

Project Summary

Mall Redevelopment Project

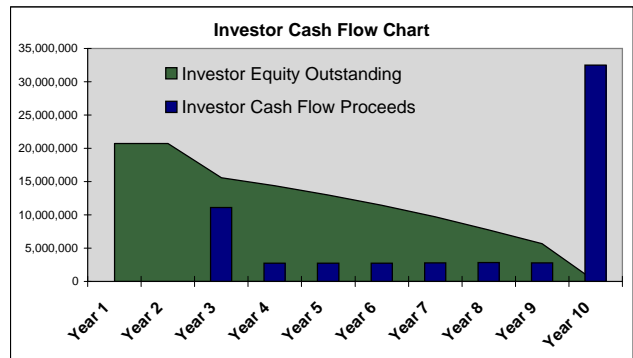
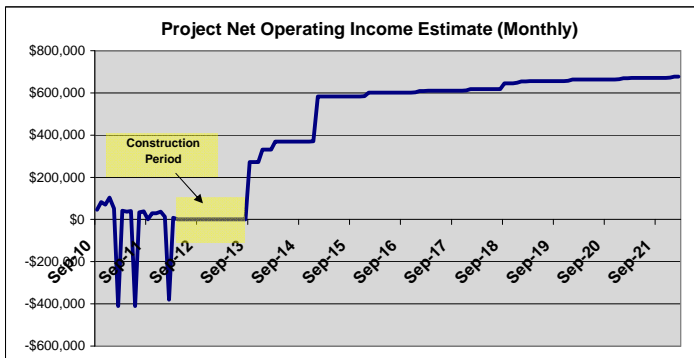
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
Construction Cash Flow											
Construction Costs	(47,117,583)	(17,816,102)	(483,774)	-	-	-	-	-	-	-	
TIF Proceeds	11,914,920	-	-	-	-	-	-	-	-	-	
Total Construction Cash Flows	(35,202,663)	(17,816,102)	(483,774)	-	-	-	-	-	-	-	
Cash Flow from Operations											
Gross Leasing Revenues	-	2,334,319	4,740,617	4,761,759	4,783,534	4,805,963	5,045,118	5,256,450	5,280,959	5,306,203	
Center Operating Expenses	-	(151,731)	(308,140)	(309,514)	(310,930)	(312,388)	(327,933)	(341,669)	(343,262)	(344,903)	
Hotel Pad Sale Revenue	-	2,600,000	-	-	-	-	-	-	-	-	
Sales Tax Sharing Revenue	-	-	376,781	1,515,559	1,549,477	1,584,073	1,619,360	1,655,354	1,692,067	12,045,812	
Private Retail Sales Fee Revenue	-	-	262,881	1,056,780	1,077,916	1,099,474	1,121,464	1,143,893	1,166,771	8,265,104	
Private Hotel Accommodation Tax Revenue	-	-	-	34,493	144,624	167,996	180,327	183,934	187,612	1,413,468	
Effective Net Operating Income	-	4,782,588	5,072,138	7,059,076	7,244,521	7,345,118	7,638,336	7,897,961	7,984,146	26,685,684	
Land Carry Cash Flow											
Land Carryback Principal Balance	-	-	-	-	-	-	-	-	-	-	
Land Carryback Payments	-	-	-	-	-	-	-	-	-	-	
Financing Cash Flow											
Investor Cash Equity Draw (30% of Costs)	20,733,154	-	-	-	-	-	-	-	-	-	
Construction Loan Draw	14,469,508	13,768,534	-	-	-	-	-	-	-	-	
Construction Loan Payments	-	(4,782,588)	(23,455,455)	-	-	-	-	-	-	-	
Permanent Loan Draw	-	-	35,148,348	-	-	-	-	-	-	-	
Permanent Loan Payments	-	-	(515,812)	(3,094,873)	(3,094,873)	(3,094,873)	(3,094,873)	(3,094,873)	(3,094,873)	(3,094,873)	
Permanent Loan Payoff	-	-	-	-	-	-	-	-	-	(32,450,896)	
Sale Proceeds	-	-	-	-	-	-	-	-	-	60,450,532	
Total Project Cash Flow	30.6%	(20,733,154)	-	16,249,219	3,964,203	4,149,647	4,250,244	4,543,462	4,803,088	4,889,273	51,590,446
Perm Loan Debt Coverage Ratio (With Subsidies)	-	-	-	2.26	2.34	2.37	2.47	2.53	2.56	2.52	
Perm Loan Debt Coverage Ratio (Without Subsidies)	-	-	-	1.44	1.45	1.45	1.52	1.59	1.60	1.60	
Investor Cash Flow											
Investor Equity Outstanding	20,733,154	20,733,154	15,581,621	14,351,148	12,962,583	11,451,487	9,714,158	7,754,002	5,649,471	-	
Investor Preferred Equity Payments (10%)	-	-	5,946,152	1,503,258	1,372,517	1,228,052	1,068,804	882,776	680,211	462,829	
Investor Principal Proceeds (50% of Residual)	-	-	5,151,534	1,230,472	1,388,565	1,511,096	1,737,329	1,960,156	2,104,531	5,649,471	
Investor Lookback Payment (15% Minimum)	-	-	-	-	-	-	-	-	-	9,386,487	
Investor Capital Event Excess Split (50%)	-	-	-	-	-	-	-	-	-	17,009,807	
Investor Cash Flow	19.6%	(20,733,154)	-	11,097,685	2,733,731	2,761,082	2,739,148	2,806,133	2,842,932	2,784,742	32,518,594
Ongoing CAP Rate Calculation (With Subsidies)	0.0%	4.0%	8.9%	12.3%	12.7%	12.8%	13.4%	13.8%	14.0%	14.2%	
Ongoing CAP Rate Calculation (Without Subsidies)	0.0%	4.0%	8.1%	8.2%	8.2%	8.2%	8.6%	9.0%	9.0%	9.1%	
Developer Cash Flow											
Developer Proceeds (50% of Residual)	-	-	5,151,534	1,230,472	1,388,565	1,511,096	1,737,329	1,960,156	2,104,531	2,062,044	
Developer Capital Event Cash Flow Split (50%)	-	-	-	-	-	-	-	-	-	17,009,807	
Developer Cash Flow	-	-	5,151,534	1,230,472	1,388,565	1,511,096	1,737,329	1,960,156	2,104,531	19,071,852	

