

Ogden
Real Estate without Boundary™

Engberg
Anderson
ARCHITECTS

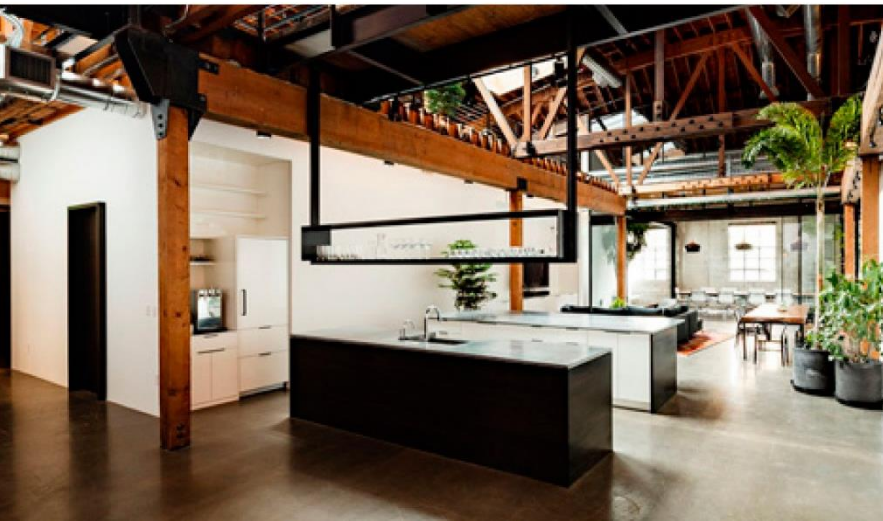


Garver Feed Mill | Proposal



live + work

: denoting or relating to property that combines residential living space with work space.



Project Understanding

- **VISIONARY**
Adaptive reuse/restoration
- **CONTEXT SENSITIVE**
Neighborhood Connections/Olbrich Botanical Gardens
- **SUSTAINABLE**
Water/Landscape/Materials
- **MULTIMODAL**
Connect to Bike path, River trails, Historic East Isthmus Bike Tour
- **DESTINATION**
Art programming complementing OBG
- **RESPONSIVE**
Incorporates OBG storage facility
- **FINANCIALLY STRONG**
Viable proposal



edible landscape

: using food plants such as lettuce, beans, peppers, etc.
To add to the decorative part of the garden.



The Team

Development Team:

Ogden Real Estate

AE Team:

Engberg Anderson Architects

Ken Saiki Designs

Structural Integrity, Inc

Facility Engineering, Inc

Preservation Architects

MSA Professional Services

Ogden

Real Estate without Boundary™



Engberg
Anderson
ARCHITECTS

Knowing the Neighborhood

We envision:

- Multimodal-Coffee/Juice Bar
- Sustainable-Rain gardens/Edible landscape/recycled materials
- Historic Preservation/Adaptive Re-use-Tax Credits
- Artists Live/Work- Artist studios/Sculpture Garden/Outdoor Theater/Art Gallery
- Agrarian Landscape-Community Gardens/Orchards/Vineyards
- Neighborhood Connectivity-Bicycle Path/Pedestrian Paths/Boat launch



