



MEMORANDUM

DATE: October 17, 2016

To: Tyler Bump
BUREAU OF PLANNING AND SUSTAINABILITY

FROM: Jerry Johnson
JOHNSON ECONOMICS LLC

SUBJECT: Economic Analysis of Proposed Changes to the Single Dwelling Zone Development Standard

The City of Portland Bureau of Planning and Sustainability is undertaking the Residential Infill Project. As part of that effort, the City is evaluating proposed changes in the single family dwelling zone development standards. The changes will impact maximum height limits, building square footage, and minimum setbacks and yard areas. The marginal changes are expected to have a substantive impact on the economics of potential development forms.

I. ECONOMIC FEASIBILITY MODELING

Johnson Economics was asked to model the economic feasibility of four prototypes, with the intent to determine the economic viability of the prototypes. The work is based on market variables for inner eastside neighborhood markets, and does not address the marginal impact of affordable housing provisions or incentives.

Marginal Value of Changes

The proposed changes impact the viability of new development in two primary ways. The first of these is a marginal decrease in the allowable building square footage, reflected by a shift in the net Floor Area Ratio (FAR). This provides for less development yield on the site, expressed in square footage of saleable or leasable area.

The second impact is associated with the shift in product type and associated price point. By allowing for multiple residential structures on the site, a developer is able to produce housing at a lower overall price point. This broadens the potential market for the housing, reducing both expected marketing time as well as market risk. As an example, the following table provides a generalized summary of the development of a 5,000 square foot site, as single family or duplex units, and under an ownership or rental scenario.

Concept Report Appendix A



	Ownership		Rental		Net Impact by Tenure	
	Single Family	Duplex	Single Family	Duplex	Owner	Rental
Physical Characteristics						
<i>Site Size/SF</i>	5,000	5,000	5,000	5,000	0.00	-5,000.00
<i>Saleable Area (SF)</i>	2,500	2,500	2,500	2,500	0.00	-2,500.00
<i>FAR</i>	0.50	0.50	0.50	0.50	0.000	0.000
<i>Market Pricing / SF</i>	\$300.0	\$345.0	\$2.00	\$2.30	\$45.00	\$0.30
Pricing						
<i>Number of Units</i>	1	2	1	2	1	1
<i>Avg. Unit Size (SF)</i>	2,500	1,250	2,500	1,250	-1,250	-1,250
Efficiency Ratio	100%	100%	100%	100%		
Stabilized Occupancy Rate			95%	95%		
Threshold Yield Rate	15.00%	15.00%	6.60%	6.60%		
Per Unit Pricing						
<i>Sales Price</i>	\$750,000	\$431,250			-\$318,750	
<i>Monthly Base Rent</i>			\$5,000	\$2,875		-\$2,125
<i>Operating Costs as % of Gross</i>			32.0%	32.0%		
Estimated Project Cost						
<i>Construction Cost/SF</i>	\$204	\$227	\$184	\$204	\$23	\$20
<i>Total Construction Cost</i>	\$510,750	\$567,500	\$459,675	\$510,750	\$56,750	\$51,075
Project Impact on Value						
<i>Indicated Residual Land Value</i>	\$126,750	\$165,625	\$127,598	\$164,614	\$38,875	\$37,016
<i>Residual Land Value/Unit</i>	\$126,750	\$82,813	\$127,598	\$82,307	-\$43,938	-\$45,291

While the specifics of any development site will vary, there are some generalized outcomes that should be expected. The proposed change in entitlements will allow for residential development to support positive residual land values, while also producing housing at a lower average price point. In the preceding analysis, the value of the 5,000 square foot site increases by approximately \$38,000 if the same building area is assumed, while the residential offerings are priced at a lower rate in absolute magnitude.

