ROI		0.8%		1.5%		0.4%

(1) Market rents in Site #4 Bonus Scenario were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

**APPENDIX B**  
**PROPOSED PROGRAM - PRO FORMA ANALYSIS**

**SCENARIO #3**  
**10% @ 60% AMI (Average)**  
**10% @ 120% AMI**  
**Affordable Units On-Site**

**COMPLETE COMMUNITIES: HOUSING SOLUTIONS**  
**CITY OF SAN DIEGO**

TABLE B-1  
PROJECT DESCRIPTION AND ESTIMATED DEVELOPMENT COSTS  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

	SITE #1				SITE #2				SITE #3															
	Base Case		Bonus		Base Case		Bonus		Base Case		Bonus													
	Type V Townhomes with Private Garages/Surface		Type V Stacked Flats with Tuck-Under Garage		Type V Garden Apartments with Tuck-Under Garage		Type V Stacked Flats with Wrap Parking		Type V Garden Apartments with Tuck-Under Garage		Type V Stacked Flats with Podium Parking													
	15 Units/Acre		26 Units/Acre		29 Units/Acre		50 Units/Acre		29 Units/Acre		109 Units/Acre													
	100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI On-Site		100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI On-Site		100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI On-Site													
I. Project Description																								
A. Construction Type	Type V				Type V				Type V				Type V											
B. Site Area	1.22 Acres				1.22 Acres				5.07 Acres				0.37 Acres											
C. Linear Promenade	0 SF				4,640 SF				0 SF				11,300 SF											
D. Density	15 Units/Acre				26 Units/Acre				29 Units/Acre				50 Units/Acre											
E. Floor Area Ratio (FAR)	0.52 FAR				0.68 FAR				0.80 FAR				1.55 FAR											
F. Gross Building Area (GBA)																								
Net Residential	27,450	SF	100%	30,954	SF	86%	146,442	SF	85%	283,995	SF	85%	7,211	SF	84%	26,144	SF	81%						
Circulation/Common Area	0	SF	0%	5,170	SF	14%	26,465	SF	15%	50,116	SF	15%	1,352	SF	16%	6,260	SF	19%						
Total Gross Building Area	27,450	SF	100%	36,124	SF	100%	172,907	SF	100%	334,111	SF	100%	8,563	SF	100%	32,404	SF	100%						
Add: Commercial/Other	0	SF		0	SF		3,529	SF		8,640	SF		451	SF		1,963	SF							
Grand Total GBA	27,450	SF		36,124	SF		176,436	SF		342,751	SF		9,013	SF		34,367	SF							
G. Total Number of Units	18 Units				32 Units				147 Units				253 Units				11 Units				40 Units			
H. Unit Mix																								
One Bedroom	7	Units	40%	13	Units	40%	59	Units	40%	101	Units	40%	4	Units	40%	16	Units	40%						
Two Bedroom	11	Units	60%	19	Units	60%	88	Units	60%	152	Units	60%	7	Units	60%	24	Units	60%						
Total/Average	18	Units	100%	32	Units	100%	147	Units	100%	253	Units	100%	11	Units	100%	40	Units	100%						
I. Market-Rate Units	18 Units				28 Units				147 Units				223 Units				11 Units				36 Units			
J. Affordable Units (1)																								
Pre-bonus @ 50% AMI	0	Units		0	Units		0	Units		0	Units		0	Units		0	Units							
Pre-bonus @ 60% AMI (Average)	0	Units		2	Units		0	Units		15	Units		0	Units		2	Units							
Pre-bonus @ 120% AMI	0	Units		2	Units		0	Units		15	Units		0	Units		2	Units							
Total Affordable Units	0	Units	0% of Total	4	Units	13% of Total	0	Units	0% of Total	30	Units	12% of Total	0	Units	0% of Total	4	Units	10% of Total						
K. Average Unit Size - Net Residential	1,500 SF				967 SF				996 SF				1,123 SF				656 SF				654 SF			
L. Stories	2 Stories				3 Stories				4 Stories				3 Stories				3 Stories				5 Stories			
M. Parking																								
Residential	18 Spaces				32 Spaces				147 Spaces				262 Spaces				5 Spaces				16 Spaces			
Parking Ratio	1.00 Spaces/Unit				1.00 Spaces/Unit				1.00 Spaces/Unit				1.04 Spaces/Unit				0.50 Spaces/Unit				0.40 Spaces/Unit			
Commercial	0 Spaces				0 Spaces				7 Spaces				18 Spaces				1 Spaces				4 Spaces			
Parking Ratio	0 Spaces/1,000 SF				0 Spaces/1,000 SF				2.1 Spaces/1,000 SF				2.1 Spaces/1,000 SF				2.1 Spaces/1,000 SF				2.1 Spaces/1,000 SF			
Total Parking	18 Spaces				32 Spaces				154 Spaces				280 Spaces				6 Spaces				20 Spaces			
II. Development Costs																								
A. Direct Costs (2)																								
Site Improvements (3)	\$1,063,000	\$20 /SF Site Area		\$1,329,000	\$25 /SF Site Area		\$5,521,000	\$25 /SF Site Area		\$7,730,000	\$35 /SF Site Area		\$403,000	\$25 /SF Site Area		\$886,000	\$55 /SF Site Area							
Parking		Included above		\$160,000	\$5,000 Per Space		\$770,000	\$5,000 Per Space		\$5,600,000	\$20,000 Per Space		\$30,000	\$5,000 Per Space		\$700,000	\$35,000 Per Space							
Shell Construction	\$3,843,000	\$140 /SF GBA		\$5,780,000	\$160 /SF GBA		\$28,230,000	\$160 /SF GBA		\$59,981,000	\$175 /SF GBA		\$1,442,000	\$160 /SF GBA		\$7,217,000	\$210 /SF GBA							
Tenant Improvements - Commercial	\$0	\$0 /SF - Comm.		\$0	\$0 /SF - Comm.		\$0	\$0 /SF - Comm.		\$0	\$0 /SF - Comm.		\$0	\$0 /SF - Comm.		\$0	\$0 /SF - Comm.							
Contingency	\$245,000	5.0% of Directs		\$363,000	5.0% of Directs		\$1,726,000	5.0% of Directs		\$3,666,000	5.0% of Directs		\$94,000	5.0% of Directs		\$440,000	5.0% of Directs							
Total Direct Costs	\$5,151,000	\$188 /SF GBA		\$7,632,000	\$211 /SF GBA		\$36,247,000	\$205 /SF GBA		\$76,977,000	\$225 /SF GBA		\$1,969,000	\$218 /SF GBA		\$9,243,000	\$269 /SF GBA							
Add: Additional Labor Costs	\$0	0% of Directs		\$0	0% of Directs		\$0	0% of Directs		\$0	0% of Directs		\$0	0% of Directs		\$0	0% of Directs							
Grand Total Direct Costs	\$5,151,000	\$188 /SF GBA		\$7,632,000	\$211 /SF GBA		\$36,247,000	\$205 /SF GBA		\$76,977,000	\$225 /SF GBA		\$1,969,000	\$218 /SF GBA		\$9,243,000	\$269 /SF GBA							
B. Indirect Costs																								
Permits & Fees (3)	\$270,000	\$15,000 /Unit		\$416,000	\$13,000 /Unit		\$2,205,000	\$15,000 /Unit		\$3,289,000	\$13,000 /Unit		\$165,000	\$15,000 /Unit		\$520,000	\$13,000 /Unit							
Inclusionary Affordable Housing Fee	\$686,000	\$25 /SF GLA - Res.		\$0	\$0 /SF GLA - Res.		\$3,661,000	\$25 /SF GLA - Res.		\$0	\$0 /SF GLA - Res.		\$180,000	\$25 /SF GLA - Res.		\$0	\$0 /SF GLA - Res.							
Infrastructure Fee/Linear Promenade (4)	\$0	\$1,000 /LF		\$232,000	\$1,000 /LF		\$0	\$1,000 /LF		\$565,000	\$1,000 /LF		\$0	\$1,000 /LF		\$125,000	\$1,000 /LF							
DIF - Inclusionary Units (3)	\$0	\$0 Per Unit		\$0	\$0 Per Unit		\$0	\$0 Per Unit		\$0	\$0 Per Unit		\$0	\$0 Per Unit		\$0	\$0 Per Unit							
DIF - Market-Rate (3)	\$155,000	\$8,600 Per Unit		\$252,000	\$9,000 Per Unit		\$1,264,000	\$8,600 Per Unit		\$2,208,000	\$9,900 Per Unit		\$95,000	\$8,600 Per Unit		\$274,000	\$7,600 Per Unit							
Gap Per Off-Site Affordable Unit - 50% AMI	\$0	\$0 Per Unit		\$0	\$149,000 Per Unit		\$0	\$0 Per Unit		\$0	\$149,000 Per Unit		\$0	\$0 Per Unit		\$0	\$149,000 Per Unit							
Gap Per Off-Site Affordable Unit - 60% AMI (Avg.)	\$0	\$0 Per Unit		\$0	\$113,000 Per Unit		\$0	\$0 Per Unit		\$0	\$113,000 Per Unit		\$0	\$0 Per Unit		\$0	\$113,000 Per Unit							
Gap Per Off-Site Affordable Unit - 120% AMI	\$0	\$0 Per Unit		\$0	\$79,000 Per Unit		\$0	\$0 Per Unit		\$0	\$79,000 Per Unit		\$0	\$0 Per Unit		\$0	\$79,000 Per Unit							
Developer Fee	\$206,000	4.0% of Directs		\$229,000	3.0% of Directs		\$1,450,000	4.0% of Directs		\$2,309,000	3.0% of Directs		\$79,000	4.0% of Directs		\$277,000	3.0% of Directs							
Other Indirects (5)	\$773,000	15.0% of Directs		\$1,068,000	14.0% of Directs		\$5,437,000	15.0% of Directs		\$10,777,000	14.0% of Directs		\$295,000	15.0% of Directs		\$1,294,000	14.0% of Directs							
Total Indirect Costs	\$2,090,000	40.6% of Directs		\$2,197,000	28.8% of Directs		\$14,017,000	38.7% of Directs		\$19,148,000	24.9% of Directs		\$814,000	41.3% of Directs		\$2,490,000	26.9% of Directs							
C. Financing Costs	\$412,000	8.0% of Directs		\$572,000	7.5% of Directs		\$2,900,000	8.0% of Directs		\$5,773,000	7.5% of Directs		\$158,000	8.0% of Directs		\$693,000	7.5% of Directs							
D. Development Costs - Excl. Land	\$7,653,000	\$279 /SF GBA		\$10,401,000	\$288 /SF GBA		\$53,164,000	\$301 /SF GBA		\$101,898,000	\$297 /SF GBA		\$2,941,000	\$326 /SF GBA		\$12,426,000	\$362 /SF GBA							
E. Add: Land Acquisition	\$2,126,000	\$40 /SF Site Area		\$2,126,000	\$40 /SF Site Area		\$13,251,000	\$60 /SF Site Area		\$13,251,000	\$60 /SF Site Area		\$967,000	\$60 /SF Site Area		\$967,000	\$60 /SF Site Area							
F. Total Development Costs	\$9,779,000	\$356 /SF GBA		\$12,527,000	\$347 /SF GBA		\$66,415,000	\$376 /SF GBA		\$115,149,000	\$336 /SF GBA		\$3,908,000	\$434 /SF GBA		\$13,393,000	\$390 /SF GBA							
		\$543,000 /Unit			\$391,000 /Unit			\$452,000 /Unit			\$455,000 /Unit			\$355,000 /Unit			\$335,000 /Unit							
G. Potential Cost Savings - Ministerial Process				\$256,000	\$8,000 /Unit					\$2,431,000	\$9,600 /Unit					\$311,000	\$7,800 /Unit							
H. Potential Cost Savings - Parking				\$120,000	\$3,800 /Unit					\$3,620,000	\$14,300 /Unit					\$1,890,000	\$47,300 /Unit							
I. Total Potential Cost Savings				\$376,000	\$11,800 /Unit					\$6,051,000	\$23,900 /Unit					\$2,201,000	\$55,000 /Unit							

