



**700 BROADWAY**  
BUSINESS DEVELOPMENT PLAN

333 SOUTH 700 EAST  
SALT LAKE CITY, UT 84102



# PROJECT OVERVIEW

**TOTAL PROJECT COST** \$35.4 Million

**STABILIZED VALUE** \$48.5 Million

**PROJECT DESCRIPTION** Mixed Use  
190 Class 'A' Apartments +  
6,000 sqft Ground Floor Retail

- 32 Studio
- 110 1 Bedroom
- 48 2 Bedroom
- 22 Distinct Floor Plans

**SITE LOCATION** 1.91 Acre Site on the Corner of 700 E  
and 300 S in Salt Lake City

# LOCATION



- TOD Site - Under 2 min. walk to **Redline Trax**
- Adjacent to **Natural Grocer**, abundant **restaurants** and **retail**
- Conveniently located between **SLC CBD** and **UofU**
- Approximately **35,000 AADT** along 700 E

# HIGHEST + BEST USE

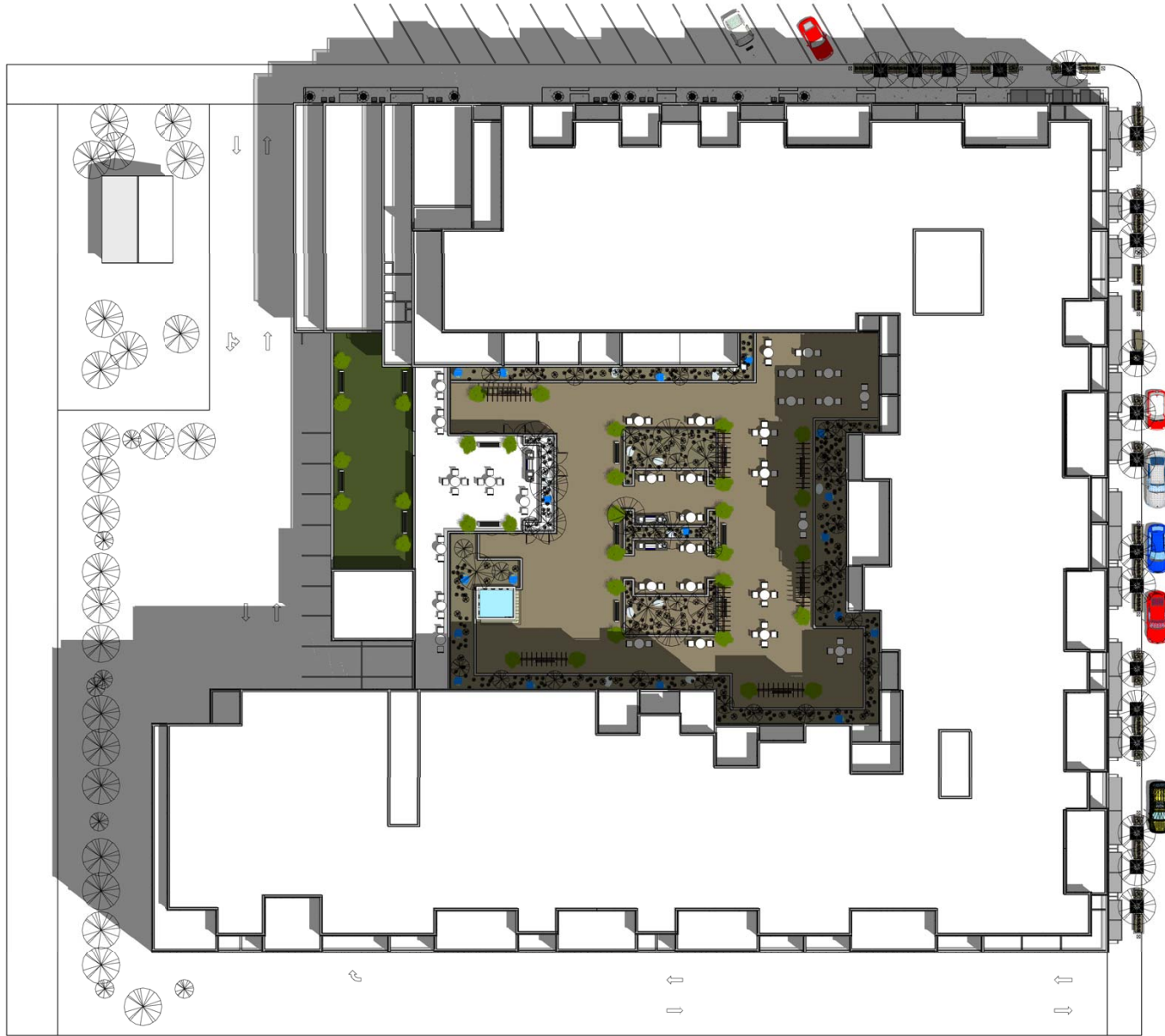


- Physically Possible
- Legally Permissible
- Financially Feasible
- Maximally Productive