As part of our assessment, we specifically evaluated a total of four housing prototypes, which were developed by DECA architecture. The prototypes were as follows:

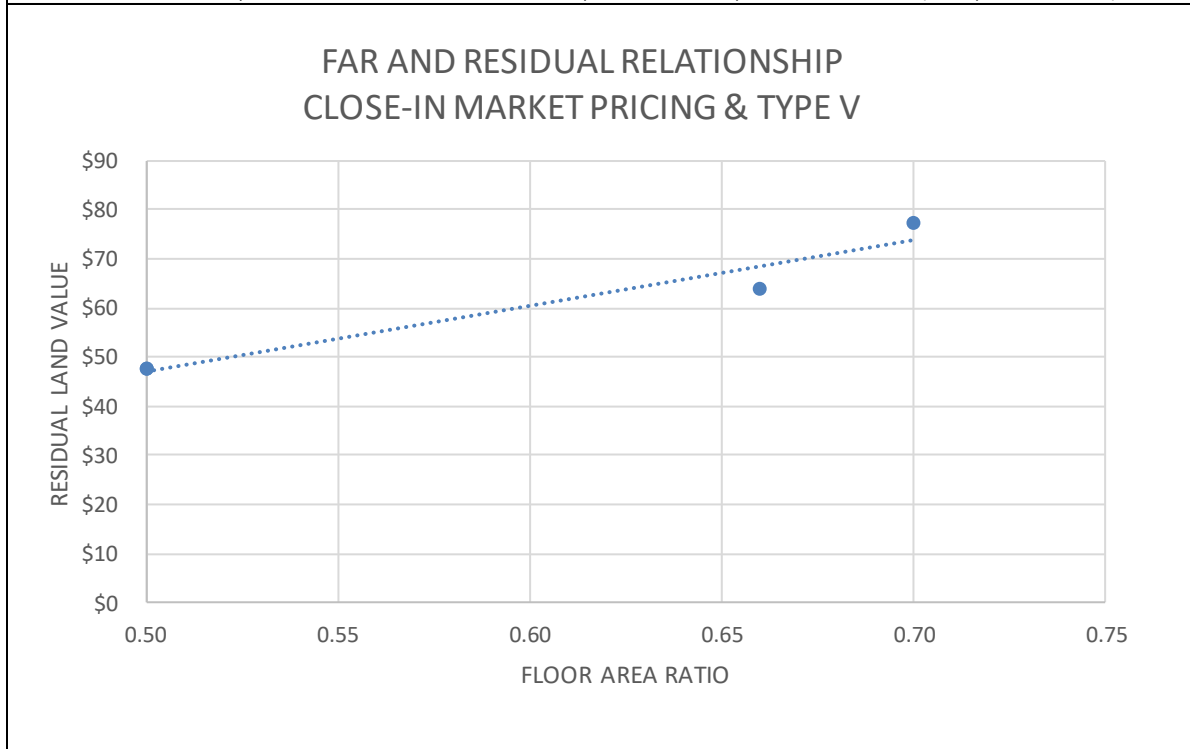
- A mid-block duplex at .5 FAR
- A corner tri-plex at .5 FAR
- A corner tri-plex at .7 FAR
- A .7 FAR on historic platted 2,500 SF lots

These were evaluated as rental housing product, but the dynamics would be similar if they were evaluated under an ownership scenario. The summary pro formas are included as an appendix to this memorandum, with the results summarized in the following figure:



SUMMARY OF DEVELOPMENT SCENARIOS, SELECTED PROTOTYPES

Option	Land (SF)	Building (SF)	Indicated Residual Land Value	
			Total	PSF
MID-BLOCK DUPLEX AT 0.5 FAR	5,000	2,500	\$237,888	\$48
CORNER TRI-PLEX AT 0.5 FAR	5,000	2,500	\$237,888	\$48
CORNER LOT TRI-PLEX AT 0.66 FAR	5,000	3,300	\$319,612	\$64
SKINNY HOUSES ON 2,500 SF LOTS	5,000	3,500	\$387,490	\$77



1/ Reflects capitalized value at first stabilized year. Not intended as a legal representation of value.

The limited scenarios evaluated reflect what would be intuitively expected. As allowable FAR is increased, residual land values also increase. In addition, the average pricing of a unit decreases, reflecting a significant decrease in the average unit size.

The marginal shift in residual land value would also be expected to impact the rate of infill and/or redevelopment, as the incentive to develop is increased on the margin. When residual land values are higher, there is a higher likelihood that redevelopment will occur.



