

Remember the 2% rule in real estate. It means that the rent for the rental property should be equal to 2% of the entire expenses.

SCOTTMOORE LLC
10001 LAKE FOREST BLVD
NEW ORLEANS, LA 70127
TEL: 504.400.1240

CLIENT: SM Development
PROJECT: [REDACTED]
Lot SF: 6000.00
Planned Program SF: 6248.00 3124 PER FLR
Units (1470 SF)(4 bd 3BA 2 BA) 4.00
Living Space SF: 5880.00 1470 x 4
Ammenities/Office Space SF:

4 PLEX - NET ZERO
LEASING - POTENTIAL BUILDING SALE



Development Budget

Building Construction/SF	\$137.00	Estimate
Estimated Construction Costs	\$855,976.00	C17 x B10
Predevelopment Costs	\$187,000.00	
Construction Interest	\$88,079.93	10.29%
Total Development Cost	\$1,131,192.93	

Predevelopment Cost	
Land Acquisition (Including Existing Bldg)	\$60,000.00
Survey/Arch/Engineering	
Final Survey	\$2,500.00
Engineering	\$25,000.00
Permit/Inspection/Entitlement Fees	
Tap Fees/Impact Fees	\$10,000.00
Site Prep/Demo	\$20,000.00
Storage Tank Removal	\$0.00
Title & Recording	\$10,000.00
Market Study/Appraisal/Environment	
Wetlands	\$1,500.00
Market Study	\$2,000.00
Traffic & Hydraulica Study	\$0.00
Environmental	\$3,000.00
Marketing	\$3,000.00
Accounting, Insurance & Legal	
Organizational Cost	\$3,000.00
Legal	\$8,000.00
Insurance	\$12,000.00
Operating Reserves	\$15,000.00
Soft Cost Contingency	\$12,000.00
Total Predevelopment Cost	\$187,000.00

Investment Schedule	
SM -Scottmoore - Owner Injection	\$ 50,000.00
Syndicators -Contractor, Engr., RE, Dev. ect	\$ 75,000.00
Crowdfund - Public participation	\$ 10,000.00
Investment Fund	\$ 5,000.00
Grant	
Total	\$ 140,000.00

Debit Financing (Mortgage - Minus Investments)	
Total Development Cost to be Financed	\$991,192.93
Interest Rate	3.50%
Amortization	360
Monthly	\$ 4,450.90
Annual	\$ 53,410.79
Total Intrest Paid our for Mortgage	\$1,524,333.60

No Mortgage Option	
Annual Income (Commercial + Residential)	\$86,972.16
Months to Recover TDC (Minus Operating+Financing)	156
Years to Recover TDC (Minus Operating+Financing)	13.01

Return On Investment

Annual Income (Commercial + Residential)	\$86,972.16
Months to Recover TDC (Minus Operating+Financing)	156
Years to Recover TDC (Minus Operating+Financing)	13.01

Commercial Rents	SF	Cost SF/MO	Cost SF/YR	Month Rent	Annual Rent
Lease #1	0	\$1.20	\$14.40	\$0.00	\$0.00
Total Annual Corr					\$0.00

Residential Rents	SF	Cost SF/MO	Cost SF/YR	Month Rent	Annual Rent
Residential Unit	3124	\$0.58	\$6.96	\$1,811.92	\$21,743.04
Total Annual (Unit)					\$21,743.04
Total (All Residential)					\$86,972.16

# of Units	4
Monthly Total Rental Income	\$7,247.68
Annual Total Rental Income	\$86,972.16
Annual Rental Income Adj. for 0% Vacany	\$86,972.16
Total Operating Income	\$86,972.16

Expenses	
Management:(5% of TOI)	\$2,609.16
Taxes	\$4,500.00
Capital Expedentures	\$2,500.00
Common Repairs	\$1,000.00
Landscapping	\$1,200.00
Insurance	\$1,500.00

Maintenance	\$3,500.00
Total Operating Cost	\$16,809.16
<i>per unit</i>	<i>\$4,202.29</i>
<u>Net Income</u>	
<u>Total Operating Income</u>	\$86,972.16
<u>Total Operating Cost</u>	\$16,809.16
<u>Debit Service</u>	\$53,410.79 Mortgage
<u>ANNUAL NET INCOME</u>	\$16,752.21
<u>Monthly</u>	\$1,396.02