TABLE B-1 (CONT'D.)  
PROJECT DESCRIPTION AND ESTIMATED DEVELOPMENT COSTS  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

	SITE #4				SITE #5				SITE #6												
	Base Case		Bonus		Base Case		Bonus		Base Case		Bonus										
	Type V Garden Apartments with Tuck-Under Garage		Type I Stacked Flats with No Residential Parking		Type V Stacked Flats with Wrap/Podium Parking		Type III over Type I with Structure/Below Grade Parking		Type III Stacked Flats with Double Podium Parking		Type I Stacked Flats with Structured Parking										
	44 Units/Acre		242 Units/Acre		73 Units/Acre		167 Units/Acre		109 Units/Acre		193 Units/Acre										
	100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI On-Site		100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI On-Site		100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI On-Site										
I. Project Description																					
A. Construction Type	Type V			Type I			Type V			Type III over Type I			Type I								
B. Site Area	0.20 Acres			0.20 Acres			0.90 Acres			0.90 Acres			0.92 Acres								
C. Linear Promenade	0 SF			1,900 SF			0 SF			5,300 SF			0 SF								
D. Density	44 Units/Acre			242 Units/Acre			73 Units/Acre			167 Units/Acre			109 Units/Acre								
E. Floor Area Ratio (FAR)	0.85 FAR			2.62 FAR			1.41 FAR			3.22 FAR			3.53 FAR								
F. Gross Building Area (GBA)																					
Net Residential	6,096 SF		85%	13,868 SF		66%	45,970 SF		85%	99,150 SF		81%	120,271 SF		85%	164,461 SF		79%			
Circulation/Common Area	1,102 SF		15%	7,232 SF		34%	8,308 SF		15%	23,113 SF		19%	21,224 SF		15%	44,922 SF		21%			
Total Gross Building Area	7,197 SF		100%	21,100 SF		100%	54,277 SF		100%	122,263 SF		100%	141,495 SF		100%	209,383 SF		100%			
Add: Commercial/Other	147 SF			1,500 SF			1,108 SF			4,000 SF			0 SF			0 SF					
Grand Total GBA	7,344 SF			22,600 SF			55,385 SF			126,263 SF			141,495 SF			209,383 SF					
G. Total Number of Units	9 Units			48 Units			66 Units			150 Units			100 Units			178 Units					
H. Unit Mix																					
One Bedroom	4 Units			19 Units			26 Units			60 Units			40 Units			71 Units					
Two Bedroom	5 Units			29 Units			40 Units			90 Units			60 Units			107 Units					
Total/Average	9 Units			48 Units			66 Units			150 Units			100 Units			178 Units					
I. Market-Rate Units	9 Units			46 Units			66 Units			136 Units			100 Units			158 Units					
J. Affordable Units (1)																					
Pre-bonus @ 50% AMI	0 Units			0 Units			0 Units			0 Units			0 Units			0 Units					
Pre-bonus @ 60% AMI (Average)	0 Units			1 Units			0 Units			7 Units			0 Units			10 Units					
Pre-bonus @ 120% AMI	0 Units			1 Units			0 Units			7 Units			0 Units			10 Units					
Total Affordable Units	0 Units			2 Units			0 Units			14 Units			0 Units			20 Units					
	0% of Total			4% of Total			0% of Total			9% of Total			0% of Total			11% of Total					
K. Average Unit Size - Net Residential	677 SF			289 SF			697 SF			661 SF			1,203 SF			924 SF					
L. Stories	3 Stories			8 Stories			5 Stories			6 Stories			5 Stories			15 Stories					
M. Parking																					
Residential	9 Spaces			0 Spaces			66 Spaces			142 Spaces			100 Spaces			191 Spaces					
Parking Ratio	1.00 Spaces/Unit			0.00 Spaces/Unit			1.00 Spaces/Unit			0.95 Spaces/Unit			1.00 Spaces/Unit			1.07 Spaces/Unit					
Commercial	0 Spaces			3 Spaces			2 Spaces			8 Spaces			0 Spaces			0 Spaces					
Parking Ratio	2.1 Spaces/1,000 SF			2.1 Spaces/1,000 SF			2.1 Spaces/1,000 SF			2.1 Spaces/1,000 SF			0 Spaces/1,000 SF			0 Spaces/1,000 SF					
Total Parking	9 Spaces			3 Spaces			68 Spaces			150 Spaces			100 Spaces			191 Spaces					
II. Development Costs																					
A. Direct Costs (2)																					
Site Improvements (3)	\$259,000		\$30 /SF Site Area	\$690,000		\$80 /SF Site Area	\$2,156,000		\$55 /SF Site Area	\$2,548,000		\$65 /SF Site Area	\$2,605,000		\$65 /SF Site Area	\$3,206,000		\$80 /SF Site Area			
Parking	\$113,000		\$12,500 Per Space	\$0		\$0 Per Space	\$1,360,000		\$20,000 Per Space	\$5,250,000		\$35,000 Per Space	\$3,500,000		\$35,000 Per Space	\$8,595,000		\$45,000 Per Space			
Shell Construction	\$1,175,000		\$160 /SF GBA	\$5,876,000		\$260 /SF GBA	\$11,631,000		\$210 /SF GBA	\$29,672,000		\$235 /SF GBA	\$33,251,000		\$235 /SF GBA	\$54,440,000		\$260 /SF GBA			
Tenant Improvements - Commercial	\$4,000		\$25 /SF - Comm.	\$38,000		\$25 /SF - Comm.	\$28,000		\$25 /SF - Comm.	\$100,000		\$25 /SF - Comm.	\$0		\$0 /SF - Comm.	\$0		\$0 /SF - Comm.			
Contingency	78,000		5.0% of Directs	330,000		5.0% of Directs	759,000		5.0% of Directs	1,879,000		5.0% of Directs	1,968,000		5.0% of Directs	3,312,000		5.0% of Directs			
Total Direct Costs	\$1,629,000		\$222 /SF GBA	\$6,934,000		\$307 /SF GBA	\$15,934,000		\$288 /SF GBA	\$39,449,000		\$312 /SF GBA	\$41,324,000		\$292 /SF GBA	\$69,553,000		\$332 /SF GBA			
Add: Additional Labor Costs	0		0% of Directs	0		0% of Directs	0		0% of Directs	0		0% of Directs	0		0% of Directs	0		0% of Directs			
Grand Total Direct Costs	\$1,629,000		\$222 /SF GBA	\$6,934,000		\$307 /SF GBA	\$15,934,000		\$288 /SF GBA	\$39,449,000		\$312 /SF GBA	\$41,324,000		\$292 /SF GBA	\$69,553,000		\$332 /SF GBA			
B. Indirect Costs																					
Permits & Fees (3)	\$135,000		\$15,000 /Unit	\$624,000		\$13,000 /Unit	\$990,000		\$15,000 /Unit	\$1,950,000		\$13,000 /Unit	\$1,500,000		\$15,000 /Unit	\$2,314,000		\$13,000 /Unit			
Inclusionary Affordable Housing Fee	\$152,000		\$25 /SF GLA - Res.	\$0		\$0 /SF GLA - Res.	\$1,149,000		\$25 /SF GLA - Res.	\$0		\$0 /SF GLA - Res.	\$3,007,000		\$25 /SF GLA - Res.	\$0		\$0 /SF GLA - Res.			
Infrastructure Fee/Linear Promenade (4)	\$0		\$1,000 /LF	\$95,000		\$1,000 /LF	\$0		\$1,000 /LF	\$265,000		\$1,000 /LF	\$0		\$1,000 /LF	\$200,000		\$1,000 /LF			
DIF - Inclusionary Units (3)	\$0		\$0 Per Unit	\$0		\$0 Per Unit	\$0		\$0 Per Unit	\$0		\$0 Per Unit	\$0		\$0 Per Unit	\$0		\$0 Per Unit			
DIF - Market-Rate (3)	\$77,000		\$8,600 Per Unit	\$308,000		\$6,700 Per Unit	\$686,000		\$10,400 Per Unit	\$1,034,000		\$7,600 Per Unit	\$1,040,000		\$10,400 Per Unit	\$1,390,000		\$8,800 Per Unit			
Gap Per Off-Site Affordable Unit - 50% AMI	\$0		\$0 Per Unit	\$0		\$149,000 Per Unit	\$0		\$0 Per Unit	\$0		\$149,000 Per Unit	\$0		\$0 Per Unit	\$0		\$149,000 Per Unit			
Gap Per Off-Site Affordable Unit - 60% AMI (Avg.)	\$0		\$0 Per Unit	\$0		\$113,000 Per Unit	\$0		\$0 Per Unit	\$0		\$113,000 Per Unit	\$0		\$0 Per Unit	\$0		\$113,000 Per Unit			
Gap Per Off-Site Affordable Unit - 120% AMI	\$0		\$0 Per Unit	\$0		\$79,000 Per Unit	\$0		\$0 Per Unit	\$0		\$79,000 Per Unit	\$0		\$0 Per Unit	\$0		\$79,000 Per Unit			
Developer Fee	\$65,000		4.0% of Directs	\$208,000		3.0% of Directs	\$637,000		4.0% of Directs	\$1,183,000		3.0% of Directs	\$1,653,000		4.0% of Directs	\$2,087,000		3.0% of Directs			
Other Indirects (5)	244,000		15.0% of Directs	971,000		14.0% of Directs	2,390,000		15.0% of Directs	5,523,000		14.0% of Directs	6,199,000		15.0% of Directs	9,737,000		14.0% of Directs			
Total Indirect Costs	\$673,000		41.3% of Directs	\$2,206,000		31.8% of Directs	\$5,852,000		36.7% of Directs	\$9,955,000		25.2% of Directs	\$13,399,000		32.4% of Directs	\$15,728,000		22.6% of Directs			
C. Financing Costs	\$130,000		8.0% of Directs	\$520,000		7.5% of Directs	\$1,275,000		8.0% of Directs	\$2,959,000		7.5% of Directs	\$3,306,000		8.0% of Directs	\$5,216,000		7.5% of Directs			
D. Development Costs - Excl. Land	\$2,432,000		\$331 /SF GBA	\$9,660,000		\$427 /SF GBA	\$23,061,000		\$416 /SF GBA	\$52,363,000		\$415 /SF GBA	\$58,029,000		\$410 /SF GBA	\$90,497,000		\$432 /SF GBA			
E. Add: Land Acquisition	690,000		\$80 /SF Site Area	690,000		\$80 /SF Site Area	3,920,000		\$100 /SF Site Area	3,920,000		\$100 /SF Site Area	6,011,000		\$150 /SF Site Area	6,011,000		\$150 /SF Site Area			
F. Total Development Costs	\$3,122,000		\$425 /SF GBA	\$10,350,000		\$458 /SF GBA	\$26,981,000		\$487 /SF GBA	\$56,283,000		\$446 /SF GBA	\$64,040,000		\$453 /SF GBA	\$96,508,000		\$461 /SF GBA			
	\$347,000 /Unit			\$216,000 /Unit			\$409,000 /Unit			\$375,000 /Unit			\$640,000 /Unit			\$542,000 /Unit					
G. Potential Cost Savings - Ministerial Process				269,000			\$5,600 /Unit				1,286,000			\$8,600 /Unit				2,095,000			\$11,800 /Unit
H. Potential Cost Savings - Parking				3,045,000			\$63,400 /Unit				4,235,000			\$28,200 /Unit				5,445,000			\$30,600 /Unit
I. Total Potential Cost Savings				3,314,000			\$69,000 /Unit				5,521,000			\$36,800 /Unit				7,540,000			\$42,400 /Unit