II. PREDICTIVE DEVELOPMENT MODELING

Overview of Proposed Changes

The proposed change in allowed development being evaluated are as follows:

TYPE	LOT SIZE	Current Size Allowed	Proposal
Single Family Home	5,000	R2.5 = 6,750 sf R5 = 6,750 sf R7 = 6,750 sf	R2.5 (0.7 FAR) = 3,500 sf R5 (0.5 FAR) = 2,500 sf R7 (0.4 FAR) = 2,000 sf
Skinny Home	2,500	R2.5 = 3,750 sf R5 = 2,500 sf R7 – not applicable	R2.5 = 1,750 sf R5 = 1,250 sf R7 – not applicable
Duplex	5,000	R2.5 = 6,750 sf R5 = 6,750 sf R7 = 6,750 sf	R2.5 = 3,500 sf R5 = 2,500 sf R7 = 2,000 sf
Triplex	5,000	R2.5 = 6,750 sf R5 – not applicable R7 – not applicable	R2.5 = 3,500 sf R5 = 2,500 sf R7 = 2,000 sf

The proposed changes would limit the allowed size of residential development within the single dwelling zones, while modestly expanding the ability of the market to provide some housing types. The current allowed size of structure for the three residential codes is likely well above what would be expected in the market, as homes in these size ranges represent a minute percentage of housing stock. While the current maximum home size is 6,750 square feet, the average size of homes was 2,670 in 2013, and no home was built that was over 4,460 square feet.

The revised allowable home sizes will likely restrict final home sizes below what the market may demand. The only area in which the proposed zone changes increase allowable intensity of the development is the allowance of triplex units in the R5 and R7 zones, and duplexes on interior lots in these two codes. The overall size of structures will be quite limited for either of these zones, limiting the marginal value of the change in entitlement.

In summary, the proposed changes to the code largely reflect an increase in allowable density in terms of units and a reduction in the amount of allowable building area within the codes. This would be reflected in generally lower residual land values associate with redevelopment options. The anticipated impact would be a lower rate of redevelopment, and at lower values. For lots currently zoned R5 but pre-platted skinny lots, the proposal would change these to R2.5, which will likely increase the value of these lots (approximately 13,000 in total).



Description of Model

Johnson Economics has developed a predictive development model, which is designed to estimate the marginal impact of changes in the development environment on the expected magnitude and character of development.

The Model's general structure includes the development of projections of predicted investment under two scenarios, a baseline scenario as well as a scenario assuming the proposed changes in entitlement. The differential between the two scenarios is attributed to the entitlement changes. A key component of our approach to this assignment is the utilization of a "production" model, which mimics a developer's decision tree and solves for the highest and best use development form. We use a pro forma based predictive model to generate predominant development profiles for the study area. This model evaluates highest and best use development forms under a range of assumptions, based on the implied residual property value¹ under each use. This allows us to calculate the likely predominant development form within the study area and subareas, based on market dynamics and entitlements. It also establishes a residual property value for the area, which allows us to evaluate the extent to which existing properties can be expected to redevelop.

Key inputs in the "production" model are those that impact revenues, costs, return parameters and site entitlements. The production component of the model can be broken up into three primary categories that are determinative of final development form: achievable pricing, cost to develop, and threshold returns. The marginal impacts associated with proposed change in entitlements are incorporated into a broader modeling framework designed to translate shifts in these inputs into associated patterns of investment.

The development/redevelopment module is intended simulate the development decision tree, factoring in key inputs and their impact on decisions with respect to development activity. The module initially solves for a development solution that represents the highest and best use of the property under the assumptions used, as well as outputting an associated residual property value. The highest and best use of the site is defined as the allowable land use program that yields the greatest return to the existing property, and the residual property value reflects the maximum acquisition value supported by that program under the assumptions used.

The highest and best use determination is based on the allowable use that has the highest indicated residual property value between a range of land use types and development forms. An entitlement screen is necessary, as use types identified as having the greatest residual values may not be allowable under existing zoning. Changes in this screen were the primary modifications tested in this analysis.