Key Project Metrics	
Stabilized Project NOI	\$ 4,427,602
Stabilized Subsidy Proceeds	\$ 2,771,916
Project Costs (Net of TIF & Pad Sale)	54,595,594
*Stabilized Return on Cost	8.1%
**Return on Cost with Subsidy Proceeds	12.6%
Unleveraged Internal Rate of Return	16.1%
Investor Internal Rate of Return	19.6%
Project Leveraged IRR	30.6%
Cash Equity Required	\$ 20,733,154
Total Developer Promote	\$ 34,155,535

*Includes CAM loss and Vacancy Considerations
 **Includes City Sales Tax Sharing, Private Sales Tax (PIF), and Private Lodging tax (TOT)

Project Sources		
	Project Sources	% of Cost
Cash Investment	\$ 20,733,154	36.2%
Construction Loan	\$ 48,377,360	84.6%
Costs Paid by TIF	\$ (11,914,920)	-20.8%
Net Project Costs	57,195,594	100%
Project Uses		
	Project Uses	% of Cost
Pre Development	\$ 500,000	0.9%
Land Costs	\$ 13,800,000	24.1%
Site Costs	\$ 12,016,658	21.0%
Vertical Costs	\$ 23,715,370	41.5%
Soft Costs	\$ 9,300,356	16.3%
Financing Fees	\$ 967,547	1.7%
Fees & Contingency	\$ 5,117,528	8.9%
Construction Interest	\$ 3,693,055	6.5%
TIF Installment	\$ (11,914,920)	-20.8%
Net Project Costs	57,195,594	100%

Key Project Assumptions	
Construction Loan Interest Rate	8.00%
Construction Loan to Value	70%
Permanent Loan Interest Rate	8.00%
Permanent Loan to Value	70%
Final Sale Cap Rate	8.00%
Investor Preferred Return	10.0%
Investor Lookback Minimum	15.0%
Avg. Annual Sales Tax Sharing	\$ 1,765,121
Avg. Annual PIF Revenue	\$ 1,212,294
Avg. Annual TOT Revenue	\$ 193,478
Gross Subsidy Proceeds (NIC TIF)	\$ 47,369,920
Post-Sale Subsidy NPV Discount Rate	10%
NPV of Subsidies after Sale	\$ 18,574,774
Final Sale Proceeds	\$ 60,450,532



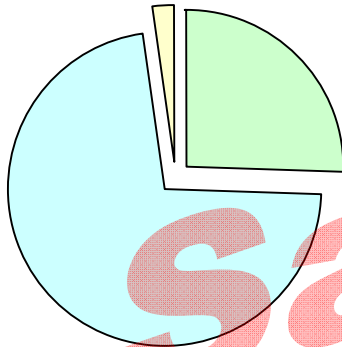
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City of [] - 20 Year Project Impact Estimate
Mall Redevelopment Project

Total 20 Year Revenue to Community:

