

Lot size (sq. ft.)		19,166
Coverage		0.25
Building area		4,792
Annual Ground lease payment	\$	75,000
Ground Rent PSF building area	\$	15.65
Cap Rate		6.5% NOI/value of land
Land Value	\$	1,153,846

Toby's		
	Assessed Land Value	935,900.00
	Size (acres)	2.58
HRD Site		
	Land Value	159,610.85
	Size (acres)	0.44

	Market Rate	MIHU/Sect. 8	Variance
Value per Gross Square Foot (1)	207.42	138.24	
Square Feet per Unit (1)	1,000	1,000	
Value per Unit (1)	207,420	138,240	
Construction Cost per SF (2)	157.02	157.02	
Parking cost per SF (3)	29.50	29.50	
Total cost per SF	186.52	186.52	
Square Feet per Unit (1)	1,000	1,000	
Cost per Unit	186,520	186,520	
Net Value per Unit	20,900.00	(48,280.00)	69,180.00

(1) Source: Schedule I Municap Fiscal Impact Study

(2) RS Means Construction Cost Estimates for Apartment, 8-24 Story in Baltimore, Maryland, <http://www.rsmeans.com/models/>

(3) Assumes \$20,000 per parking space times 1.3 spaces per unit and 1,000 SF per unit

New MR units	1,030
Value from new MR Units	21,527,000
Subidized units	360
Loss from new Subsidized Units	(17,380,800)
Loss from new Subsidized Units Foregone because are being built in place of MR Units	(24,904,800)

New units

HOWARD HUGHES-BUILT MARKET RATE PROPERTIES (EXCLUDING FOR-SALE UNITS)*

Structured Parking Cost Comparison

	50%	50%	
Market Rate	2,107	2,107	4,214
Affordable	355	355	710

	Spaces/Unit	Avg. Cost/Space	# Units	Total Cost	
<i>Current Ratios</i>					
Market Rate	1.55	20,000	4,214	130,634,000	
Affordable	1.55	20,000	710	22,010,000	
				152,644,000	
<i>JR Ratios</i>					
Market Rate					
Studio/1 Bdrm.	1.3	20,000	2,107	54,782,000	1.475
2 or 3 Bdrm.	1.65	20,000	2,107	69,531,000	
				124,313,000	
Affordable					
Studio/1 Bdrm.	1.3	20,000	355	9,230,000	
2 or 3 Bdrm.	1.65	20,000	355	11,715,000	
				20,945,000	
				7,386,000	

* assumes HH builds Flier, temp. fire station, existing library

Downtown Columbia LIHTC Project Examples

Example 1: 200 unit mixed-income LIHTC Project (estimates for Toby's)

Values	
assessment/value	\$ 41,539,080
units	200
per unit value	\$ 207,695
Costs	
TDC*	\$ 47,362,293
Parking	\$ 5,900,000
LIHTC Equity**	<u>(\$8,476,247)</u>
Developer cost	\$ 44,786,046
cost/unit	\$ 223,930.23
net value per unit	<u>(\$16,234.83)</u>
Market rate unit value	20,900.00
Net Value per Unit	<u>(\$37,134.83)</u>

*excludes land cost

**includes parking credit

Example 1	
NOI projected	\$ 2,076,954
cap rate ¹	5%
value	\$ 41,539,080

¹ Assumes rate for mixed income project

Example 2: 106 unit all low-income LIHTC Project (Ellicott Gardens)

Values	
assessment/value (actual)	\$ 10,587,500
units	106
per unit value	\$ 99,882
Costs	
TDC*	\$ 15,967,627
Parking**	\$ 3,127,000
LIHTC Equity***	<u>(\$5,570,552)</u>
Developer cost	\$ 13,524,075
cost/unit	\$ 127,586
net value per unit	<u>(\$27,703.53)</u>
Market rate unit value	20,900.00
Net Value per Unit	<u>(\$48,603.53)</u>

*excludes land cost

**not part of Ellicott Gardens development costs, but included as a hypothetical in this example since it will apply to Howard Hughes-developed LIHTC properties

***includes parking credit

REVISED Joint Affordable Housing Recommendations - Value to Howard Hughes
*****Howard Hughes Does Not Build LIHTC Units*****

Land Contributions	# units	Value/unit	Value*
Transit Center air rights site conveyance ¹	60	53,500	(3,210,000)
Toby's site conveyance (0.44 acres) ²	N/A	N/A	(159,611)
Flier Building site purchase and conveyance	N/A	N/A	(2,800,000)
Banneker Fire Station	N/A	N/A	0
Temporary fire station site conveyance ¹	90	53,500	(4,815,000)
Existing library site conveyance ¹	300	53,500	(16,050,000)
Additional Units in HH Projects	# units	Profit/unit	Value*
Market rate units	1,030	20,900	21,527,000
80% AMI units ³	180	(69,180)	(12,452,400)
Section 8 units ³	180	(69,180)	(12,452,400)
Parking	# units	Value/unit	Value*
Ratio reduction	N/A	N/A	7,386,000
Housing Trust Fund Fees	# units	Value/unit	Value*
For-sale units ⁴	549	7,000/9,000	(4,393,000)
Metropolitan	817	2,000	(1,634,000)
CEPPA 26	5,500	2,000/7,000/9,000	35,000,000
Total Value			5,946,589

Notes:

*2015 dollars

1. per unit residential land value at Metropolitan
2. SDAT
3. value/unit constitutes margin between value of market rate and affordable unit
4. MuniCap fiscal impact study

REVISED Joint Affordable Housing Recommendations - Value to Howard Hughes

*****Howard Hughes Builds LIHTC Units*****

Land Contributions	# units	Land Value/unit	Value*
Transit Center air rights site conveyance ¹	60	53,500	(3,210,000)
Toby's site conveyance (0.44 acres) ²	N/A	N/A	(159,611)
Flier Building site purchase and conveyance	N/A	N/A	(2,800,000)
Banneker Fire Station	N/A	N/A	0
Temporary fire station site conveyance ¹	N/A	N/A	0
Existing library site conveyance ¹	N/A	N/A	0
Additional Units in HH Projects	# units	Assessed Value/unit	Value*
Market rate units	1,030	20,900	21,527,000
80% AMI units ³	180	(69,180)	(12,452,400)
Section 8 units ³	180	(69,180)	(12,452,400)
Existing library units ⁴	300	(37,135)	(11,140,449)
Temporary fire station units ⁵	90	(48,604)	(4,374,318)
Flier building units ⁷	220	(16,235)	(3,571,663)
Parking	# units	Value/unit	Value*
Ratio reduction	N/A	N/A	7,386,000
Housing Trust Fund Fees	# units	Value/unit	Value*
For-sale units ⁶	549	7,000/9,000	(4,393,000)
Metropolitan	817	2,000	(1,634,000)
CEPPA 26	5,500	2,000/7,000/9,000	35,000,000
Total Value			7,725,159

Notes:

*2015 dollars

1. per unit residential land value at Metropolitan

2. SDAT

3. value/unit constitutes margin between value of market rate and affordable unit

4. see example 1 from LIHTC Project Example tab; value/unit constitutes margin between value of market project and LIHTC project unit

5. see example 2 from LIHTC Project Example tab; value/unit constitutes margin between value of market project and LIHTC project unit

6. MuniCap fiscal impact study

7. units not part of the original 5,500 count