TABLE B-1 (CONT'D.)  
NET OPERATING INCOME AND DEVELOPER RETURN  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

	SITE #1				SITE #2				SITE #3			
	Base Case		Bonus		Base Case		Bonus		Base Case		Bonus	
	Type V Townhomes with Private Garages/Surface		Type V Stacked Flats with Tuck-Under Garage		Type V Garden Apartments with Tuck-Under Garage		Type V Stacked Flats with Wrap Parking		Type V Garden Apartments with Tuck-Under Garage		Type V Stacked Flats with Podium Parking	
	Units/Acre		Units/Acre		Units/Acre		Units/Acre		Units/Acre		Units/Acre	
	100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI On-Site		100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI On-Site		100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI On-Site	
III. Net Operating Income - Residential												
A. Total Annual Rental Income												
Affordable Units @ 60% AMI <sup>(6)</sup>	\$0	\$0 /Unit/Month	\$34,000	\$1,408 /Unit/Month	\$0	\$0 /Unit/Month	\$253,000	\$1,408 /Unit/Month	\$0	\$0 /Unit/Month	\$34,000	\$1,408 /Unit/Month
Affordable Units @ 120% AMI <sup>(6)</sup>	\$0	\$0 /Unit/Month	\$55,000	\$2,310 /Unit/Month	\$0	\$0 /Unit/Month	\$416,000	\$2,310 /Unit/Month	\$0	\$0 /Unit/Month	\$55,000	\$2,310 /Unit/Month
Market-Rate Units	<u>\$810,000</u>	\$3,750 /Unit/Month	<u>\$813,000</u>	\$2,420 /Unit/Month	<u>\$5,711,000</u>	\$3,238 /Unit/Month	<u>\$9,762,000</u>	\$3,648 /Unit/Month	<u>\$281,000</u>	\$2,129 /Unit/Month	<u>\$918,000</u>	\$2,125 /Unit/Month
Per SF	\$2.50	/SF/Month	\$2.50	/SF/Month	\$3.25	/SF/Month	\$3.25	/SF/Month	\$3.25	/SF/Month	\$3.25	/SF/Month
Total Annual Rental Income	\$810,000	\$3,750 /Unit/Month	\$902,000	\$2,349 /Unit/Month	\$5,711,000	\$3,238 /Unit/Month	\$10,431,000	\$3,436 /Unit/Month	\$281,000	\$2,129 /Unit/Month	\$1,007,000	\$2,098 /Unit/Month
B. Effective Gross Income												
Gross Annual Income	\$810,000	\$3,750 /Unit/Month	\$902,000	\$2,349 /Unit/Month	\$5,711,000	\$3,238 /Unit/Month	\$10,431,000	\$3,436 /Unit/Month	\$281,000	\$2,129 /Unit/Month	\$1,007,000	\$2,098 /Unit/Month
Other Income	<u>\$5,000</u>	\$25 /Unit/Month	<u>\$23,000</u>	\$60 /Unit/Month	<u>\$106,000</u>	\$60 /Unit/Month	<u>\$304,000</u>	\$100 /Unit/Month	<u>\$8,000</u>	\$60 /Unit/Month	<u>\$60,000</u>	\$125 /Unit/Month
Gross Scheduled Income (GSI)	\$815,000	\$3,773 /Unit/Month	\$925,000	\$2,409 /Unit/Month	\$5,817,000	\$3,298 /Unit/Month	\$10,735,000	\$3,536 /Unit/Month	\$289,000	\$2,189 /Unit/Month	\$1,067,000	\$2,223 /Unit/Month
(Less) Vacancy	<u>(\$41,000)</u>	5% of GSI	<u>(\$46,000)</u>	5% of GSI	<u>(\$291,000)</u>	5% of GSI	<u>(\$537,000)</u>	5% of GSI	<u>(\$14,000)</u>	5% of GSI	<u>(\$53,000)</u>	5% of GSI
Effective Gross Income (EGI)	\$774,000	\$3,583 /Unit/Month	\$879,000	\$2,289 /Unit/Month	\$5,526,000	\$3,133 /Unit/Month	\$10,198,000	\$3,359 /Unit/Month	\$275,000	\$2,083 /Unit/Month	\$1,014,000	\$2,113 /Unit/Month
C. Operating Expenses												
(Less) Operating Expenses	(\$81,000)	\$4,500 /Unit/Year	(\$147,000)	\$4,600 /Unit/Year	(\$676,000)	\$4,600 /Unit/Year	(\$1,214,000)	\$4,800 /Unit/Year	(\$51,000)	\$4,600 /Unit/Year	(\$200,000)	\$5,000 /Unit/Year
(Less) Property Taxes <sup>(8)</sup>	(\$142,000)	\$7,900 /Unit/Year	(\$150,000)	\$4,700 /Unit/Year	(\$1,012,000)	\$6,900 /Unit/Year	(\$1,887,000)	\$7,500 /Unit/Year	(\$48,000)	\$4,400 /Unit/Year	(\$176,000)	\$4,400 /Unit/Year
(Less) Replacement Reserves	<u>(\$5,000)</u>	\$250 /Unit/Year	<u>(\$8,000)</u>	\$250 /Unit/Year	<u>(\$37,000)</u>	\$250 /Unit/Year	<u>(\$63,000)</u>	\$250 /Unit/Year	<u>(\$3,000)</u>	\$250 /Unit/Year	<u>(\$10,000)</u>	\$250 /Unit/Year
Total Operating Expenses	(\$228,000)	29% of EGI	(\$305,000)	35% of EGI	(\$1,725,000)	31% of EGI	(\$3,164,000)	31% of EGI	(\$102,000)	37% of EGI	(\$386,000)	38% of EGI
D. Net Operating Income - Residential	\$546,000		\$574,000		\$3,801,000		\$7,034,000		\$173,000		\$628,000	
IV. Net Operating Income - Commercial												
Gross Scheduled Income	\$0	\$0.00 /SF NNN	\$0	\$0.00 /SF NNN	\$106,000	\$2.50 /SF NNN	\$259,000	\$2.50 /SF NNN	\$14,000	\$2.50 /SF NNN	\$59,000	\$2.50 /SF NNN
(Less) Vacancy	<u>\$0</u>	0.0% of GSI	<u>\$0</u>	0.0% of GSI	<u>(\$10,600)</u>	10.0% of GSI	<u>(\$25,900)</u>	10.0% of GSI	<u>(\$1,400)</u>	10.0% of GSI	<u>(\$5,900)</u>	10.0% of GSI
Effective Gross Income	\$0		\$0		\$95,400		\$233,100		\$12,600		\$53,100	
(Less) Operating Expenses	<u>\$0</u>	0.00% of EGI	<u>\$0</u>	0.00% of EGI	<u>(\$4,800)</u>	5.00% of EGI	<u>(\$11,700)</u>	5.00% of EGI	<u>(\$600)</u>	5.00% of EGI	<u>(\$2,700)</u>	5.00% of EGI
Net Operating Income - Commercial	\$0		\$0		\$90,600		\$221,400		\$12,000		\$50,400	
V. Return on Investment												
A. Total Net Operating Income	\$546,000		\$574,000		\$3,891,600		\$7,255,400		\$185,000		\$678,400	
B. Total Development Costs	\$9,779,000		\$12,527,000		\$66,415,000		\$115,149,000		\$3,908,000		\$13,393,000	
C. Return on Investment (ROI)	5.6%		4.6%		5.9%		6.3%		4.7%		5.1%	
D. Difference in ROI (Bonus - Base Case)			-1.0%				0.4%				0.4%	