\$130,184,193

Tax Benefits Breakdown



■ Property ■ Retail Sales ■ Lodging

Cumulative Tax Benefits to [] Community

Year	Property	Retail Sales	Lodging	Total
2010	783,194	367,976	-	\$ 1,151,171
2011	660,068	312,780	-	\$ 972,848
2012	360,722	265,863	-	\$ 626,585
2013	360,722	-	-	\$ 360,722
2014	360,722	3,443,736	-	\$ 3,804,458
2015	1,335,734	3,512,611	91,980	\$ 4,940,325
2016	1,364,127	3,582,863	109,456	\$ 5,056,446
2017	1,384,589	3,654,520	119,620	\$ 5,158,729
2018	1,405,358	3,727,611	122,012	\$ 5,254,981
2019	1,426,438	3,802,163	124,453	\$ 5,353,054
2020	1,447,835	3,878,206	126,942	\$ 5,452,983
2021	1,469,552	3,955,770	129,481	\$ 5,554,803
2022	1,491,595	4,034,886	132,070	\$ 5,658,551
2023	1,513,969	4,115,584	134,712	\$ 5,764,264
2024	1,536,679	4,197,895	137,406	\$ 5,871,980
2025	1,559,729	4,281,853	140,154	\$ 5,981,736
2026	1,583,125	4,367,490	142,957	\$ 6,093,572
2027	1,606,872	4,454,840	145,816	\$ 6,207,528
2028	1,630,975	4,543,937	148,732	\$ 6,323,644
2029	1,655,439	4,634,816	151,707	\$ 6,441,962
2030	1,680,271	4,727,512	154,741	\$ 6,562,524
2031	1,705,475	4,822,062	157,836	\$ 6,685,373
2032	1,731,057	4,918,503	160,993	\$ 6,810,553
2033	1,757,023	5,016,873	164,213	\$ 6,938,109
2034	1,783,378	5,117,211	167,497	\$ 7,068,086
2035	1,810,129	5,219,555	170,847	\$ 7,200,531
Total	\$ 33,240,072	\$ 94,010,497	\$ 2,933,624	\$ 130,184,193

Cumulative Tax Benefits to Project

Year	Property Tax Sharing	Private Property Tax	Retail Sales Sharing	Private Sales Fee	Private Lodging Fee	Total
2010	-	-	-	-	-	\$ -
2011	-	-	-	-	-	\$ -
2012	-	-	-	-	-	\$ -
2013	-	-	-	-	-	\$ -
2014	-	-	1,507,122	1,051,523	-	\$ 2,558,645
2015	975,012	394,641	1,540,871	1,072,553	137,970	\$ 4,121,047
2016	1,003,405	403,030	1,575,295	1,094,004	164,184	\$ 4,239,917
2017	1,023,866	409,075	1,610,407	1,115,884	179,430	\$ 4,338,662
2018	1,044,635	415,211	1,646,221	1,138,202	183,019	\$ 4,427,288
2019	1,065,716	421,440	1,682,751	1,160,966	186,679	\$ 4,517,551
2020	1,087,112	427,761	1,720,013	1,184,185	190,413	\$ 4,609,484
2021	1,108,830	434,178	1,758,019	1,207,869	194,221	\$ 4,703,116
2022	1,130,873	440,690	1,796,786	1,232,026	198,105	\$ 4,798,480
2023	1,153,247	447,301	1,836,328	1,256,667	202,067	\$ 4,895,609
2024	1,175,957	454,010	1,876,660	1,281,800	206,109	\$ 4,994,536
2025	1,199,007	460,820	1,917,800	1,307,436	210,231	\$ 5,095,293
2026	1,222,403	467,733	1,959,762	1,333,585	214,435	\$ 5,197,917
2027	1,246,150	474,749	2,002,563	1,360,256	218,724	\$ 5,302,442
2028	1,270,253	481,870	2,046,221	1,387,462	223,099	\$ 5,408,903
2029	1,294,717	489,098	-	-	-	\$ 1,783,815
2030	1,319,549	496,434	-	-	-	\$ 1,815,983
2031	1,344,753	503,881	-	-	-	\$ 1,848,634
2032	1,370,335	511,439	-	-	-	\$ 1,881,774
2033	1,396,301	519,111	-	-	-	\$ 1,915,411
2034	1,422,656	526,897	-	-	-	\$ 1,949,553
2035	1,449,407	534,801	-	-	-	\$ 1,984,208
Total	\$ 25,304,182	\$ 9,714,168	\$ 26,476,817	\$ 18,184,417	\$ 2,708,685	\$ 82,388,270

* Property tax benefits to [] Community based on total 84.6 mill levy for local school district, [] county, and water districts

** 2010 sales estimated by taking known site sales tax revenue from 2009 (\$14,382,795) and applying YOY decline (22%) from known Q1-Q3 data

*** 2011 and 2012 sales estimates assume a 15% annual sales decline

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City Fee Estimate

Mall Redevelopment Project

New Construction Portion

Square Footage (New Construction Only)	234,178
Valuation Multiplier	101.96
NC Project Valuation Basis:	\$ 23,876,789

Adaptive Reuse Portion

Total Cost Associated with Remodel	\$ 1,425,000
Remodel Valuation Basis:	\$ 1,425,000

Total Valuation Basis:	25,301,789
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Fee Estimates

Building Permit Fee:	\$ 112,716
Plan Review Fee:	\$ 73,265
City & County Tax:	\$ 496,548
Water & Sewer Fee:	n/a
Utility Fee:	n/a

Permit Fee Calculation Table:

\$1,000,001 and up = \$6,448.55 for the first \$1,000,000.00 plus \$4.20 for each additional \$1,000.00 or fraction thereof.

Permit Fee Calculation:

Total Building Permit Fee:	112,716
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Calc.

