



Finance Interest Calculations

Arcadia Place
60 Unit Condominium Project Quick Proforma Condominium Development

June 10, 2008
Developer Pro

	<u>Interest Cost Calculation</u>	<u>Interest Cost</u>
INTEREST COSTS DURING PRE-CONSTRUCTION & CONSTRUCTION PERIOD		
Construction Loan		
<i>Assuming 100% Financing using Construction Loan</i>		
Land Costs	\$ 5,018,000 x 21 mo. x 8.000% x 1/12 x 1.00	\$ 702,520
Site Preparation	\$ 185,000 x 14 mo. x 8.000% x 1/12 x 0.75	12,950
Construction	\$ 14,225,000 x 14 mo. x 8.000% x 1/12 x 0.50	663,833
Professional Fees	\$ 1,207,800 x 14 mo. x 8.000% x 1/12 x 0.75	84,546
City Fees	\$ 1,895,000 x 14 mo. x 8.000% x 1/12 x 0.75	132,650
Miscellaneous	\$ 25,000 x 14 mo. x 8.000% x 1/12 x 0.50	<u>1,167</u>
		1,597,666
<i>Adjusting for interest not paid on Developer's Equity</i>		
Equity	(\$ 7,000,000 x 21 mo. x 8.000% x 1/12 x 1.00)	<u>(980,000)</u>
		617,666
INTEREST COSTS DURING THE SALES PERIOD		
Construction Loan		
<i>Assuming 100% Financing using Construction Loan</i>		
Total Development Costs	\$ 25,027,343 x 8 mo. x 8.000% x 1/12 x 0.50	667,396
Real Estate Commissions & Selling Expenses	\$ 2,446,900 x 8 mo. x 8.000% x 1/12 x 0.50	<u>65,251</u>
		732,647
<i>Adjusting for interest not paid on Developer's Equity</i>		
Equity	(\$ 7,000,000 x 8 mo. x 8.000% x 1/12 x 1.00)	<u>(373,333)</u>
		359,314
		<u>976,980</u>