(1) Assumes affordable units for inclusionary housing are rounded up to the next whole number. Based on pre-density bonus total unit count.

(2) Does not include the payment of prevailing wages.

(3) Estimate; not verified by KMA or City.

(4) Per City, June 11, 2019. Reflects \$1,000/linear foot of frontage or \$50/SF construction cost.

(5) Allowance for architecture & engineering, legal & accounting, taxes & insurance, and other soft costs.

(6) KMA estimate. Based on 2020 HUD Income Limits less utility allowances issued by the San Diego Housing Commission on April 1, 2020.

(7) Market rents were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

(8) Based on capitalized income approach; assumes a 4.5% capitalization rate and 1.17% tax rate.

TABLE B-1 (CONT'D.)  
NET OPERATING INCOME AND DEVELOPER RETURN  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

	SITE #4				SITE #5				SITE #6			
	Base Case		Bonus		Base Case		Bonus		Base Case		Bonus	
	Type V Garden Apartments with Tuck-Under Garage		Type I Stacked Flats with No Residential Parking		Type V Stacked Flats with Wrap/Podium Parking		Type III over Type I with Structure/Below Grade Parking		Type III Stacked Flats with Double Podium Parking		Type I Stacked Flats with Structured Parking	
	Units/Acre		Units/Acre		Units/Acre		Units/Acre		Units/Acre		Units/Acre	
	100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI On-Site		100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI On-Site		100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI On-Site	
III. Net Operating Income - Residential												
A. Total Annual Rental Income												
Affordable Units @ 60% AMI <sup>(6)</sup>	\$0	\$0 /Unit/Month	\$17,000	\$1,408 /Unit/Month	\$0	\$0 /Unit/Month	\$118,000	\$1,408 /Unit/Month	\$0	\$0 /Unit/Month	\$169,000	\$1,408 /Unit/Month
Affordable Units @ 120% AMI <sup>(6)</sup>	\$0	\$0 /Unit/Month	\$17,000	\$1,444 /Unit/Month	\$0	\$0 /Unit/Month	\$194,000	\$2,310 /Unit/Month	\$0	\$0 /Unit/Month	\$277,000	\$2,310 /Unit/Month
Market-Rate Units Per SF	<u>\$256,000</u>	\$2,370 /Unit/Month \$3.50 /SF/Month	<u>\$797,000</u>	\$1,444 /Unit/Month <sup>(7)</sup> \$5.00 /SF/Month	<u>\$2,069,000</u>	\$2,612 /Unit/Month \$3.75 /SF/Month	<u>\$4,045,000</u>	\$2,479 /Unit/Month \$3.75 /SF/Month	<u>\$5,051,000</u>	\$4,209 /Unit/Month \$3.50 /SF/Month	<u>\$6,131,000</u>	\$3,234 /Unit/Month \$3.50 /SF/Month
Total Annual Rental Income	\$256,000	\$2,370 /Unit/Month	\$831,000	\$1,443 /Unit/Month	\$2,069,000	\$2,612 /Unit/Month	\$4,357,000	\$2,421 /Unit/Month	\$5,051,000	\$4,209 /Unit/Month	\$6,577,000	\$3,079 /Unit/Month
B. Effective Gross Income												
Gross Annual Income	\$256,000	\$2,370 /Unit/Month	\$831,000	\$1,443 /Unit/Month	\$2,069,000	\$2,612 /Unit/Month	\$4,357,000	\$2,421 /Unit/Month	\$5,051,000	\$4,209 /Unit/Month	\$6,577,000	\$3,079 /Unit/Month
Other Income	<u>\$8,000</u>	\$75 /Unit/Month	<u>\$86,000</u>	\$150 /Unit/Month	<u>\$79,000</u>	\$100 /Unit/Month	<u>\$270,000</u>	\$150 /Unit/Month	<u>\$150,000</u>	\$125 /Unit/Month	<u>\$320,000</u>	\$150 /Unit/Month
Gross Scheduled Income (GSI)	\$264,000	\$2,444 /Unit/Month	\$917,000	\$1,592 /Unit/Month	\$2,148,000	\$2,712 /Unit/Month	\$4,627,000	\$2,571 /Unit/Month	\$5,201,000	\$4,334 /Unit/Month	\$6,897,000	\$3,229 /Unit/Month
(Less) Vacancy	<u>(\$13,000)</u>	5% of GSI	<u>(\$46,000)</u>	5% of GSI	<u>(\$107,000)</u>	5% of GSI	<u>(\$231,000)</u>	5% of GSI	<u>(\$260,000)</u>	5% of GSI	<u>(\$345,000)</u>	5% of GSI
Effective Gross Income (EGI)	\$251,000	\$2,324 /Unit/Month	\$871,000	\$1,512 /Unit/Month	\$2,041,000	\$2,577 /Unit/Month	\$4,396,000	\$2,442 /Unit/Month	\$4,941,000	\$4,118 /Unit/Month	\$6,552,000	\$3,067 /Unit/Month
C. Operating Expenses												
(Less) Operating Expenses	(\$43,000)	\$4,800 /Unit/Year	(\$264,000)	\$5,500 /Unit/Year	(\$317,000)	\$4,800 /Unit/Year	(\$750,000)	\$5,000 /Unit/Year	(\$500,000)	\$5,000 /Unit/Year	(\$979,000)	\$5,500 /Unit/Year
(Less) Property Taxes <sup>(8)</sup>	(\$43,000)	\$4,800 /Unit/Year	(\$131,000)	\$2,700 /Unit/Year	(\$358,000)	\$5,400 /Unit/Year	(\$766,000)	\$5,100 /Unit/Year	(\$911,000)	\$9,100 /Unit/Year	(\$1,141,000)	\$6,400 /Unit/Year
(Less) Replacement Reserves	<u>(\$2,000)</u>	\$250 /Unit/Year	<u>(\$12,000)</u>	\$250 /Unit/Year	<u>(\$17,000)</u>	\$250 /Unit/Year	<u>(\$38,000)</u>	\$250 /Unit/Year	<u>(\$25,000)</u>	\$250 /Unit/Year	<u>(\$45,000)</u>	\$250 /Unit/Year
Total Operating Expenses	(\$88,000)	35% of EGI	(\$407,000)	47% of EGI	(\$692,000)	34% of EGI	(\$1,554,000)	35% of EGI	(\$1,436,000)	29% of EGI	(\$2,165,000)	33% of EGI
D. Net Operating Income - Residential	\$163,000		\$464,000		\$1,349,000		\$2,842,000		\$3,505,000		\$4,387,000	
IV. Net Operating Income - Commercial												
Gross Scheduled Income	\$4,000	\$2.50 /SF NNN	\$45,000	\$2.50 /SF NNN	\$33,000	\$2.50 /SF NNN	\$120,000	\$2.50 /SF NNN	\$0	\$0.00 /SF NNN	\$0	\$0.00 /SF NNN
(Less) Vacancy	<u>(\$400)</u>	10.0% of GSI	<u>(\$4,500)</u>	10.0% of GSI	<u>(\$3,300)</u>	10.0% of GSI	<u>(\$12,000)</u>	10.0% of GSI	<u>\$0</u>	0.0% of GSI	<u>\$0</u>	0.0% of GSI
Effective Gross Income	\$3,600		\$40,500		\$29,700		\$108,000		\$0		\$0	
(Less) Operating Expenses	<u>(\$200)</u>	5.00% of EGI	<u>(\$2,000)</u>	5.00% of EGI	<u>(\$1,500)</u>	5.00% of EGI	<u>(\$5,400)</u>	5.00% of EGI	<u>\$0</u>	0.00% of EGI	<u>\$0</u>	0.00% of EGI
Net Operating Income - Commercial	\$3,400		\$38,500		\$28,200		\$102,600		\$0		\$0	
V. Return on Investment												
A. Total Net Operating Income	\$166,400		\$502,500 <sup>(9)</sup>		\$1,377,200		\$2,944,600		\$3,505,000		\$4,387,000	
B. Total Development Costs	\$3,122,000		\$10,350,000		\$26,981,000		\$56,283,000		\$64,040,000		\$96,508,000	
C. Return on Investment (ROI)	5.3%		4.9%		5.1%		5.2%		5.5%		4.5%	
D. Difference in ROI (Bonus - Base Case)			-0.4%				0.1%				-1.0%	

(1) Assumes affordable units for inclusionary housing are rounded up to the next whole number. Based on pre-density bonus total unit count.