visionary

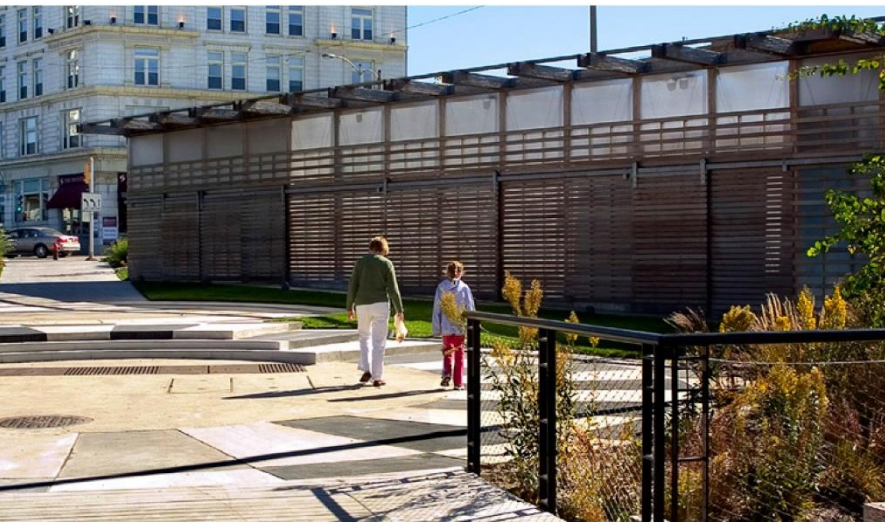
: thinking about or planning the future with imagination or wisdom





responsive

: reacting in a desired or positive way; answering.



Project Description

Garver Feed Mill



ENERGY EFFICIENT SHOWER HEADS

PHOTOVOLTAICS | PH DYE HOUS



Project Summary

Existing Building

- 26 apartments
- 16 artist studios
- Gallery Space
- Outdoor Theater
- Sculpture court
- Coffee/Juice Bar

New Construction

- 144 new apartment/4 buildings
- First level Live/work units

Site

- Connection to Bike Path
- Community Gardens
- OBG storage building
- Edible landscape
- Community Green Space



sustainable

: designing a built environment; principles of social, economic, and ecological sustainability.