(See Below)
65%
3.925%

Notes

Based on Sliding value scale
65% of building permit fee
1/2 of total Materials Cost x 3.925%
Only applicable for significant usage upgrades
Only applicable for significant usage upgrades

<i>Base:</i>	<i>Increment:</i>	<i>Mult:</i>
\$ 6,449	\$ 106,268	\$ 4.20

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Bonded Revenues : Mail Redevelopment Project

Property Tax Increment Finance

Year	Market Valuation	Assessed Valuation	Total Tax	Tax Above Baseline
2012	\$ 14,700,000	4,263,000	360,722	\$ -
2013	\$ 14,700,000	4,263,000	360,722	\$ -
2014	\$ 14,700,000	4,263,000	360,722	\$ -
2015	\$ 54,433,267	15,785,647	1,335,734	\$ 975,012
2016	\$ 55,590,316	16,121,192	1,364,127	\$ 1,003,405
2017	\$ 56,424,170	16,363,009	1,384,589	\$ 1,023,866
2018	\$ 57,270,533	16,608,455	1,405,358	\$ 1,044,635
2019	\$ 58,129,591	16,857,581	1,426,438	\$ 1,065,716
2020	\$ 59,001,535	17,110,445	1,447,835	\$ 1,087,112
2021	\$ 59,886,558	17,367,102	1,469,552	\$ 1,108,830
2022	\$ 60,784,856	17,627,608	1,491,595	\$ 1,130,873
2023	\$ 61,696,629	17,892,022	1,513,969	\$ 1,153,247
2024	\$ 62,622,079	18,160,403	1,536,679	\$ 1,175,957
2025	\$ 63,561,410	18,432,809	1,559,729	\$ 1,199,007
2026	\$ 64,514,831	18,709,301	1,583,125	\$ 1,222,403
2027	\$ 65,482,553	18,989,940	1,606,872	\$ 1,246,150
2028	\$ 66,464,792	19,274,790	1,630,975	\$ 1,270,253
2029	\$ 67,461,764	19,563,911	1,655,439	\$ 1,294,717
2030	\$ 68,473,690	19,857,370	1,680,271	\$ 1,319,549
2031	\$ 69,500,795	20,155,231	1,705,475	\$ 1,344,753
2032	\$ 70,543,307	20,457,559	1,731,057	\$ 1,370,335
2033	\$ 71,601,457	20,764,422	1,757,023	\$ 1,396,301
2034	\$ 72,675,479	21,075,889	1,783,378	\$ 1,422,656
2035	\$ 73,765,611	21,392,027	1,810,129	\$ 1,449,407
Average AV Tax Revenue Above Baseline				\$ 1,204,961
Gross Estimated Bond Proceeds				\$ 10,011,273
Estimated Net Bond Proceeds				\$ 8,609,695

Improvement District Property Tax Revenue

Year	Market Valuation	Assessed Valuation	Private Mill	MD Revenue
2012	\$ 14,700,000	4,263,000	\$ -	\$ -
2013	\$ 14,700,000	4,263,000	\$ -	\$ -
2014	\$ 14,371,353	4,167,692	\$ -	\$ -
2015	\$ 54,433,267	15,785,647	394,641	\$ 394,641
2016	\$ 55,590,316	16,121,192	403,030	\$ 403,030
2017	\$ 56,424,170	16,363,009	409,075	\$ 409,075
2018	\$ 57,270,533	16,608,455	415,211	\$ 415,211
2019	\$ 58,129,591	16,857,581	421,440	\$ 421,440
2020	\$ 59,001,535	17,110,445	427,761	\$ 427,761
2021	\$ 59,886,558	17,367,102	434,178	\$ 434,178
2022	\$ 60,784,856	17,627,608	440,690	\$ 440,690
2023	\$ 61,696,629	17,892,022	447,301	\$ 447,301
2024	\$ 62,622,079	18,160,403	454,010	\$ 454,010
2025	\$ 63,561,410	18,432,809	460,820	\$ 460,820
2026	\$ 64,514,831	18,709,301	467,733	\$ 467,733
2027	\$ 65,482,553	18,989,940	474,749	\$ 474,749
2028	\$ 66,464,792	19,274,790	481,870	\$ 481,870
2029	\$ 67,461,764	19,563,911	489,098	\$ 489,098
2030	\$ 68,473,690	19,857,370	496,434	\$ 496,434
2031	\$ 69,500,795	20,155,231	503,881	\$ 503,881
2032	\$ 70,543,307	20,457,559	511,439	\$ 511,439
2033	\$ 71,601,457	20,764,422	519,111	\$ 519,111
2034	\$ 72,675,479	21,075,889	526,897	\$ 526,897
2035	\$ 73,765,611	21,392,027	534,801	\$ 534,801
Average AV Tax Revenue				\$ 462,579
Gross Estimated Bond Proceeds				\$ 3,843,285
Estimated Net Bond Proceeds				\$ 3,305,225

Combined Bondable Revenue
\$ -
\$ 1,369,653
\$ 1,406,434
\$ 1,432,942
\$ 1,459,847
\$ 1,487,155
\$ 1,514,873
\$ 1,543,007
\$ 1,571,563
\$ 1,600,548
\$ 1,629,967
\$ 1,659,827
\$ 1,690,135
\$ 1,720,898
\$ 1,752,122
\$ 1,783,815
\$ 1,815,983
\$ 1,848,634
\$ 1,881,774
\$ 1,915,411
\$ 1,949,553
\$ 1,984,208
\$ 1,991,743
\$ 13,854,559
\$ 11,914,920