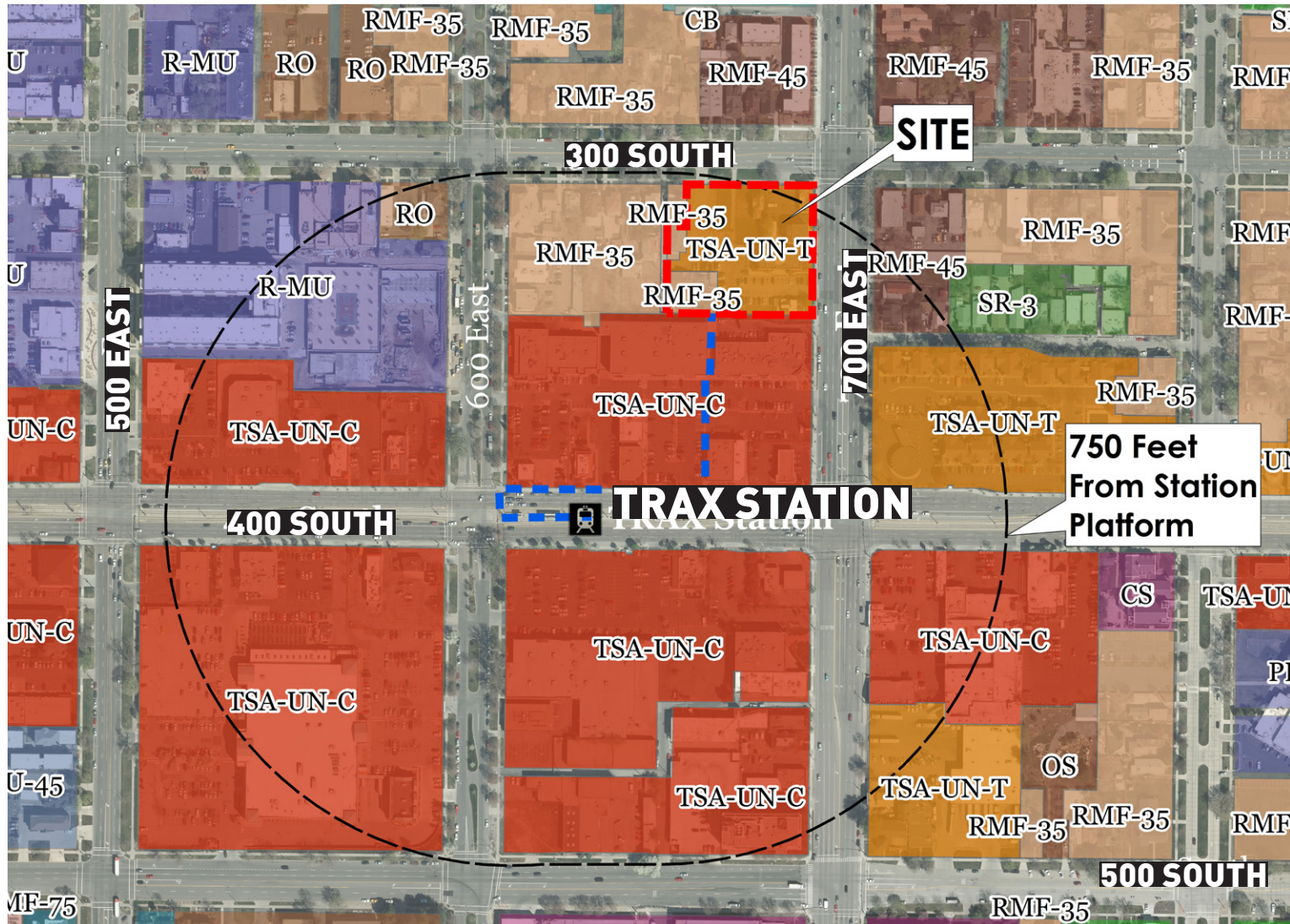
# SITE PLAN

300 S



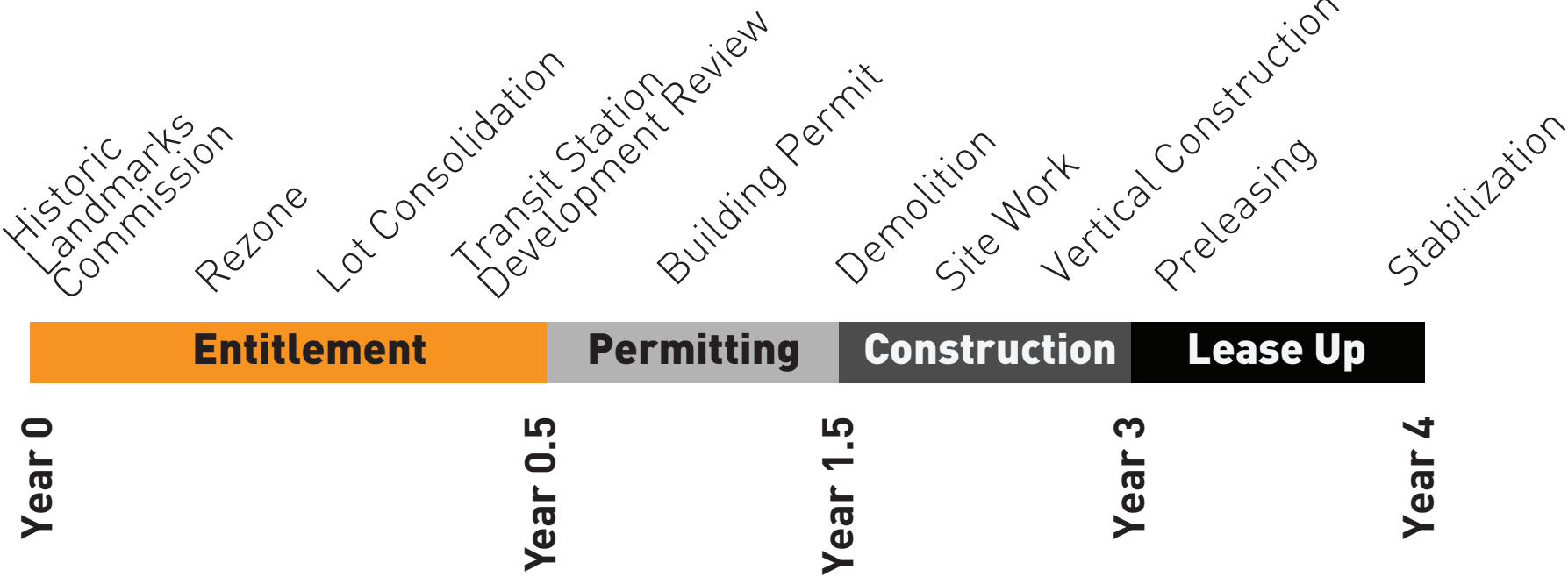