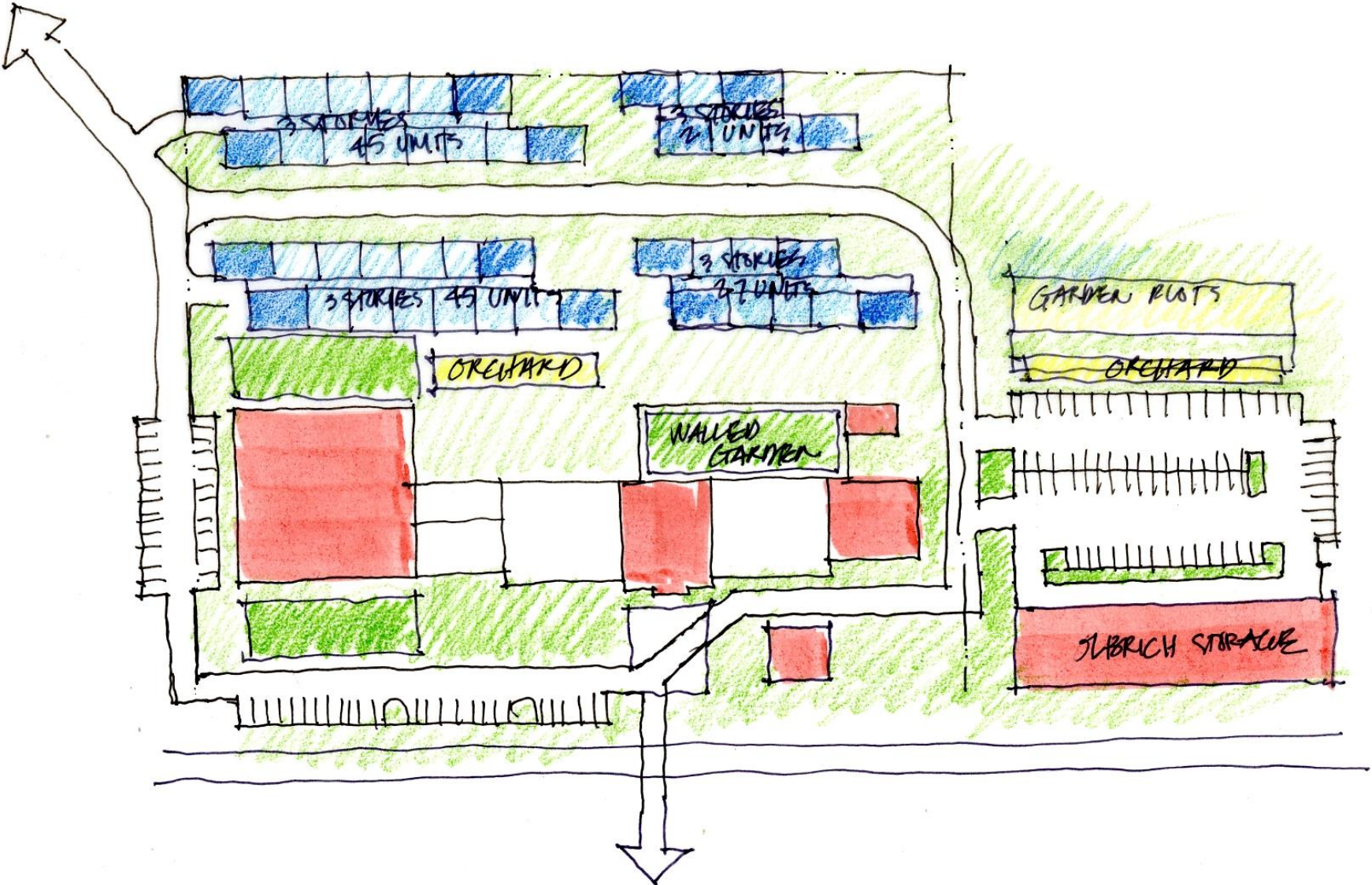
GREEN ROOF | THE



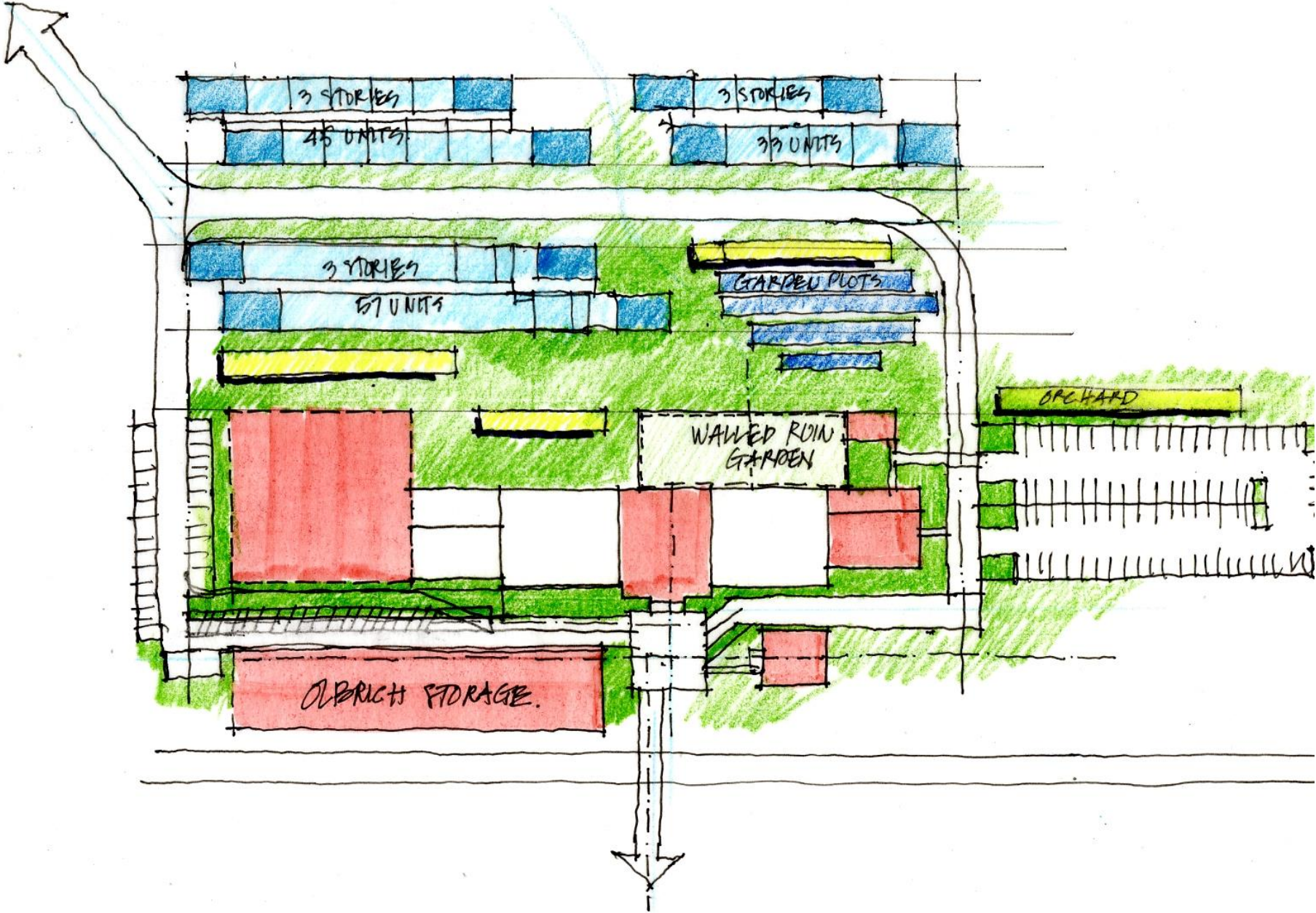
Overall Site Plan



Overall Site Plan & Landscape Design



Overall Site Plan & Landscape Design



Garver Feed Mill



Financing & Timeline

The Ogden/Engberg Anderson Team proposes the following financial plan:

Sources

Investor Capital (1)	\$ 1,875,000
Historic Tax Credit Investor (Federal/State) (2)	\$ 2,150,000
Land Contribution (Land Lease)	\$ 0
Deferred Developer Fee	\$ 450,000
Bank Construction Loan (2)	\$22,400,000
City Assistance per RFP (3) (Net of \$700,000 warehouse)	\$ 1,125,000
	<hr/>
Total Sources	\$28,000,000

Financing & Timeline

1. Capital raise by Ogden & Company Investment Partners, LLC (“OCIP”) through private placement.
 - Last equity raise by OCIP was \$5,300,000 for construction of Sutter Creek Apartments in Brookfield, WI.
 - Investors require IRR of approximately 15.0% over a 7-10 hold period.
 - See attached Pro Forma Garver_v3.0_Annual Cash Flow and Garver_v3.0_Investor files.