(2) Does not include the payment of prevailing wages.

(3) Estimate; not verified by KMA or City.

(4) Per City, June 11, 2019. Reflects \$1,000/linear foot of frontage or \$50/SF construction cost.

(5) Allowance for architecture & engineering, legal & accounting, taxes & insurance, and other soft costs.

(6) KMA estimate. Based on 2020 HUD Income Limits less utility allowances issued by the San Diego Housing Commission on April 1, 2020.

(7) Market rents were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

(8) Based on capitalized income approach; assumes a 4.5% capitalization rate and 1.17% tax rate.

**APPENDIX C**  
**PROPOSED PROGRAM - PRO FORMA ANALYSIS**

**SCENARIO #4**  
**10% @ 60% AMI (Average)**  
**10% @ 120% AMI**  
**Affordable Units Off-Site**

**COMPLETE COMMUNITIES: HOUSING SOLUTIONS**  
**CITY OF SAN DIEGO**



TABLE C-1  
PROJECT DESCRIPTION AND ESTIMATED DEVELOPMENT COSTS  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

	SITE #1				SITE #2				SITE #3			
	Base Case		Bonus		Base Case		Bonus		Base Case		Bonus	
	Type V Townhomes with Private Garages/Surface		Type V Stacked Flats with Tuck-Under Garage		Type V Garden Apartments with Tuck-Under Garage		Type V Stacked Flats with Wrap Parking		Type V Garden Apartments with Tuck-Under Garage		Type V Stacked Flats with Podium Parking	
	15 Units/Acre		26 Units/Acre		29 Units/Acre		50 Units/Acre		29 Units/Acre		109 Units/Acre	
	100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI Off-Site		100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI Off-Site		100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI Off-Site	
I. Project Description	Type V		Type V		Type V		Type V		Type V		Type V	
A. Construction Type	Type V		Type V		Type V		Type V		Type V		Type V	
B. Site Area	1.22 Acres		1.22 Acres		5.07 Acres		5.07 Acres		0.37 Acres		0.37 Acres	
C. Linear Promenade	0 SF		4,640 SF		0 SF		11,300 SF		0 SF		2,500 SF	
D. Density	15 Units/Acre		26 Units/Acre		29 Units/Acre		50 Units/Acre		29 Units/Acre		109 Units/Acre	
E. Floor Area Ratio (FAR)	0.52 FAR		0.68 FAR		0.80 FAR		1.55 FAR		0.56 FAR		2.13 FAR	
F. Gross Building Area (GBA)												
Net Residential	27,450 SF	100%	30,954 SF	86%	146,442 SF	85%	283,995 SF	85%	7,211 SF	84%	26,144 SF	81%
Circulation/Common Area	0 SF	0%	5,170 SF	14%	26,465 SF	15%	50,116 SF	15%	1,352 SF	16%	6,260 SF	19%
Total Gross Building Area	27,450 SF	100%	36,124 SF	100%	172,907 SF	100%	334,111 SF	100%	8,563 SF	100%	32,404 SF	100%
Add: Commercial/Other	0 SF		0 SF		3,529 SF		8,640 SF		451 SF		1,963 SF	
Grand Total GBA	27,450 SF		36,124 SF		176,436 SF		342,751 SF		9,013 SF		34,367 SF	
G. Total Number of Units	18 Units		32 Units		147 Units		253 Units		11 Units		40 Units	
H. Unit Mix												
One Bedroom	7 Units	40%	13 Units	40%	59 Units	40%	101 Units	40%	4 Units	40%	16 Units	40%
Two Bedroom	11 Units	60%	19 Units	60%	88 Units	60%	152 Units	60%	7 Units	60%	24 Units	60%
Total/Average	18 Units	100%	32 Units	100%	147 Units	100%	253 Units	100%	11 Units	100%	40 Units	100%
I. Market-Rate Units	18 Units		32 Units		147 Units		253 Units		11 Units		40 Units	
J. Affordable Units <sup>(1)</sup>												
Pre-bonus @ 50% AMI	0 Units		0 Units		0 Units		0 Units		0 Units		0 Units	
Pre-bonus @ 60% AMI (Average)	0 Units		2 Units		0 Units		15 Units		0 Units		2 Units	
Pre-bonus @ 120% AMI	0 Units		2 Units		0 Units		15 Units		0 Units		2 Units	
Total Affordable Units	0 Units	0% of Total	4 Units	13% of Total	0 Units	0% of Total	30 Units	12% of Total	0 Units	0% of Total	4 Units	10% of Total
K. Average Unit Size - Net Residential	1,500 SF		967 SF		996 SF		1,123 SF		656 SF		654 SF	
L. Stories	2 Stories		3 Stories		4 Stories		4 Stories		3 Stories		5 Stories	
M. Parking												
Residential	18 Spaces		32 Spaces		147 Spaces		262 Spaces		5 Spaces		16 Spaces	
Parking Ratio	1.00 Spaces/Unit		1.00 Spaces/Unit		1.00 Spaces/Unit		1.04 Spaces/Unit		0.50 Spaces/Unit		0.40 Spaces/Unit	
Commercial	0 Spaces		0 Spaces		7 Spaces		18 Spaces		1 Spaces		4 Spaces	
Parking Ratio	0 Spaces/1,000 SF		0 Spaces/1,000 SF		2.1 Spaces/1,000 SF		2.1 Spaces/1,000 SF		2.1 Spaces/1,000 SF		2.1 Spaces/1,000 SF	
Total Parking	18 Spaces		32 Spaces		154 Spaces		280 Spaces		6 Spaces		20 Spaces	
II. Development Costs												
A. Direct Costs <sup>(2)</sup>												
Site Improvements <sup>(3)</sup>	\$1,063,000	\$20 /SF Site Area	\$1,329,000	\$25 /SF Site Area	\$5,521,000	\$25 /SF Site Area	\$7,730,000	\$35 /SF Site Area	\$403,000	\$25 /SF Site Area	\$886,000	\$55 /SF Site Area
Parking		Included above	\$160,000	\$5,000 Per Space	\$770,000	\$5,000 Per Space	\$5,600,000	\$20,000 Per Space	\$30,000	\$5,000 Per Space	\$700,000	\$35,000 Per Space
Shell Construction	\$3,843,000	\$140 /SF GBA	\$5,780,000	\$160 /SF GBA	\$28,230,000	\$160 /SF GBA	\$59,981,000	\$175 /SF GBA	\$1,442,000	\$160 /SF GBA	\$7,217,000	\$210 /SF GBA
Tenant Improvements - Commercial	\$0	\$0 /SF - Comm.	\$0	\$0 /SF - Comm.	\$0	\$0 /SF - Comm.	\$0	\$0 /SF - Comm.	\$0	\$0 /SF - Comm.	\$0	\$0 /SF - Comm.
Contingency	\$245,000	5.0% of Directs	\$363,000	5.0% of Directs	\$1,726,000	5.0% of Directs	\$3,666,000	5.0% of Directs	\$94,000	5.0% of Directs	\$440,000	5.0% of Directs
Total Direct Costs	\$5,151,000	\$188 /SF GBA	\$7,632,000	\$211 /SF GBA	\$36,247,000	\$205 /SF GBA	\$76,977,000	\$225 /SF GBA	\$1,969,000	\$218 /SF GBA	\$9,243,000	\$269 /SF GBA
Add: Additional Labor Costs	\$0	0% of Directs	\$0	0% of Directs	\$0	0% of Directs	\$0	0% of Directs	\$0	0% of Directs	\$0	0% of Directs
Grand Total Direct Costs	\$5,151,000	\$188 /SF GBA	\$7,632,000	\$211 /SF GBA	\$36,247,000	\$205 /SF GBA	\$76,977,000	\$225 /SF GBA	\$1,969,000	\$218 /SF GBA	\$9,243,000	\$269 /SF GBA
B. Indirect Costs												
Permits & Fees <sup>(3)</sup>	\$270,000	\$15,000 /Unit	\$416,000	\$13,000 /Unit	\$2,205,000	\$15,000 /Unit	\$3,289,000	\$13,000 /Unit	\$165,000	\$15,000 /Unit	\$520,000	\$13,000 /Unit
Inclusionary Affordable Housing Fee	\$686,000	\$25 /SF GLA - Res.	\$0	\$0 /SF GLA - Res.	\$3,661,000	\$25 /SF GLA - Res.	\$0	\$0 /SF GLA - Res.	\$180,000	\$25 /SF GLA - Res.	\$0	\$0 /SF GLA - Res.
Infrastructure Fee/Linear Promenade <sup>(4)</sup>	\$0	\$1,000 /LF	\$232,000	\$1,000 /LF	\$0	\$1,000 /LF	\$565,000	\$1,000 /LF	\$0	\$1,000 /LF	\$125,000	\$1,000 /LF
DIF - Inclusionary Units <sup>(3)</sup>	\$0	\$0 Per Unit	\$0	\$0 Per Unit	\$0	\$0 Per Unit	\$0	\$0 Per Unit	\$0	\$0 Per Unit	\$0	\$0 Per Unit
DIF - Market-Rate <sup>(3)</sup>	\$155,000	\$8,600 Per Unit	\$288,000	\$9,000 Per Unit	\$1,264,000	\$8,600 Per Unit	\$2,505,000	\$9,900 Per Unit	\$95,000	\$8,600 Per Unit	\$304,000	\$7,600 Per Unit
Gap Per Off-Site Affordable Unit - 50% AMI	\$0	\$0 Per Unit	\$0	\$149,000 Per Unit	\$0	\$0 Per Unit	\$0	\$149,000 Per Unit	\$0	\$0 Per Unit	\$0	\$149,000 Per Unit
Gap Per Off-Site Affordable Unit - 60% AMI (Avg.)	\$0	\$0 Per Unit	\$226,000	\$113,000 Per Unit	\$0	\$0 Per Unit	\$1,695,000	\$113,000 Per Unit	\$0	\$0 Per Unit	\$226,000	\$113,000 Per Unit
Gap Per Off-Site Affordable Unit - 120% AMI	\$0	\$0 Per Unit	\$158,000	\$79,000 Per Unit	\$0	\$0 Per Unit	\$1,185,000	\$79,000 Per Unit	\$0	\$0 Per Unit	\$158,000	\$79,000 Per Unit
Developer Fee	\$206,000	4.0% of Directs	\$229,000	3.0% of Directs	\$1,450,000	4.0% of Directs	\$2,309,000	3.0% of Directs	\$79,000	4.0% of Directs	\$277,000	3.0% of Directs
Other Indirects <sup>(5)</sup>	\$773,000	15.0% of Directs	\$1,068,000	14.0% of Directs	\$5,437,000	15.0% of Directs	\$10,777,000	14.0% of Directs	\$295,000	15.0% of Directs	\$1,294,000	14.0% of Directs
Total Indirect Costs	\$2,090,000	40.6% of Directs	\$2,617,000	34.3% of Directs	\$14,017,000	38.7% of Directs	\$22,325,000	29.0% of Directs	\$814,000	41.3% of Directs	\$2,904,000	31.4% of Directs
C. Financing Costs	\$412,000	8.0% of Directs	\$572,000	7.5% of Directs	\$2,900,000	8.0% of Directs	\$5,773,000	7.5% of Directs	\$158,000	8.0% of Directs	\$693,000	7.5% of Directs
D. Development Costs - Excl. Land	\$7,653,000	\$279 /SF GBA	\$10,821,000	\$300 /SF GBA	\$53,164,000	\$301 /SF GBA	\$105,075,000	\$307 /SF GBA	\$2,941,000	\$326 /SF GBA	\$12,840,000	\$374 /SF GBA
E. Add: Land Acquisition	\$2,126,000	\$40 /SF Site Area	\$2,126,000	\$40 /SF Site Area	\$13,251,000	\$60 /SF Site Area	\$13,251,000	\$60 /SF Site Area	\$967,000	\$60 /SF Site Area	\$967,000	\$60 /SF Site Area
F. Total Development Costs	\$9,779,000	\$356 /SF GBA	\$12,947,000	\$358 /SF GBA	\$66,415,000	\$376 /SF GBA	\$118,326,000	\$345 /SF GBA	\$3,908,000	\$434 /SF GBA	\$13,807,000	\$402 /SF GBA
		\$543,000 /Unit		\$405,000 /Unit		\$452,000 /Unit		\$468,000 /Unit		\$355,000 /Unit		\$345,000 /Unit
G. Potential Cost Savings - Ministerial Process			\$256,000	\$8,000 /Unit			\$2,431,000	\$9,600 /Unit			\$311,000	\$7,800 /Unit
H. Potential Cost Savings - Parking			\$120,000	\$3,800 /Unit			\$3,620,000	\$14,300 /Unit			\$1,890,000	\$47,300 /Unit
I. Total Potential Cost Savings			\$376,000	\$11,800 /Unit			\$6,051,000	\$23,900 /Unit			\$2,201,000	\$55,000 /Unit