Input Information

Annual Market Valuation Escallation	1.50%
Assessed Commercial Valuation Calculation	29.00%
Millage	0.084617
Existing Baseline Property Tax Total	360,722
Constant Calculation (Non Rated, Credit Non Enhanced)	
Underwriting Costs (% of issuance amount):	4.00%
Additional Underwriting Fee:	\$ -
Debt Reserve Fund Escrow Loss	10% \$ 1,001,127
Total Issuance Expenses:	\$ 1,401,578
Coupon	6.00%
Term (Yrs)	20
Debt Service Coverage	1.40
Constant: 12.04%	
Total Millage Breakdown	
County	23.745
School District (RE-1J)	46.268
City of []	13.420
NCWD	1.000
St. Vrain Left Hand Water	0.184
Total Mill Levy:	84.617

Input Information

Annual Market Valuation Escallation	1.50%
Assessed Commercial Valuation Calculation	29.00%
Additional Private Millage	0.02500
Constant Calculation (Non Rated, Credit Non Enhanced)	
Underwriting Costs (% of issuance amount):	4.00%
Additional Underwriting Fee:	\$ -
Debt Reserve Fund Escrow Loss	10% \$ 384,329
Total Issuance Expenses:	\$ 538,060
Coupon	6.00%
Term (Yrs)	20
Debt Service Coverage	1.40
Constant: 12.04%	

Estimated Property Tax Sharing Bond Proceeds	\$ 8,609,695
Estimated Private Tax Bond Proceeds	\$ 3,305,225
Estimated Private Tax Bond Proceeds	NIC in Bond
Total Bond Proceeds:	\$ 11,914,920

*Valuation Driven by Proforma NOI Estimates

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Cash Flow Revenues: Mall Redevelopment Project

Sales Tax Increment Sharing Revenues

Year	Weighted Avg. Sales / SF	Total Sales Above Baseline	Total RSF Revenue
2012			\$ -
2013			\$ -
2014	\$ 229.00	93,916,332	\$ 1,507,122
2015	\$ 233.58	96,019,377	\$ 1,540,871
2016	\$ 238.25	98,164,483	\$ 1,575,295
2017	\$ 243.02	100,352,491	\$ 1,610,407
2018	\$ 247.88	102,584,259	\$ 1,646,221
2019	\$ 252.84	104,860,663	\$ 1,682,751
2020	\$ 257.89	107,182,595	\$ 1,720,013
2021	\$ 263.05	109,550,965	\$ 1,758,019
2022	\$ 268.31	111,966,702	\$ 1,796,786
2023	\$ 273.68	114,430,755	\$ 1,836,328
2024	\$ 279.15	116,944,088	\$ 1,876,660
2025	\$ 284.73	119,507,688	\$ 1,917,800
2026	\$ 290.43	122,122,561	\$ 1,959,762
2027	\$ 296.24	124,789,730	\$ 2,002,563
2028	\$ 302.16	127,510,243	\$ 2,046,221
2029	\$ 308.21	130,285,166	\$ -
2030	\$ 314.37	133,115,588	\$ -
2031	\$ 320.66	136,002,618	\$ -
2032	\$ 327.07	138,947,389	\$ -
2033	\$ 333.61	141,951,055	\$ -
2034	\$ 340.28	145,014,794	\$ -
2035	\$ 347.09	148,139,809	\$ -
Average Annual Sales Tax Revenue			\$ 1,765,121
Gross Potential Sales Tax Bond Proceeds			\$ 9,619,965
Estimated Sales Tax Bond Proceeds			\$ 8,311,650

Private Retail Sales Fee Revenues

Year	Weighted Avg. Sales / SF	Total Retail Sales	Total RSF Revenue
2012			\$ -
2013			\$ -
2014	\$ 229.00	105,152,250	\$ 1,051,523
2015	\$ 233.58	107,255,295	\$ 1,072,553
2016	\$ 238.25	109,400,401	\$ 1,094,004
2017	\$ 243.02	111,588,409	\$ 1,115,884
2018	\$ 247.88	113,820,177	\$ 1,138,202
2019	\$ 252.84	116,096,581	\$ 1,160,966
2020	\$ 257.89	118,418,512	\$ 1,184,185
2021	\$ 263.05	120,786,882	\$ 1,207,869
2022	\$ 268.31	123,202,620	\$ 1,232,026
2023	\$ 273.68	125,666,673	\$ 1,256,667
2024	\$ 279.15	128,180,006	\$ 1,281,800
2025	\$ 284.73	130,743,606	\$ 1,307,436
2026	\$ 290.43	133,358,478	\$ 1,333,585
2027	\$ 296.24	136,025,648	\$ 1,360,256
2028	\$ 302.16	138,746,161	\$ 1,387,462
2029	\$ 308.21	141,521,084	\$ -
2030	\$ 314.37	144,351,506	\$ -
2031	\$ 320.66	147,238,536	\$ -
2032	\$ 327.07	150,183,306	\$ -
2033	\$ 333.61	153,186,973	\$ -
2034	\$ 340.28	156,250,712	\$ -
2035	\$ 347.09	159,375,726	\$ -
Average Annual RSF Revenue			\$ 1,212,294
Gross Potential RSF Bond Proceeds			\$ 6,406,829
Estimated Potential RSF Bond Proceeds			\$ 6,150,556