700 E

# ZONING

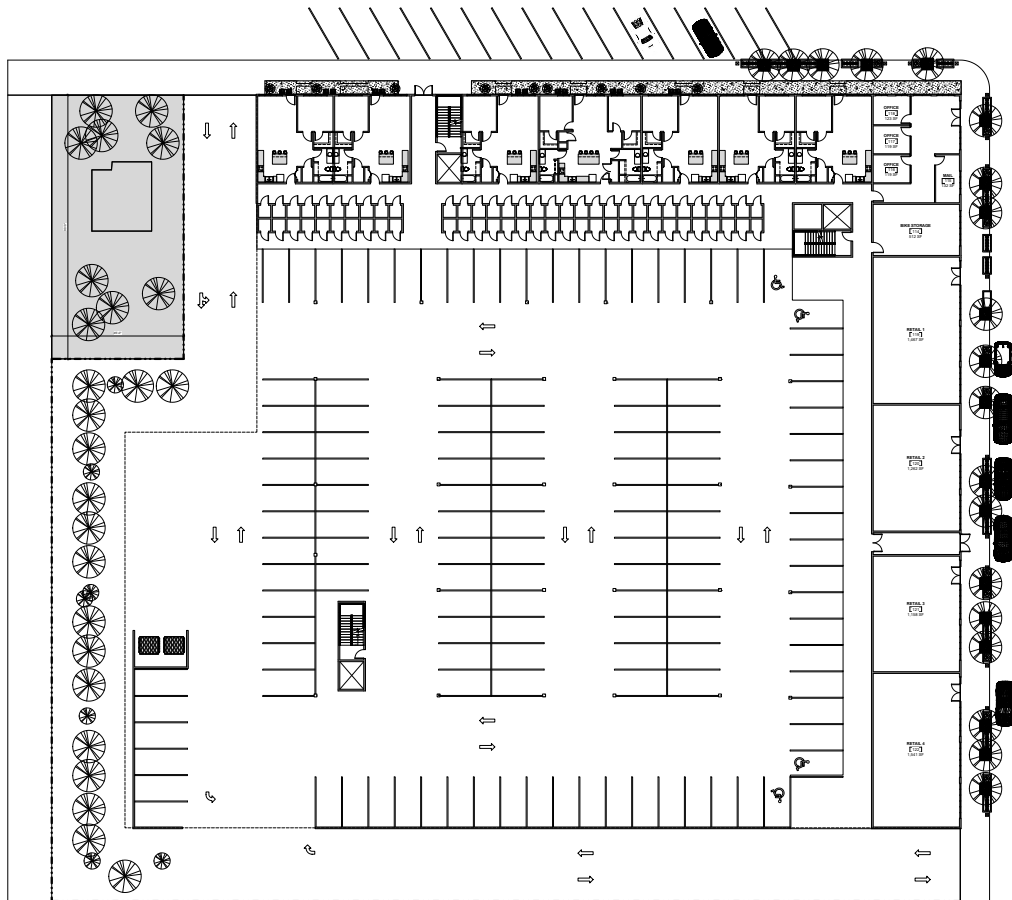


- Master Planned Medium to High Density
- Transit Station Area Zoning
- Tier 3 Expedited Permitting