Development/redevelopment activity is predicted by the model when the residual property value exceeds the property value under the existing use. If the residual value is greater to or equal to the market value of the property, it is assumed to represent a rational development or redevelopment opportunity. While development and/or redevelopment is considered viable in these instances, it does not necessarily mean that it will be developed within the study time frame. There are a number of additional factors that impact redevelopment, and we assume that only a portion of opportunities identified as viable will be realized within the study horizon.

¹ Residual Property Value reflects the maximum supportable acquisition value of the property under an assumed development program.



Model Output

Our predictive development model was run for two scenarios, reflecting current and proposed development standards. The impacted area was broken into two major pricing schemes, one for the inner neighborhoods and one for neighborhoods with generally lower price points east and south of the close-in eastside neighborhoods.

The model evaluated marginal shifts in entitlement that allowed for the development of triplexes on R5 and R7 sites, as well as duplexes on interior lots. In addition, it adjusted the assumed square footage of structures associated with the proposed FAR restrictions.

The results showed an expected aggregate reduction in the level of construction investment and residential units for both study areas. In this case, the reduced allowable building area had a larger negative impact on residual land values than the offsetting increase in allowable units. The reduction in residual land value reduced the level of expected redevelopment and investment. The output reflects a lower aggregate level of redevelopment, but a greater unit density and lower price point per unit on properties that do redevelop.

The model indicated an expected reduction of 3,928 residential units in the inner neighborhoods, reflecting a 6.7% reduction in predicted development activity.

**SUMMARY OF PREDICTED DEVELOPMENT ACTIVITY OVER STUDY PERIOD
WITH PROPOSED MODIFICATIONS IN ZONING CODES
20 Year Study Period Inner Neighborhoods, No Pricing Changes**

LINE	Predicted Development Yield		
	Construction Investment	Residential Units	Commercial Space
INNER EASTSIDE - PARCELS ZONED R2.5, R5, AND R7			
BASELINE			
New Construction	\$17,642,868,037	58,830	0
Rehab/Renovation	\$7,569,285,629		
Overall Total	\$25,212,153,666		
Inner Neighborhoods			
New Construction	\$16,698,887,210	54,902	0
Rehab/Renovation	\$7,796,370,262		
Overall Total	\$24,495,257,472		
NET IMPACT			
Magnitude	(\$716,896,194)	-3,928	0
Percent	-2.8%	-6.7%	0.0%

SOURCE: Johnson Economics LLC

For the less urban neighborhoods, the predicted impact was an 8.7% reduction in units (1,927 less), with overall construction investment dropping 5.7%.



**SUMMARY OF PREDICTED DEVELOPMENT ACTIVITY OVER STUDY PERIOD
WITH PROPOSED MODIFICATIONS IN ZONING CODES
20 Year Study Period Outer Neighborhoods, No Pricing Changes**

LINE	Predicted Development Yield		
	Construction Investment	Residential Units	Commercial Space
OUTER EASTSIDE - PARCELS ZONED R2.5, R5, AND R7			
BASELINE			
New Construction	\$6,356,819,095	22,210	0
Rehab/Renovation	\$2,406,239,695		
Overall Total	\$8,763,058,790		
Outer Neighborhoods			
New Construction	\$5,805,288,592	20,283	0
Rehab/Renovation	\$2,455,760,849		
Overall Total	\$8,261,049,440		
NET IMPACT			
Magnitude	(\$502,009,349)	-1,927	0
Percent	-5.7%	-8.7%	0.0%

SOURCE: Johnson Economics LLC

The overall predicted impact as a percentage is significant in both areas, although representing less than 10% of marginal activity. Predicted marginal development continues to be concentrated in the higher value inner eastside parcels, with a lower rate of development anticipated in the neighborhoods with lower levels of assumed achievable pricing.

III. SUMMARY

Our analysis indicates that the proposed changes in entitlements would likely result in a lower rate of development and redevelopment in the study area, yielding less in terms of units and construction investment. While the marginal impact would be low in percentage terms, a similar impact is expected in both the close-in as well as less urban areas. The modest increase in allowable units is more than offset by the lower allowed square footage of new development, which generally reduces the supportable land value for new development. The lower supportable land value decreases the likelihood of redevelopment on a significant number of parcels.