Hotel Accomodation Tax Revenues

Year	Average Daily Rate	Est. Occ.	Hotel Room Revenue	TOT Fee Revenue
2012			\$ -	\$ -
2013			\$ -	\$ -
2014			\$ -	\$ -
2015	\$ 140.00	60%	\$ 4,599,000	\$ 137,970
2016	\$ 142.80	70%	\$ 5,472,810	\$ 164,184
2017	\$ 145.66	75%	\$ 5,981,000	\$ 179,430
2018	\$ 148.57	75%	\$ 6,100,619	\$ 183,019
2019	\$ 151.54	75%	\$ 6,222,632	\$ 186,679
2020	\$ 154.57	75%	\$ 6,347,085	\$ 190,413
2021	\$ 157.66	75%	\$ 6,474,026	\$ 194,221
2022	\$ 160.82	75%	\$ 6,603,507	\$ 198,105
2023	\$ 164.03	75%	\$ 6,735,577	\$ 202,067
2024	\$ 167.31	75%	\$ 6,870,288	\$ 206,109
2025	\$ 170.66	75%	\$ 7,007,694	\$ 210,231
2026	\$ 174.07	75%	\$ 7,147,848	\$ 214,435
2027	\$ 177.55	75%	\$ 7,290,805	\$ 218,724
2028	\$ 181.10	75%	\$ 7,436,621	\$ 223,099
2029	\$ 184.73	75%	\$ 7,585,354	\$ -
2030	\$ 188.42	75%	\$ 7,737,061	\$ -
2031	\$ 192.19	75%	\$ 7,891,802	\$ -
2032	\$ 196.03	75%	\$ 8,049,638	\$ -
2033	\$ 199.95	75%	\$ 8,210,631	\$ -
2034	\$ 203.95	75%	\$ 8,374,843	\$ -
2035	\$ 208.03	75%	\$ 8,542,340	\$ -
Average Annual Lodging Tax Revenue				\$ 193,478
Gross Potential TOT Bond Proceeds				\$ 833,543
Estimated Potential TOT Bond Proceeds				\$ 800,201

Input Information

Total Project Square Footage	459,178
Annual Sales Escalator	2.00%
Baseline Retail Sales Assumption	\$ 11,235,918
[] Existing Sales Tax	3.275%
Retail Sales Increment Developer Capture	50.00%
[] Tax Collection Administrative Fee	2.0%
Debt Reserve Fund Coverage (if bonded)	10%
Constant Calc. (Non Rated, Credit Non Enhanced)	
Underwriting Costs (% of issuance amount):	4.00%
Additional Underwriting Fee:	\$ -
Total Issuance Expenses:	\$ 384,799
Coupon	8.00%
Term (Yrs)	15
Debt Service Coverage	1.60
Constant:	18.35%
Baseline Sales Calculation	
Known 2009 January - August Sales Data	\$ 10,091,174
Known 2010 January - August Sales Data	\$ 7,883,280
Total Year over Year Decline	21.9%
Known 2009 Total Sales Data	\$ 14,382,795
Total Estimated 2010 Sales:	\$ 11,235,918

Input Information

Total Project Square Footage	459,178
Annual Sales Escalator	2.00%
Additional Retail Sales Fee Amount	1.00%
Number of Years Collected	15
Constant Calc. (Non Rated, Credit Non Enhanced)	
Underwriting Costs (% of issuance amount):	4.00%
Additional Underwriting Fee:	\$ -
Total Issuance Expenses:	\$ 256,273
Coupon	8.00%
Term (Yrs)	15
Debt Service Coverage	1.65
Constant:	18.92%
Existing Longmont Sales Tax:	
City of []	3.275%
State of Colorado	2.900%
RTD	1.000%
Cultural	0.200%
Boulder County	0.650%
Existing Sales Tax:	8.025%
Proposed District Tax	1.000%
Proposed Total Sales Tax:	9.025%

Comparable Municipality Tax Rates:

Municipality	Sales Tax	Variance:
Boulder	8.160%	0.865%
Broomfield	7.850%	1.175%
Westminster (Jefferson Co.)	8.450%	0.575%
Westminster (Adams Co.)	8.700%	0.325%
Denver	7.720%	1.305%
Loveland	6.700%	2.325%
Average Comparable:	7.930%	1.095%