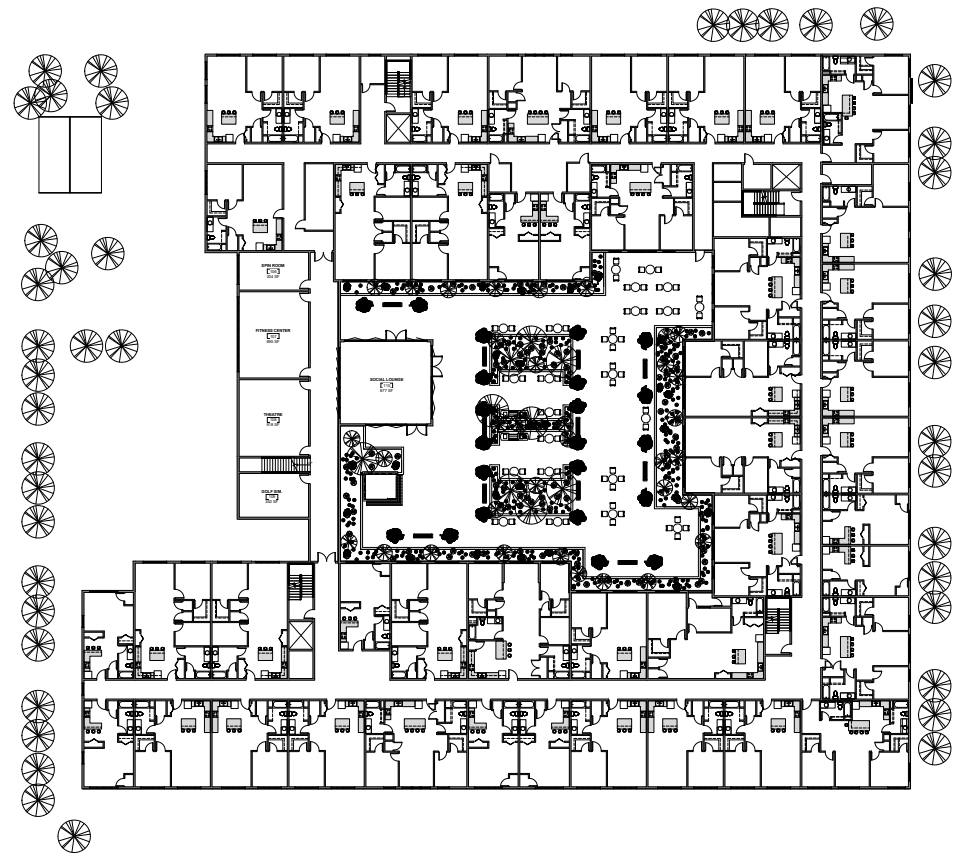
# ENTITLEMENTS



# PROJECT DESIGN



LEVEL 1 PLAN



LEVEL 2 PLAN



# PROJECT DESIGN



**East Elevation**



**Studio**  
525 sqft



**North Elevation**



**1 Bedroom**  
787 sqft



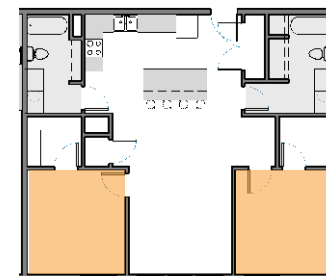
**West Elevation**



**1 Bedroom + Den**  
950 sqft



**South Elevation**



**2 Bedroom**  
1050 sqft

# AMENITIES



- LANDSCAPED COURTYARD
- FITNESS CENTER + SPIN ROOM
- SOCIAL LOUNGE
- GOLF SIMULATOR
- BIKE REPAIR + STORAGE
- DOG RUN + PET WASH
- BBQ GRILLING AREA
- FIRE PIT
- HOT TUB

# DEVELOPMENT BUDGET

LAND SQFT <b>83,204</b>	LAND COST	<b>\$4.95 Million</b>
	HARD COST	<b>\$23.9 Million</b>
BUILDABLE SQFT <b>208,914</b>	SOFT COST	<b>\$6.55 Million</b>
	<b>TOTAL PROJECT COST</b>	<b>\$35.4 Million</b>
NUMBER OF UNITS <b>190</b>		
	LAND COST / SQFT	<b>\$58.49</b>
	HARD COST / SQFT	<b>\$114.58</b>
	SOFT COST / SQFT	<b>\$31.33</b>
	<b>TOTAL PROJECT COST / SQFT</b>	<b>\$169.21</b>
	LAND COST / UNIT	<b>\$25,616</b>
	HARD COST / UNIT	<b>\$125,991</b>
	SOFT COST / UNIT	<b>\$34,450</b>
	<b>TOTAL PROJECT COST / UNIT</b>	<b>\$186,057</b>

