

Development Program

Development Component	Location of Development Component	Existing SF	Preserved / Demolished	Land Use	Proposed Residential SF	Proposed Commercial SF	Stories	Expected Value	Total Project Costs	Equity Portion	Debt Portion	GAP	Development Profit (Return on Cost)	Unleveraged IRR	Leveraged IRR
King's Court	1 - King County Courthouse	607,123	Preserved	Residential, Retail & Office	215,250 SF	184,565 SF	12 Stories	\$402,640,403	\$240,868,139	\$96,347,256	\$144,520,884	\$0	67%	27.3%	69.2%
Hawk's Nest	2 - King County Correctional Facility	397,411	Demolished	Residential, Retail & Office	166,000 SF	373,337 SF	27 Stories	\$444,043,559	\$346,425,099	\$136,628,839	\$204,943,259	\$4,853,000	30%	12.1%	13.9%
Chinook	3 - Chinook Building	350,141	Preserved	Residential, Retail & Office	175,700 SF	97,131 SF	13 Stories	\$242,699,239	\$146,003,993	\$58,401,597	\$87,602,396	\$0	66%	31.0%	46.9%
County Center	4 - King County Administration Building	221,651	Preserved	Retail & Office	0 SF	152,646 SF	9 Stories	\$127,670,472	\$97,350,192	\$38,940,077	\$58,410,115	\$0	31%	18.7%	30.5%
Goat Hill	5 - Goat Hill Site	274,942	Preserved / Constructed	Retail & Residential	204,000 SF	95,410 SF	22 Stories	\$243,096,706	\$220,089,457	\$74,798,983	\$112,198,474	\$33,092,000	30%	16.0%	21.4%
The Argyle	6- 420 4th Avenue Building + Argyle	20,422	Demolished	Retail & Residential	77,000 SF	14,577 SF	8 Stories	\$65,208,028	\$53,396,970	\$20,063,988	\$30,095,982	\$3,237,000	30%	12.5%	14.4%
The Yesler	7 - Yesler Building	121,389	Preserved	Retail & Residential	68,250 SF	27,037 SF	7 Stories	\$63,700,118	\$59,784,385	\$19,648,154	\$29,472,231	\$10,664,000	30%	27.1%	41.6%
TOTALS		1,993,079			906,200 SF	944,703 SF		\$1,589,058,525	\$1,163,918,235	\$444,828,894	\$667,243,341	\$51,846,000	43%	21.40%	45.13%

Infrastructure Allocation

Item	Site Size (Acres)	Site Cost (25% Market Value of Land)	Construction Cost	Total Cost	King's Court	Hawk's Nest	Chinook	County Center	Goat Hill	The Argyle	The Yesler
Public Space (working with Retail)	0.33	\$3,899,866	\$2,500,000	\$6,199,866	\$2,657,085	\$177,139	\$2,657,085	\$177,139	\$177,139	\$177,139	\$177,139
Public Terraces (Office)	0.33	\$3,710,431	\$2,500,000	\$6,210,431	\$2,661,613	\$177,441	\$2,661,613	\$177,441	\$177,441	\$177,441	\$177,441
Public Terrace (Housing)	0.14	\$1,536,674	\$2,500,000	\$4,036,674	\$1,730,003	\$115,334	\$1,730,003	\$115,334	\$115,334	\$115,334	\$115,334
Garage Roof (Rooftop Community Garden)	0.60	\$6,732,030	\$2,500,000	\$9,232,030	\$3,956,584	\$263,772	\$3,956,584	\$263,772	\$263,772	\$263,772	\$263,772
Public Space (Retail Roof)	0.25	\$2,843,704	\$2,500,000	\$5,343,704	\$2,290,159	\$152,677	\$2,290,159	\$152,677	\$152,677	\$152,677	\$152,677
Housing Terrace	0.09	\$1,007,231	\$2,500,000	\$3,507,231	\$1,503,099	\$100,207	\$1,503,099	\$100,207	\$100,207	\$100,207	\$100,207
Roof Public Space	0.87	\$9,781,630	\$2,500,000	\$12,281,630	\$5,263,556	\$350,904	\$5,263,556	\$350,904	\$350,904	\$350,904	\$350,904
TOTAL	2.61	\$29,311,565	\$17,500,000	\$46,811,565	\$20,062,099	\$1,337,473	\$20,062,099	\$1,337,473	\$1,337,473	\$1,337,473	\$1,337,473