TABLE C-1 (CONT'D.)  
PROJECT DESCRIPTION AND ESTIMATED DEVELOPMENT COSTS  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

	SITE #4				SITE #5				SITE #6			
	Base Case		Bonus		Base Case		Bonus		Base Case		Bonus	
	Type V Garden Apartments with Tuck-Under Garage		Type I Stacked Flats with No Residential Parking		Type V Stacked Flats with Wrap/Podium Parking		Type III over Type I with Structure/Below Grade Parking		Type III Stacked Flats with Double Podium Parking		Type I Stacked Flats with Structured Parking	
	44 Units/Acre		242 Units/Acre		73 Units/Acre		167 Units/Acre		109 Units/Acre		193 Units/Acre	
	100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI Off-Site		100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI Off-Site		100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI Off-Site	
I. Project Description	Type V		Type I		Type V		Type III over Type I		Type III		Type I	
A. Construction Type												
B. Site Area	0.20 Acres		0.20 Acres		0.90 Acres		0.90 Acres		0.92 Acres		0.92 Acres	
C. Linear Promenade	0 SF		1,900 SF		0 SF		5,300 SF		0 SF		4,000 SF	
D. Density	44 Units/Acre		242 Units/Acre		73 Units/Acre		167 Units/Acre		109 Units/Acre		193 Units/Acre	
E. Floor Area Ratio (FAR)	0.85 FAR		2.62 FAR		1.41 FAR		3.22 FAR		3.53 FAR		5.22 FAR	
F. Gross Building Area (GBA)												
Net Residential	6,096 SF		13,868 SF		45,970 SF		99,150 SF		120,271 SF		164,461 SF	
Circulation/Common Area	1,102 SF		7,232 SF		8,308 SF		23,113 SF		21,224 SF		44,922 SF	
Total Gross Building Area	7,197 SF		21,100 SF		54,277 SF		122,263 SF		141,495 SF		209,383 SF	
Add: Commercial/Other	147 SF		1,500 SF		1,108 SF		4,000 SF		0 SF		0 SF	
Grand Total GBA	7,344 SF		22,600 SF		55,385 SF		126,263 SF		141,495 SF		209,383 SF	
G. Total Number of Units	9 Units		48 Units		66 Units		150 Units		100 Units		178 Units	
H. Unit Mix												
One Bedroom	4 Units		19 Units		26 Units		60 Units		40 Units		71 Units	
Two Bedroom	5 Units		29 Units		40 Units		90 Units		60 Units		107 Units	
Total/Average	9 Units		48 Units		66 Units		150 Units		100 Units		178 Units	
I. Market-Rate Units	9 Units		48 Units		66 Units		150 Units		100 Units		178 Units	
J. Affordable Units <sup>(1)</sup>												
Pre-bonus @ 50% AMI	0 Units		0 Units		0 Units		0 Units		0 Units		0 Units	
Pre-bonus @ 60% AMI (Average)	0 Units		1 Units		0 Units		7 Units		0 Units		10 Units	
Pre-bonus @ 120% AMI	0 Units		1 Units		0 Units		7 Units		0 Units		10 Units	
Total Affordable Units	0 Units		2 Units		0 Units		14 Units		0 Units		20 Units	
	0% of Total		4% of Total		0% of Total		9% of Total		0% of Total		11% of Total	
K. Average Unit Size - Net Residential	677 SF		289 SF		697 SF		661 SF		1,203 SF		924 SF	
L. Stories	3 Stories		8 Stories		5 Stories		6 Stories		5 Stories		15 Stories	
M. Parking												
Residential	9 Spaces		0 Spaces		66 Spaces		142 Spaces		100 Spaces		191 Spaces	
Parking Ratio	1.00 Spaces/Unit		0.00 Spaces/Unit		1.00 Spaces/Unit		0.95 Spaces/Unit		1.00 Spaces/Unit		1.07 Spaces/Unit	
Commercial	0 Spaces		3 Spaces		2 Spaces		8 Spaces		0 Spaces		0 Spaces	
Parking Ratio	2.1 Spaces/1,000 SF		2.1 Spaces/1,000 SF		2.1 Spaces/1,000 SF		2.1 Spaces/1,000 SF		0 Spaces/1,000 SF		0 Spaces/1,000 SF	
Total Parking	9 Spaces		3 Spaces		68 Spaces		150 Spaces		100 Spaces		191 Spaces	
II. Development Costs												
A. Direct Costs <sup>(2)</sup>												
Site Improvements <sup>(3)</sup>	\$259,000		\$30 /SF Site Area		\$2,156,000		\$55 /SF Site Area		\$2,605,000		\$65 /SF Site Area	
Parking	\$113,000		\$12,500 Per Space		\$1,360,000		\$20,000 Per Space		\$3,500,000		\$35,000 Per Space	
Shell Construction	\$1,175,000		\$160 /SF GBA		\$11,631,000		\$210 /SF GBA		\$33,251,000		\$235 /SF GBA	
Tenant Improvements - Commercial	\$4,000		\$25 /SF - Comm.		\$28,000		\$25 /SF - Comm.		\$0		\$0 /SF - Comm.	
Contingency	78,000		5.0% of Directs		759,000		5.0% of Directs		1,968,000		5.0% of Directs	
Total Direct Costs	\$1,629,000		\$222 /SF GBA		\$15,934,000		\$288 /SF GBA		\$41,324,000		\$292 /SF GBA	
Add: Additional Labor Costs	0		0% of Directs		0		0% of Directs		0		0% of Directs	
Grand Total Direct Costs	\$1,629,000		\$222 /SF GBA		\$15,934,000		\$288 /SF GBA		\$41,324,000		\$292 /SF GBA	
B. Indirect Costs												
Permits & Fees <sup>(3)</sup>	\$135,000		\$15,000 /Unit		\$990,000		\$15,000 /Unit		\$1,500,000		\$15,000 /Unit	
Inclusionary Affordable Housing Fee	\$152,000		\$25 /SF GLA - Res.		\$1,149,000		\$25 /SF GLA - Res.		\$3,007,000		\$25 /SF GLA - Res.	
Infrastructure Fee/Linear Promenade <sup>(4)</sup>	0		\$1,000 /LF		0		\$1,000 /LF		0		\$1,000 /LF	
DIF - Inclusionary Units <sup>(3)</sup>	0		\$0 Per Unit		0		\$0 Per Unit		0		\$0 Per Unit	
DIF - Market-Rate <sup>(3)</sup>	77,000		\$8,600 Per Unit		686,000		\$10,400 Per Unit		\$1,040,000		\$10,400 Per Unit	
Gap Per Off-Site Affordable Unit - 50% AMI	0		\$0 Per Unit		0		\$0 Per Unit		0		\$0 Per Unit	
Gap Per Off-Site Affordable Unit - 60% AMI (Avg.)	0		\$0 Per Unit		0		\$0 Per Unit		0		\$0 Per Unit	
Gap Per Off-Site Affordable Unit - 120% AMI	0		\$0 Per Unit		0		\$0 Per Unit		0		\$0 Per Unit	
Developer Fee	\$65,000		4.0% of Directs		\$637,000		4.0% of Directs		\$1,653,000		4.0% of Directs	
Other Indirects <sup>(5)</sup>	244,000		15.0% of Directs		2,390,000		15.0% of Directs		6,199,000		15.0% of Directs	
Total Indirect Costs	\$673,000		41.3% of Directs		\$5,852,000		36.7% of Directs		\$13,399,000		32.4% of Directs	
C. Financing Costs	\$130,000		8.0% of Directs		\$1,275,000		8.0% of Directs		\$3,306,000		8.0% of Directs	
D. Development Costs - Excl. Land	\$2,432,000		\$331 /SF GBA		\$23,061,000		\$416 /SF GBA		\$58,029,000		\$410 /SF GBA	
E. Add: Land Acquisition	690,000		\$80 /SF Site Area		3,920,000		\$100 /SF Site Area		6,011,000		\$150 /SF Site Area	
F. Total Development Costs	\$3,122,000		\$425 /SF GBA		\$26,981,000		\$487 /SF GBA		\$64,040,000		\$453 /SF GBA	
	\$347,000 /Unit		\$220,000 /Unit		\$409,000 /Unit		\$385,000 /Unit		\$640,000 /Unit		\$554,000 /Unit	
G. Potential Cost Savings - Ministerial Process	269,000		\$5,600 /Unit		1,286,000		\$8,600 /Unit		2,095,000		\$11,800 /Unit	
H. Potential Cost Savings - Parking	3,045,000		\$63,400 /Unit		4,235,000		\$28,200 /Unit		5,445,000		\$30,600 /Unit	
I. Total Potential Cost Savings	3,314,000		\$69,000 /Unit		5,521,000		\$36,800 /Unit		7,540,000		\$42,400 /Unit	