# MARKET SUPPLY + DEMAND

CLASS A SUBMARKET VACANCY	<b>3.9%</b>
2015 RENTAL GROWTH	<b>4.6%</b>
AVERAGE ABSORPTION	<b>28 Units/Mo.</b>
UNITS UNDER CONSTRUCTION	<b>1,264</b>
LIKELY STARTS IN NEXT 6 MO.	<b>266</b>

# MARKET COMPARABLES

	UNIT TYPE	UNIT SIZE	RENT	RENT PER SQFT
<b>COMPARABLE SET</b>	STUDIO	373 - 594	\$944 - \$1,174	\$1.85 - \$2.40
	1 BED / 1 BATH	474 - 1,104	\$955 - \$1,699	\$1.35 - \$2.48
	2 BED / 2 BATH	757 - 1,139	\$1,379 - \$2,140	\$1.37 - \$2.32
<b>700 BROADWAY (SUBJECT)</b>	STUDIO	525	\$1,061	\$2.02
	1 BED / 1 BATH	787 - 950	\$1,424 - \$1,549	\$1.63 - \$1.81
	2 BED / 2 BATH	1,050 - 1,225	\$1,691 - \$1,801	\$1.47 - \$1.61

STABILIZED OPERATING PROFORMA	ANNUAL AMOUNT	PER UNIT ANNUALLY
APARTMENT RENTAL INCOME	\$3,330,210	\$17,527
TOTAL OTHER INCOME (INCL. RETAIL INCOME)	\$705,620	\$3,714
<b>POTENTIAL GROSS INCOME</b>	<b>\$4,035,830</b>	<b>\$21,241</b>
VACANCY 5.8%	(\$236,614)	
<b>EFFECTIVE GROSS INCOME</b>	<b>\$3,799,216</b>	<b>\$19,996</b>
TOTAL EXPENSES	(\$1,009,826)	(\$5,315)
<b>NET OPERATING INCOME</b>	<b>\$2,789,390</b>	<b>\$14,681</b>

# FINANCING

## CONSTRUCTION

LOAN COMMITMENT \$26.5MM  
75% LTC  
55% LTV  
1.43 x (6.0%, 30 yr.) DSCR  
11.0% DY

## PERMANENT

LOAN COMMITMENT \$31.5MM  
90% LTC  
63% LTV  
1.35 x (5.46%, 30 yr.) DSCR  
9.16% DY

# FINANCIAL PERFORMANCE

HOLDING PERIOD	<b>10 Years</b>
TERMINAL CAP RATE	<b>6.75%</b>
DISPOSITION VALUE	<b>\$47.7 Million</b>
EQUITY IN DEAL	<b>\$9.0 Million</b>
TOTAL PROFIT	<b>\$29.9 Million</b>
EQUITY LEVERED IRR	<b>19.1%</b>
EQUITY MULTIPLE	<b>3.32x</b>
AVG. CASH ON CASH RETURN	<b>11.4%</b>

# CONCLUSION

## REASONS WHY THE PROJECT WILL SUCCEED

1. **EXCELLENT LOCATION** that will be able to compete well with existing and future competition.
2. **EXCELLENT VISIBILITY** and exposure along 700 East will aid with absorption.
3. **PROFORMA RENTAL RATES AND EXPENSES** are in line with comparable data.
4. Project **LAND** and **CONSTRUCTION COSTS** are well supported by comparable data.
5. **ACHIEVABLE DEBT ASSUMPTIONS** with loan metrics well **ABOVE MINIMUM THRESHOLDS.**
6. Proposed land use is **HIGHEST AND BEST USE** for the site and fits in well with the surrounding area.
7. **STRONG APARTMENT DEMAND** in the downtown Salt Lake City.
8. Well-designed improvement with **CONNECTIVITY THROUGH THE RETAIL** adjacent retail center.
9. **STRONG ECONOMIC OUTLOOK** in the Salt Lake City CBD area.