* Does NOT account for specialty taxing districts

Input Information

Total Hotel Keys	150	
Annual Rate Escalator	2.00%	
Additional Private Lodging Tax Amount	3.00%	
Number of Years Collected	15	
Constant Calc. (Non Rated, Credit Non Enhanced)		
Underwriting Costs (% of issuance amount):	4.00%	
Additional Underwriting Fee:	\$ -	
Total Issuance Expenses:	\$ 33,342	
Coupon	8.00%	
Term (Yrs)	15	
Debt Service Coverage	1.80	
Constant:	23.21%	
Existing Longmont Lodging Tax:		
City of []	2.0%	
Proposed District Tax	3.0%	
Proposed Total Lodging Tax:	5.00%	
Comparable Hotel Occupancy Fee Rates:		
TOT Fee:	Variance:	
Boulder	5.50%	-0.50%
Broomfield	1.60%	3.40%
Westminster	7.00%	-2.00%
Denver	10.75%	-5.75%
Loveland	3.00%	2.00%
Average Comparable:	5.57%	-0.57%

* Does NOT account for specialty taxing districts

** Occupancy fee/tax, transient oriented tax (TOT), lodging fee, and hotel accommodations fee are synonymous terms

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Project Cash Flow

Mall Redevelopment Project

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Lease Revenues											
Theater	-	615,360	1,054,904	1,054,904	1,054,904	1,054,904	1,116,440	1,160,394	1,160,394	1,160,394	1,160,394
Retail	-	1,193,125	2,580,714	2,601,855	2,623,631	2,646,060	2,771,095	2,880,556	2,905,065	2,930,309	2,956,310
Pad Ground Lease	-	525,833	1,105,000	1,105,000	1,105,000	1,105,000	1,157,583	1,215,500	1,215,500	1,215,500	1,215,500
Total	\$ -	\$2,334,319	\$4,740,617	\$4,761,759	\$4,783,534	\$4,805,963	\$5,045,118	\$5,256,450	\$5,280,959	\$5,306,203	\$5,332,204
Operating Expenses											
Economic Vacancy & CAM Slippage	-	81,701	165,922	166,662	167,424	168,209	176,579	183,976	184,834	185,717	186,627
Non-Recoverable Expenses	-	70,030	142,219	142,853	143,506	144,179	151,354	157,694	158,429	159,186	159,966
Total	\$ -	\$151,731	\$308,140	\$309,514	\$310,930	\$312,388	\$327,933	\$341,669	\$343,262	\$344,903	\$346,593
Net Operating Income	\$ -	\$2,182,588	\$4,432,477	\$4,452,244	\$4,472,605	\$4,493,576	\$4,717,185	\$4,914,781	\$4,937,697	\$4,961,300	\$4,985,611

Pad Sale Revenue											
Total	\$ -	\$2,600,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Construction Costs											
PRE DEVELOPMENT COSTS	500,000	-	-	-	-	-	-	-	-	-	-
LAND COSTS	13,800,000	-	-	-	-	-	-	-	-	-	-
SITE COSTS	11,766,658	250,000	-	-	-	-	-	-	-	-	-
VERTICAL COST	11,049,084	12,666,286	-	-	-	-	-	-	-	-	-
SOFT COSTS	6,106,382	3,193,973	-	-	-	-	-	-	-	-	-
FINANCING	483,774	-	483,774	-	-	-	-	-	-	-	-
FEES & CONTINGENCY	3,411,686	1,705,843	-	-	-	-	-	-	-	-	-
TAX INCREMENT FINANCE INSTALLMENT	(11,914,920)	-	-	-	-	-	-	-	-	-	-
Total	\$35,202,663	\$17,816,102	\$483,774	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Other Subsidy Net Revenues												
Sales Tax Sharing Revenue	-	-	376,781	1,515,559	1,549,477	1,584,073	1,619,360	1,655,354	1,692,067	12,045,812	10,362,143	
Private Retail Sales Fee Revenue	-	-	262,881	1,056,780	1,077,916	1,099,474	1,121,464	1,143,893	1,166,771	8,265,104	7,074,998	
Private Hotel Accommodation Tax Revenue	-	-	-	34,493	144,524	167,996	180,327	183,934	187,612	1,413,468	1,137,633	
Total	\$ -	\$ -	\$639,661	\$2,606,832	\$2,771,916	\$2,851,542	\$2,921,151	\$2,983,180	\$3,046,450	\$21,724,384	\$18,574,774	

Final NPV of
Unused Subsidy
10,362,143
7,074,998
1,137,633
\$18,574,774

Total Cash Flow	16.1%	(\$35,202,663)	(\$13,033,514)	\$4,588,365	\$7,059,076	\$7,244,521	\$7,345,118	\$7,638,336	\$7,897,961	\$7,984,146	\$87,136,216
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Financing Cash Flow

Equity											
Equity Draw	(20,733,154)	-	-	-	-	-	-	-	-	-	-
Construction Loan											
Construction Loan Paydown	-	(4,782,588)	(23,455,455)	-	-	-	-	-	-	-	-
Construction Interest Reserve Fund	(437,878)	(1,958,547)	(1,296,630)	-	-	-	-	-	-	-	-
Permanent Loan											
Permanent Loan Funding	-	-	35,148,348	-	-	-	-	-	-	-	-
Permanent Loan Payments	-	-	(515,812)	(3,094,873)	(3,094,873)	(3,094,873)	(3,094,873)	(3,094,873)	(3,094,873)	(3,094,873)	(3,094,873)
Permanent Loan Payoff	-	-	-	-	-	-	-	-	-	-	(32,450,896)
Sale Proceeds											60,450,532
Total Project Cash Flow	30.6%	(\$20,733,154)	\$ -	\$16,249,219	\$3,964,203	\$4,149,647	\$4,250,244	\$4,543,462	\$4,803,088	\$4,889,273	\$51,590,446
Debt Coverage Ratio With Subsidies				2.28	2.34	2.37	2.47	2.55	2.58	2.58	2.62
Debt Coverage Ratio Without Subsidies				1.44	1.45	1.45	1.52	1.59	1.60	1.60	1.60