Development Schedule

Development Component	King's Court	Hawk's Nest	Chinook	County Center	Goat Hill	The Argyle	The Yesler
Pre-Development Period	May 1, 2024 to April 30, 2025	May 1, 2028 to April 31, 2029	May 1, 2024 to April 30, 2025	May 1, 2024 to April 30, 2025	May 1, 2025 to April 30, 2026	May 1, 2026 to April 30, 2027	May 1, 2027 to April 31, 2028
Demolition Period	None	May 1, 2029 to December 31, 2029	None	None	None	May 1, 2027 to August 31, 2027	None
Construction Period	May 1, 2025 to January 31, 2027	January 1, 2029 to December 31, 2031	May 1, 2025 to January 31, 2027	May 1, 2025 to January 31, 2026	May 1, 2026 to January 31, 2028	September 1, 2027 to April 31, 2029	May 1, 2028 to January 31, 2029
Close-Out Period	February 1, 2027 to April 30, 2027	January 1, 2032 to April 30, 2032	February 1, 2027 to April 30, 2027	February 1, 2026 to April 30, 2026	February 1, 2028 to April 30, 2028	May 1, 2029 to April 31, 2030	February 1, 2029 to April 31, 2029

Category	#	%
Affordable Units	870	66%
Regular Units	456	34%
Total	1,326	100%

TEAM: The Stitch 2024-14202

Rents, Sales Prices, NOI & Cap Rates							
Market Rate Housing Rents and Sales Prices			Commercial Market Leasing Assumptions			Exit Cap Rate Assumptions	
Unit Type	Average Size (SF)	\$ / SF Sale / \$ per month	Category	Retail	Office	Affordable Rental	4.75%
Studio For Rent	450	\$2,000	Rental Rate	\$35.00	\$45.00	Market Rate Rental	4.50%
Studio For Sale	450	\$1,350	Renewal Probability	75%	75%	Office	4.75%
1BR For Rent	650	\$2,400	Downtime (Months)	6	6	Retail	4.25%
1BR For Sale	650	\$1,300	Tenant Improvement (New \$/SF)	\$20	\$10	Capital Assumptions	
2BR For Rent	1,000	\$3,400	Tenant Improvement (Renew \$/SF)	\$10	\$5	LTV Percentage	60%
2BR For Sale	1,000	\$1,250	Leasing Commissions (New % - 5 Yr Deal)	5.00%	5.00%	Equity Percentage	40%
3BR For Rent	1,200	\$4,600	Leasing Commissions (Renew % - 5 Yr Deal)	2.50%	2.50%	Interest Rate	4.50%
3BR For Sale	1,200	\$1,200	Inflation Rate (All Properties, Income/Expenses)	3.00%	3.00%	Amortization Period	30 Years
Parking Mix			Project Cost Estimating Parameters				
Residential Stalls	765		Type	Basis			
Commercial Stalls	665		Office Shell & Core Hard Costs for Construction	\$245 - \$290, Depending on Quality & Storey Count			
SF per Space (including circulation)	330		Residential Condominium Hard Costs for Construction	\$260 - \$305, Depending on Quality & Storey Count			
Residential User Monthly Rental Rate	\$250		Retail Hard Costs for Construction	5 - \$290, Depending on Quality & Storey Count (Utilized Office Figu			
Commercial User Monthly Rental Rate	\$350		Parking Costs	\$120 PSF Above-Grade, \$130 PSF Below Grade			
Affordable User Monthly Rental Rate	\$150		Hard Cost Contingency	10% of Above Costs			
Commercial Operating Expenses (Year 1)			Municipal Fees and Allowances	Utilized City of Seattle's Fee Estimator			
Recoveries	(Y/N)	Cost \$/SF GLA	Construction Period?	Share of Infrastructure	Site-Dependent Assumption		
Utilities	Yes	\$0.15	No	Legal	\$400,000 per Site		
Insurance	Yes	\$0.25	Yes	Land Closing Costs/commissions	2% of Land Acquisition Price		
Taxes	Yes	\$2.50	Yes	Design	4% of Total Hard Costs		
Repairs & Management	Yes	\$1.50	No	Developer Fee	3% of Project Budget		
Management Fee	Yes	\$0.50	No	Construction Management Fee	2% of Total Hard Costs		
Recovered \$		\$4.90		Taxes During Construction	Estimated Abatement		
Residential Operating Expenses (Year 1)			Insurance	\$6,000 per Unit			
Recoveries	(Y/N)	Cost \$/SF GLA	Construction Period?	Marketing, FFE and Preleasing	\$400,000 per Site		
Utilities	es / No (Affordable)	\$0.75	No	Operating Deficit	Site-Dependent Assumption		
Insurance	No	\$0.75	Yes	Commercial Tenant Improvements	\$140 PSF (Retail/Office)		
Taxes	Yes	\$5.00	Yes	Retail/Office Brokerage	6.00% on a 5-Year Term		
Repairs & Management	No	\$2.00	No	Construction Loan Origination	1% of Loan Amount (Estimated to Eliminate Circular Reference)		
Management Fee	Yes	\$1.50	No	Construction Interest	7% of Loan Amount (Estimated to Eliminate Circular Reference)		
Recovered \$		\$10.00					