Sites that do redevelop under the proposed modifications would be expected to deliver units at a generally lower price point and higher unit density.



APPENDIX A: SUMMARY RESULTS OF FEASIBILITY ASSESSMENTS

SUMMARY OF DEVELOPMENT SCENARIOS SELECTED RESIDENTIAL PROTOTYPES

Option	Program			Costs			Total Cost	Stabilized NOI	Return on Cost	Indicated Value 1/	Value/ Cost	Calculated Viability Gap		Indicated Residual Land Value	
	Res S.F.	Retail S.F.	Parking Spaces	Property Acquisition	Hard & Soft	Total 2/						% of Cost	Total PSF		
MID-BLOCK DUPLEX AT 0.5 FAR	2,500	0	2	\$350,000	\$411,013	\$761,013	\$42,827	5.63%	\$778,680	102%	\$112,113	14.7%	\$237,888	\$48	
CORNER TRI-PLEX AT 0.5 FAR	2,500	0	7	\$350,000	\$411,013	\$761,013	\$42,827	5.63%	\$778,680	102%	\$112,113	14.7%	\$237,888	\$48	
CORNER LOT TRI-PLEX AT 0.66 FAR	3,300	0	7	\$350,000	\$536,937	\$886,937	\$56,532	6.37%	\$1,027,858	116%	\$30,389	3.4%	\$319,612	\$64	
SKINNY HOUSES ON 2,500 SF LOTS	3,500	0	7	\$350,000	\$566,394	\$916,394	\$62,956	6.87%	\$1,144,660	125%	(\$37,490)	-4.1%	\$387,490	\$77	

COST AND STABILIZED VALUE

Option	Cost (Millions)	Value 2/ (Millions)
MID-BLOCK DUPLEX AT 0.5 FAR	~\$1.1	~\$1.2
CORNER TRI-PLEX AT 0.5 FAR	~\$1.1	~\$1.2
CORNER LOT TRI-PLEX AT 0.66 FAR	~\$1.2	~\$1.4
SKINNY HOUSES ON 2,500 SF LOTS	~\$1.3	~\$1.5

INDICATED RESIDUAL LAND VALUE/SF

Option	Residual Land Value/SF
MID-BLOCK DUPLEX AT 0.5 FAR	\$48
CORNER TRI-PLEX AT 0.5 FAR	\$48
CORNER LOT TRI-PLEX AT 0.66 FAR	\$64
SKINNY HOUSES ON 2,500 SF LOTS	\$77

1/ Reflects capitalized value at first stabilized year. Not intended as a legal representation of value.



MID-BLOCK DUPLEX AT 0.5 FAR
STANDARD CLOSE-IN EASTSIDE MARKET PARAMETERS

October 17, 2016

AREA SUMMARY:				EQUITY ASSUMPTIONS:			
Site Size (SF):		5,000		Total Development Cost			\$761,013
Building Size (SF):		2,500		(-) Permanent Loan			(\$563,498)
FAR (Excluding Parking):		0.50		Tax Credit Percentage			3.22%
Building Efficiency:		100%		Tax Credit Discount Factor			80.00%
Saleable and Leasable Area (SF):		2,500		(-) Net Value of Tax Credits			\$0
INCOME SUMMARY:				Net Permanent Loan Equity Required	26.0%		\$197,515
				PERMANENT FINANCING ASSUMPTIONS:			
	Total SF/Units	Average Rent/SF	Income		DCR	LTV	LTC
Retail Space	0	\$22.00	\$0	Interest Rate	4.50%	4.50%	4.50%
Live / Work	0	\$26.40	\$0	Term (Years)	30	30	30
Market Rate Apartments	2,500	\$26.40	\$66,000	Debt-Coverage Ratio	1.25		
Affordable Apartments	0	\$12.77	\$0	Loan-to-Value		75%	80%
Parking - Surface	0	\$3.09	\$0	Stabilized NOI (Year 2)	\$42,827	\$42,827	
Operating Expenses		32.0%	(\$21,120)	CAP Rate		5.50%	
Vacancy/Collection		5.0%	(\$3,300)	Supportable Mortgage	\$563,498	\$584,010	\$608,810
TOTAL	2,500	\$16.63	\$41,580	Annual Debt Service	\$34,262	\$35,509	\$37,017
COST SUMMARY:				MEASURES OF RETURN:			
	Per SF		Total	Indicated Value @ Stabilization		\$778,680	
Property Acquisition	\$70		\$350,000	Value/Cost		102%	
Direct Construction Cost	\$121		\$301,875	Return on Cost (ROC)		5.63%	
Soft Costs	\$31		\$76,544	ESTIMATION OF VIABILITY GAP			
Contingencies	\$13		\$32,594	Targeted Return on Cost (ROC)		6.60%	
Sale of Tax Credits	\$0	3.22%	\$0	Calculated Gap-Income Components		\$112,113	
TOTAL / NET	\$304		\$761,013	Overall Gap as % of Development Cost		14.73%	
				Indicated Residual Value Per Square Foot		\$48	