Land Carry Cash Flow

Land Carry Proceeds	-	-	-	-	-	-	-	-	-	-	-
Land Carry Remaining Balance	-	-	-	-	-	-	-	-	-	-	-

Investor Cash Flow

Preferred Equity Payments	-	-	5,946,152	1,503,258	1,372,517	1,228,052	1,068,804	882,776	680,211	462,829	
Investor Equity Payback	-	-	5,151,534	1,230,472	1,388,565	1,511,096	1,737,329	1,960,156	2,104,531	5,649,471	
Investor Lookback Payment	-	-	-	-	-	-	-	-	-	9,396,487	
Investor Final Equity Payoff	-	-	-	-	-	-	-	-	-	-	
Investor Capital Event CF	-	-	-	-	-	-	-	-	-	17,009,807	
Total Investor Cash Flow	19.6%	(\$20,733,154)	\$ -	\$11,097,685	\$2,733,731	\$2,761,082	\$2,739,148	\$2,806,133	\$2,842,932	\$2,784,742	\$32,518,594

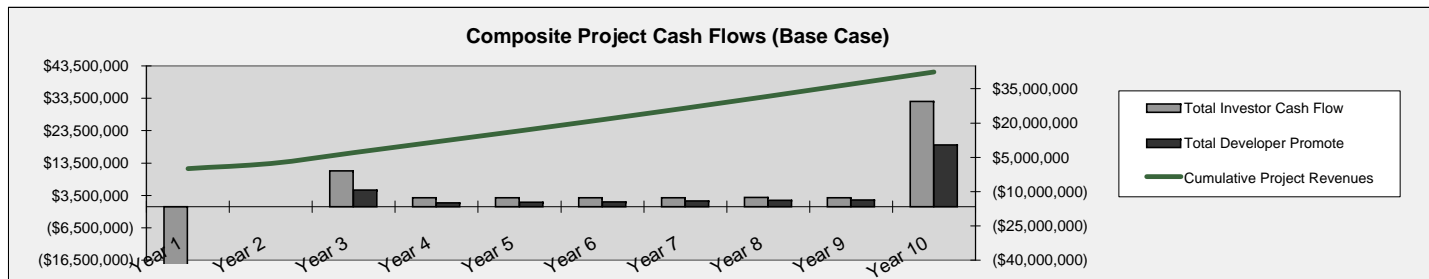
Developer Cash Flow

Developer Cash Flow Proceeds	-	-	5,151,534	1,230,472	1,388,565	1,511,096	1,737,329	1,960,156	2,104,531	2,062,044
Developer Capital Event CF	-	-	-	-	-	-	-	-	-	17,009,807
Total Developer Cash Flow	\$34,155,535	\$ -	\$5,151,534	\$1,230,472	\$1,388,565	\$1,511,096	\$1,737,329	\$1,960,156	\$2,104,531	\$19,071,852

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Scenario Analysis
Mall Redevelopment Project

Description:	Base Case	Best Case	Worst Case
Project Metrics			
Return on Cost (Net)	8.1%	8.3%	8.0%
Return on Cost (with Subsidies)	12.6%	12.9%	12.4%
Unleveraged Internal Rate of Return	16.1%	16.9%	15.4%
Project Leveraged IRR	30.6%	38.7%	28.1%
Investor Internal Rate of Return	19.6%	20.9%	19.0%
Cash Equity Required	\$ 20,733,154	\$ 20,552,422	\$ 20,781,377
Total Developer Promote	\$ 34,286,694	\$ 42,678,377	\$ 30,877,567
Developer Fees Generated	\$ 1,965,262	\$ 1,965,262	\$ 1,965,262
Total Project Cost	\$ 69,110,514	\$ 68,508,074	\$ 69,271,256
Variables			
Cap Rate	8.00%	7.50%	8.50%
Construction LTV	70.0%	70.0%	70.0%
Construction Interest Rate	8.00%	7.00%	8.00%
Permanent LTV	70.0%	75.0%	65.0%
Permanent Loan Interest Rate	8.00%	7.00%	8.00%
Investor Preferred Return	10%	10%	10%
Average Site Land Cost /SF	\$ 5.28	\$ 5.28	\$ 5.28
Average Retail Rental Rate	\$ 11.94	\$ 11.94	\$ 11.94
Average Pad GL Rate	\$ 23.76	\$ 23.76	\$ 23.76
Average Retail Rent	\$ 11.94	\$ 11.94	\$ 11.94
Pad Lease Rate	\$ 23.76	\$ 23.76	\$ 23.76
General Contingency	\$ 3,152,267	\$ 3,152,267	\$ 3,152,267



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