TABLE C-1 (CONT'D.)  
NET OPERATING INCOME AND DEVELOPER RETURN  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

	SITE #1				SITE #2				SITE #3			
	Base Case		Bonus		Base Case		Bonus		Base Case		Bonus	
	Type V Townhomes with Private Garages/Surface		Type V Stacked Flats with Tuck-Under Garage		Type V Garden Apartments with Tuck-Under Garage		Type V Stacked Flats with Wrap Parking		Type V Garden Apartments with Tuck-Under Garage		Type V Stacked Flats with Podium Parking	
	Units/Acre		Units/Acre		Units/Acre		Units/Acre		Units/Acre		Units/Acre	
	100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI Off-Site		100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI Off-Site		100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI Off-Site	
III. Net Operating Income - Residential												
A. Total Annual Rental Income												
Affordable Units @ 60% AMI <sup>(6)</sup>	\$0	\$0 /Unit/Month	\$0	\$1,408 /Unit/Month	\$0	\$0 /Unit/Month	\$0	\$1,408 /Unit/Month	\$0	\$0 /Unit/Month	\$0	\$1,408 /Unit/Month
Affordable Units @ 120% AMI <sup>(6)</sup>	\$0	\$0 /Unit/Month	\$0	\$2,310 /Unit/Month	\$0	\$0 /Unit/Month	\$0	\$2,310 /Unit/Month	\$0	\$0 /Unit/Month	\$0	\$2,310 /Unit/Month
Market-Rate Units	<u>\$810,000</u>	\$3,750 /Unit/Month	<u>\$929,000</u>	\$2,419 /Unit/Month	<u>\$5,711,000</u>	\$3,238 /Unit/Month	<u>\$11,076,000</u>	\$3,648 /Unit/Month	<u>\$281,000</u>	\$2,129 /Unit/Month	<u>\$1,020,000</u>	\$2,125 /Unit/Month
Per SF		\$2.50 /SF/Month		\$2.50 /SF/Month		\$3.25 /SF/Month		\$3.25 /SF/Month		\$3.25 /SF/Month		\$3.25 /SF/Month
Total Annual Rental Income	\$810,000	\$3,750 /Unit/Month	\$929,000	\$2,419 /Unit/Month	\$5,711,000	\$3,238 /Unit/Month	\$11,076,000	\$3,648 /Unit/Month	\$281,000	\$2,129 /Unit/Month	\$1,020,000	\$2,125 /Unit/Month
B. Effective Gross Income												
Gross Annual Income	\$810,000	\$3,750 /Unit/Month	\$929,000	\$2,419 /Unit/Month	\$5,711,000	\$3,238 /Unit/Month	\$11,076,000	\$3,648 /Unit/Month	\$281,000	\$2,129 /Unit/Month	\$1,020,000	\$2,125 /Unit/Month
Other Income	<u>\$5,000</u>	\$25 /Unit/Month	<u>\$23,000</u>	\$60 /Unit/Month	<u>\$106,000</u>	\$60 /Unit/Month	<u>\$304,000</u>	\$100 /Unit/Month	<u>\$8,000</u>	\$60 /Unit/Month	<u>\$60,000</u>	\$125 /Unit/Month
Gross Scheduled Income (GSI)	\$815,000	\$3,773 /Unit/Month	\$952,000	\$2,479 /Unit/Month	\$5,817,000	\$3,298 /Unit/Month	\$11,380,000	\$3,748 /Unit/Month	\$289,000	\$2,189 /Unit/Month	\$1,080,000	\$2,250 /Unit/Month
(Less) Vacancy	<u>(\$41,000)</u>	5% of GSI	<u>(\$48,000)</u>	5% of GSI	<u>(\$291,000)</u>	5% of GSI	<u>(\$569,000)</u>	5% of GSI	<u>(\$14,000)</u>	5% of GSI	<u>(\$54,000)</u>	5% of GSI
Effective Gross Income (EGI)	\$774,000	\$3,583 /Unit/Month	\$904,000	\$2,354 /Unit/Month	\$5,526,000	\$3,133 /Unit/Month	\$10,811,000	\$3,561 /Unit/Month	\$275,000	\$2,083 /Unit/Month	\$1,026,000	\$2,138 /Unit/Month
C. Operating Expenses												
(Less) Operating Expenses	(\$81,000)	\$4,500 /Unit/Year	(\$147,000)	\$4,600 /Unit/Year	(\$676,000)	\$4,600 /Unit/Year	(\$1,214,000)	\$4,800 /Unit/Year	(\$51,000)	\$4,600 /Unit/Year	(\$200,000)	\$5,000 /Unit/Year
(Less) Property Taxes <sup>(8)</sup>	(\$142,000)	\$7,900 /Unit/Year	(\$154,000)	\$4,800 /Unit/Year	(\$1,012,000)	\$6,900 /Unit/Year	(\$2,013,000)	\$8,000 /Unit/Year	(\$48,000)	\$4,400 /Unit/Year	(\$179,000)	\$4,500 /Unit/Year
(Less) Replacement Reserves	<u>(\$5,000)</u>	\$250 /Unit/Year	<u>(\$8,000)</u>	\$250 /Unit/Year	<u>(\$37,000)</u>	\$250 /Unit/Year	<u>(\$63,000)</u>	\$250 /Unit/Year	<u>(\$3,000)</u>	\$250 /Unit/Year	<u>(\$10,000)</u>	\$250 /Unit/Year
Total Operating Expenses	(\$228,000)	29% of EGI	(\$309,000)	34% of EGI	(\$1,725,000)	31% of EGI	(\$3,290,000)	30% of EGI	(\$102,000)	37% of EGI	(\$389,000)	38% of EGI
D. Net Operating Income - Residential	\$546,000		\$595,000		\$3,801,000		\$7,521,000		\$173,000		\$637,000	
IV. Net Operating Income - Commercial												
Gross Scheduled Income	\$0	\$0.00 /SF NNN	\$0	\$0.00 /SF NNN	\$106,000	\$2.50 /SF NNN	\$259,000	\$2.50 /SF NNN	\$14,000	\$2.50 /SF NNN	\$59,000	\$2.50 /SF NNN
(Less) Vacancy	<u>\$0</u>	0.0% of GSI	<u>\$0</u>	0.0% of GSI	<u>(\$10,600)</u>	10.0% of GSI	<u>(\$25,900)</u>	10.0% of GSI	<u>(\$1,400)</u>	10.0% of GSI	<u>(\$5,900)</u>	10.0% of GSI
Effective Gross Income	\$0		\$0		\$95,400		\$233,100		\$12,600		\$53,100	
(Less) Operating Expenses	<u>\$0</u>	0.00% of EGI	<u>\$0</u>	0.00% of EGI	<u>(\$4,800)</u>	5.00% of EGI	<u>(\$11,700)</u>	5.00% of EGI	<u>(\$600)</u>	5.00% of EGI	<u>(\$2,700)</u>	5.00% of EGI
Net Operating Income - Commercial	\$0		\$0		\$90,600		\$221,400		\$12,000		\$50,400	
V. Return on Investment												
A. Total Net Operating Income	\$546,000		\$595,000		\$3,891,600		\$7,742,400		\$185,000		\$687,400	
B. Total Development Costs	\$9,779,000		\$12,947,000		\$66,415,000		\$118,326,000		\$3,908,000		\$13,807,000	
C. Return on Investment (ROI)	5.6%		4.6%		5.9%		6.5%		4.7%		5.0%	
D. Difference in ROI (Bonus - Base Case)			-1.0%				0.6%				0.3%	

(1) Assumes affordable units for inclusionary housing are rounded up to the next whole number. Based on pre-density bonus total unit count.

