

Cost and Income/Expense Proforma
12/3/2007

Gateway Centre
Saraland, Alabama
50,000 sf

LAND COST	7 acres	@	\$	- per acre	\$ 725,000
Site Work	7 acres	@	\$	- per acre	\$ 500,000
Site Lighting					\$ 25,000
Landscaping					\$ 50,000
Pylon Sign					\$ 25,000
Miscellaneous					\$ 25,000
Total Site Costs					\$ 625,000
BUILDING COSTS					
Shops (See schedule)	50,000 sq. ft.	@	\$70.00	per sq. ft.	\$ 3,500,000
INDIRECT COSTS					
Architectural	50,000 sq. ft.	@	\$	1.25 per sq. ft.	\$ 62,500
Inspections					\$ 5,000
Engineering					\$ 50,000
Soils Test					\$ 5,000
Phase I Environmental					\$ 3,000
Survey (Topo & Boundary)					\$ 15,000
As-built/Survey					\$ 5,000
Legal - Development					\$ 15,000
Legal - Lender					\$ 10,000
Title					\$ 10,000
Recording					\$ 12,000
Appraisal					\$ 5,000
Developer Overhead					\$ 150,000
Leasing Fee					\$ 200,000
Construction Loan Fee					\$ 15,000
Real Estate Broker					\$ -
Mortgage Broker					\$ -
Construction Interest					\$ 175,000
Miscellaneous/Contingency					\$ 25,000
Total Indirect Costs					\$ 762,500
TOTAL COSTS					\$ 5,612,500

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INCOME							
Shops	50,000 sq. ft.	@		per sq. ft.	\$	695,000	
Potential Income					\$	695,000	
Shop Vacancy	5%				\$	34,750	
Adjusted Gross Income (AGI)					\$	660,250	
EXPENSE							
Maintenance	\$ 0.05 sq. ft.				\$	2,500	
Reserves	\$ 0.05 sq. ft.				\$	2,500	
Management	4%				\$	26,410	
Misc. Owners Expense	0.5%				\$	3,301	
Total Expense					\$	34,711	
NET OPERATING INCOME (NOI)					\$	625,539	
RENT SCHEDULE							
Space #	Tenant	Sq. Ft.		Rate	\$	TI	TI Avg
1		10,000	@	\$ 17.00	\$ 170,000		
2		10,000	@	\$ 14.00	\$ 140,000		
3		20,000	@	\$ 10.75	\$ 215,000		
4		10,000	@	\$ 17.00	\$ 170,000		
		50,000		\$ 13.90	\$ 695,000		
CASH ON CASH RETURN		\$ 625,539			\$ 5,612,500		0.1115

Saraland Shopping Center Proforma Summary
12.3.07

	<u>40,000 sf</u>	<u>50,000 sf</u>
<u>Land</u> (improved)	725,000	725,000
<u>Site Work</u> (paving, etc.)	625,000	625,000
<u>Buildings</u> 40,000 sf @	2,800,000	3,500,000
50,000 sf @		
<u>Soft Costs</u>	<u>695,000</u>	<u>762,500</u>
<u>Total Costs</u>	4,845,000	5,612,500
Net Operating Income	472,306	625,539
Cash on Cash Return	9.75%	11.15%