**CORNER TRI-PLEX AT 0.5 FAR
STANDARD CLOSE-IN EASTSIDE MARKET PARAMETERS**

October 17, 2016

AREA SUMMARY:				EQUITY ASSUMPTIONS:			
Site Size (SF):		5,000		Total Development Cost			\$761,013
Building Size (SF):		2,500		(-) Permanent Loan			(\$563,498)
FAR (Excluding Parking):		0.50		Tax Credit Percentage			3.22%
Building Efficiency:		100%		Tax Credit Discount Factor			80.00%
Saleable and Leasable Area (SF):		2,500		(-) Net Value of Tax Credits			\$0
INCOME SUMMARY:				Net Permanent Loan Equity Required	26.0%		\$197,515
	Total SF/Units	Average Rent/SF	Income	PERMANENT FINANCING ASSUMPTIONS:			
					DCR	LTV	LTC
Retail Space	0	\$22.00	\$0	Interest Rate	4.50%	4.50%	4.50%
Live / Work	0	\$26.40	\$0	Term (Years)	30	25	30
Market Rate Apartments	2,500	\$26.40	\$66,000	Debt-Coverage Ratio	1.25		
Affordable Apartments	0	\$12.77	\$0	Loan-to-Value		75%	80%
Parking - Structured	0	\$4.80	\$0	Stabilized NOI (Year 2)	\$42,827	\$42,827	
Operating Expenses		32.0%	(\$21,120)	CAP Rate		5.50%	
Vacancy/Collection		5.0%	(\$3,300)	Supportable Mortgage	\$563,498	\$584,010	\$608,810
TOTAL	2,500	\$16.63	\$41,580	Annual Debt Service	\$34,262	\$38,953	\$37,017
COST SUMMARY:				MEASURES OF RETURN:			
	Per SF		Total	Indicated Value @ Stabilization			\$778,680
				Property Acquisition	\$70		\$350,000
Direct Construction Cost	\$121		\$301,875	Return on Cost (ROC)			5.63%
Soft Costs	\$31		\$76,544	ESTIMATION OF VIABILITY GAP			
Contingencies	\$13		\$32,594	Targeted Return on Cost (ROC)			6.60%
Sale of Tax Credits	\$0	3.22%	\$0	Calculated Gap-Income Components			\$112,113
TOTAL / NET	\$304		\$761,013	Overall Gap as % of Development Cost			14.73%
				Indicated Residual Value Per Square Foot			\$48