(2) Does not include the payment of prevailing wages.

(3) Estimate; not verified by KMA or City.

(4) Per City, June 11, 2019. Reflects \$1,000/linear foot of frontage or \$50/SF construction cost.

(5) Allowance for architecture & engineering, legal & accounting, taxes & insurance, and other soft costs.

(6) KMA estimate. Based on 2020 HUD Income Limits less utility allowances issued by the San Diego Housing Commission on April 1, 2020.

(7) Market rents were tested with higher increases (+\$1.50, +\$1.75, +\$2.00, +\$2.25, +\$2.50) to reflect micro-unit rents.

(8) Based on capitalized income approach; assumes a 4.5% capitalization rate and 1.17% tax rate.

TABLE C-1 (CONT'D.)  
NET OPERATING INCOME AND DEVELOPER RETURN  
COMPLETE COMMUNITIES: HOUSING SOLUTIONS  
CITY OF SAN DIEGO

	SITE #4				SITE #5				SITE #6			
	Base Case		Bonus		Base Case		Bonus		Base Case		Bonus	
	Type V Garden Apartments with Tuck-Under Garage		Type I Stacked Flats with No Residential Parking		Type V Stacked Flats with Wrap/Podium Parking		Type III over Type I with Structure/Below Grade Parking		Type III Stacked Flats with Double Podium Parking		Type I Stacked Flats with Structured Parking	
	Units/Acre		Units/Acre		Units/Acre		Units/Acre		Units/Acre		Units/Acre	
	100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI Off-Site		100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI Off-Site		100% Market-Rate		0% @ 50% AMI 10% @ 60% AMI (Average) 10% @ 120% AMI Off-Site	
III. Net Operating Income - Residential												
A. Total Annual Rental Income												
Affordable Units @ 60% AMI <sup>(6)</sup>	\$0	\$0 /Unit/Month	\$0	\$1,408 /Unit/Month	\$0	\$0 /Unit/Month	\$0	\$1,408 /Unit/Month	\$0	\$0 /Unit/Month	\$0	\$1,408 /Unit/Month
Affordable Units @ 120% AMI <sup>(6)</sup>	\$0	\$0 /Unit/Month	\$0	\$1,444 /Unit/Month	\$0	\$0 /Unit/Month	\$0	\$2,310 /Unit/Month	\$0	\$0 /Unit/Month	\$0	\$2,310 /Unit/Month
Market-Rate Units	<u>\$256,000</u>	\$2,370 /Unit/Month	<u>\$832,000</u>	\$1,444 /Unit/Month <sup>(7)</sup>	<u>\$2,069,000</u>	\$2,612 /Unit/Month	<u>\$4,462,000</u>	\$2,479 /Unit/Month	<u>\$5,051,000</u>	\$4,209 /Unit/Month	<u>\$6,907,000</u>	\$3,234 /Unit/Month
Per SF		\$3.50 /SF/Month		\$5.00 /SF/Month		\$3.75 /SF/Month		\$3.75 /SF/Month		\$3.50 /SF/Month		\$3.50 /SF/Month
Total Annual Rental Income	\$256,000	\$2,370 /Unit/Month	\$832,000	\$1,444 /Unit/Month	\$2,069,000	\$2,612 /Unit/Month	\$4,462,000	\$2,479 /Unit/Month	\$5,051,000	\$4,209 /Unit/Month	\$6,907,000	\$3,234 /Unit/Month
B. Effective Gross Income												
Gross Annual Income	\$256,000	\$2,370 /Unit/Month	\$832,000	\$1,444 /Unit/Month	\$2,069,000	\$2,612 /Unit/Month	\$4,462,000	\$2,479 /Unit/Month	\$5,051,000	\$4,209 /Unit/Month	\$6,907,000	\$3,234 /Unit/Month
Other Income	<u>\$8,000</u>	\$75 /Unit/Month	<u>\$86,000</u>	\$150 /Unit/Month	<u>\$79,000</u>	\$100 /Unit/Month	<u>\$270,000</u>	\$150 /Unit/Month	<u>\$150,000</u>	\$125 /Unit/Month	<u>\$320,000</u>	\$150 /Unit/Month
Gross Scheduled Income (GSI)	\$264,000	\$2,444 /Unit/Month	\$918,000	\$1,594 /Unit/Month	\$2,148,000	\$2,712 /Unit/Month	\$4,732,000	\$2,629 /Unit/Month	\$5,201,000	\$4,334 /Unit/Month	\$7,227,000	\$3,383 /Unit/Month
(Less) Vacancy	<u>(\$13,000)</u>	5% of GSI	<u>(\$46,000)</u>	5% of GSI	<u>(\$107,000)</u>	5% of GSI	<u>(\$237,000)</u>	5% of GSI	<u>(\$260,000)</u>	5% of GSI	<u>(\$361,000)</u>	5% of GSI
Effective Gross Income (EGI)	\$251,000	\$2,324 /Unit/Month	\$872,000	\$1,514 /Unit/Month	\$2,041,000	\$2,577 /Unit/Month	\$4,495,000	\$2,497 /Unit/Month	\$4,941,000	\$4,118 /Unit/Month	\$6,866,000	\$3,214 /Unit/Month
C. Operating Expenses												
(Less) Operating Expenses	(\$43,000)	\$4,800 /Unit/Year	(\$264,000)	\$5,500 /Unit/Year	(\$317,000)	\$4,800 /Unit/Year	(\$750,000)	\$5,000 /Unit/Year	(\$500,000)	\$5,000 /Unit/Year	(\$979,000)	\$5,500 /Unit/Year
(Less) Property Taxes <sup>(8)</sup>	(\$43,000)	\$4,800 /Unit/Year	(\$131,000)	\$2,700 /Unit/Year	(\$358,000)	\$5,400 /Unit/Year	(\$786,000)	\$5,200 /Unit/Year	(\$911,000)	\$9,100 /Unit/Year	(\$1,205,000)	\$6,800 /Unit/Year
(Less) Replacement Reserves	<u>(\$2,000)</u>	\$250 /Unit/Year	<u>(\$12,000)</u>	\$250 /Unit/Year	<u>(\$17,000)</u>	\$250 /Unit/Year	<u>(\$38,000)</u>	\$250 /Unit/Year	<u>(\$25,000)</u>	\$250 /Unit/Year	<u>(\$45,000)</u>	\$250 /Unit/Year
Total Operating Expenses	(\$88,000)	35% of EGI	(\$407,000)	47% of EGI	(\$692,000)	34% of EGI	(\$1,574,000)	35% of EGI	(\$1,436,000)	29% of EGI	(\$2,229,000)	32% of EGI
D. Net Operating Income - Residential	\$163,000		\$465,000		\$1,349,000		\$2,921,000		\$3,505,000		\$4,637,000	
IV. Net Operating Income - Commercial												
Gross Scheduled Income	\$4,000	\$2.50 /SF NNN	\$45,000	\$2.50 /SF NNN	\$33,000	\$2.50 /SF NNN	\$120,000	\$2.50 /SF NNN	\$0	\$0.00 /SF NNN	\$0	\$0.00 /SF NNN
(Less) Vacancy	<u>(\$400)</u>	10.0% of GSI	<u>(\$4,500)</u>	10.0% of GSI	<u>(\$3,300)</u>	10.0% of GSI	<u>(\$12,000)</u>	10.0% of GSI	<u>\$0</u>	0.0% of GSI	<u>\$0</u>	0.0% of GSI
Effective Gross Income	\$3,600		\$40,500		\$29,700		\$108,000		\$0		\$0	
(Less) Operating Expenses	<u>(\$200)</u>	5.00% of EGI	<u>(\$2,000)</u>	5.00% of EGI	<u>(\$1,500)</u>	5.00% of EGI	<u>(\$5,400)</u>	5.00% of EGI	<u>\$0</u>	0.00% of EGI	<u>\$0</u>	0.00% of EGI
Net Operating Income - Commercial	\$3,400		\$38,500		\$28,200		\$102,600		\$0		\$0	
V. Return on Investment												
A. Total Net Operating Income	\$166,400		\$503,500 <sup>(9)</sup>		\$1,377,200		\$3,023,600		\$3,505,000		\$4,637,000	
B. Total Development Costs	\$3,122,000		\$10,556,000		\$26,981,000		\$57,733,000		\$64,040,000		\$98,604,000	
C. Return on Investment (ROI)	5.3%		4.8%		5.1%		5.2%		5.5%		4.7%	
D. Difference in ROI (Bonus - Base Case)			-0.5%				0.1%				-0.8%	

(1) Assumes affordable units for inclusionary housing are rounded up to the next whole number. Based on pre-density bonus total unit count.

(2) Does not include the payment of prevailing wages.

(3) Estimate; not verified by KMA or City.

(4) Per City, June 11, 2019. Reflects \$1,000/linear foot of frontage or \$50/SF construction cost.

(5) Allowance for architecture & engineering, legal & accounting, taxes & insurance, and other soft costs.

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(8) Based on capitalized income approach; assumes a 4.5% capitalization rate and 1.17% tax rate.