CORNER LOT TRI-PLEX AT 0.66 FAR STANDARD MARKET PARAMETERS

October 17, 2016

AREA SUMMARY:				EQUITY ASSUMPTIONS:			
Site Size (SF):	5,000			Total Development Cost	\$886,937		
Building Size (SF):	3,300			(-) Permanent Loan	(\$709,549)		
FAR (Excluding Parking):	0.66			Tax Credit Percentage	3.22%		
Building Efficiency:	100%			Tax Credit Discount Factor	80.00%		
Saleable and Leasable Area (SF):	3,300			(-) Net Value of Tax Credits	\$0		
INCOME SUMMARY:				PERMANENT FINANCING ASSUMPTIONS:			
				Net Permanent Loan Equity Required	20.0%	\$177,387	
	Total SF/Units	Average Rent/SF	Income		DCR	LTV	LTC
Retail Space	0	\$18.00	\$0	Interest Rate	4.50%	4.50%	4.5%
Live / Work	0	\$26.40	\$0	Term (Years)	30	25	30
Market Rate Apartments	3,300	\$26.40	\$87,120	Debt-Coverage Ratio	1.25		
Affordable Apartments	0	\$12.77	\$0	Loan-to-Value		75%	80%
Parking - Surface	0	\$1.71	\$0	Stabilized NOI (Year 2)	\$56,532	\$56,532	
Operating Expenses		32.0%	(\$27,878)	CAP Rate		5.50%	
Vacancy/Collection		5.0%	(\$4,356)	Supportable Mortgage	\$743,817	\$770,893	\$709,549
TOTAL	3,300	\$16.63	\$54,886	Annual Debt Service	\$45,226	\$51,418	\$43,142
COST SUMMARY:				MEASURES OF RETURN:			
	Per SF		Total	Indicated Value @ Stabilization	\$1,027,858		
Property Acquisition	\$70		\$350,000	Value/Cost	116%		
Direct Construction Cost	\$121		\$398,475	Return on Cost (ROC)	6.37%		
Soft Costs	\$31		\$101,038	ESTIMATION OF VIABILITY GAP			
Contingencies	\$11		\$37,424	Targeted Return on Cost (ROC)	6.6%		
Sale of Tax Credits	\$0	3.22%	\$ -	Calculated Gap-Income Components	\$30,389		
TOTAL / NET	\$269		\$886,937	Overall Gap as % of Development Cost	3.4%		
				Indicated Residual Value Per Square Foot	\$64		



SKINNY HOUSES ON 2,500 SF LOTS STANDARD MARKET PARAMETERS

October 17, 2016

AREA SUMMARY:				EQUITY ASSUMPTIONS:				
Site Size (SF):	5,000			Total Development Cost	\$916,394			
Building Size (SF):	3,500			(-) Permanent Loan	(\$733,115)			
FAR (Excluding Parking):	0.70			Tax Credit Percentage	3.22%			
Building Efficiency:	100%			Tax Credit Discount Factor	80.00%			
Saleable and Leasable Area (SF):	3,500			(-) Net Value of Tax Credits	\$0			
INCOME SUMMARY:				PERMANENT FINANCING ASSUMPTIONS:				
				Net Permanent Loan Equity Required	20.0%	\$183,279		
		Total SF/Units	Average Rent/SF	Income				
Retail Space	0	\$22.00	\$0	Interest Rate	4.50%	4.50%	4.5%	
Live / Work	0	\$26.40	\$0	Term (Years)	30	25	30	
Market Rate Apartments	3,500	\$27.72	\$97,020	Debt-Coverage Ratio	1.25			
Affordable Apartments	0	\$12.77	\$0	Loan-to-Value	75% 80%			
Parking - Podium	0	\$3.09	\$0	Stabilized NOI (Year 2)	\$62,956	\$62,956		
Operating Expenses		32.0%	(\$31,046)	CAP Rate	5.50%			
Vacancy/Collection		5.0%	(\$4,851)	Supportable Mortgage	\$828,342	\$858,495	\$733,115	
TOTAL	3,500	\$17.46	\$61,123	Annual Debt Service	\$50,365	\$57,262	\$44,575	
COST SUMMARY:				MEASURES OF RETURN:				
		Per SF	Total	Indicated Value @ Stabilization				\$1,144,660
Property Acquisition		\$70	\$350,000	Value/Cost				125%
Direct Construction Cost		\$121	\$422,625	Return on Cost (ROC)				6.87%
Soft Costs		\$30	\$105,137	ESTIMATION OF VIABILITY GAP				
Contingencies		\$11	\$38,631	Targeted Return on Cost (ROC)				6.60%
Sale of Tax Credits		\$0	\$0	Calculated Gap-Income Components				(\$37,490)
TOTAL / NET		\$262	\$916,394	Overall Gap as % of Development Cost				-4.09%
				Indicated Residual Value Per Square Foot				\$77