2. Federal and Wisconsin Historic Tax Credit Investor cash. Assumes Federal at \$0.90 and State at \$0.75.
3. Three year term construction loan floating at 275 b.p. over 1 month LIBOR. Lender(s) will agree to Ground Lease requirements.
4. City financial assistance in the amount of \$1,125,000. Ground Lease terms to be negotiated.

1665 N. Water Street
 Milwaukee, Wisconsin 53202
 (414) 276-5285

APARTMENT COMMUNITY
 GARVER FEED MILL
 MADISON, WISCONSIN

INVESTMENT ASSUMPTIONS

TOTAL CAPITALIZATION		\$28,000,000	LOAN AMOUNT		\$22,400,000	CAPITAL CONTRIBUTIONS:					
Capitalization Rate	5.35%		Loan to Value	80.00%		Units	% Ownership		Investment		
Gross Rent Multiplier (Stabilized Year)	9.88		Loan Interest Rate	4.75%		Non-managing Members	80.50	89.94%	\$4,025,000		
Building Area (Sq. Ft.)	195,355		Loan Term	7 Years		Managing Members			\$450,000		
Offering Price Per Sq. Ft.	\$143.33		Loan Amortization	30 Years		Managers	9.00	10.06%	\$450,000		
PURCHASE PRICE	NA		Loan Constant	0.062598		Land Lease Value	0.00	0.00%	\$0		
Capitalization Rate (Stabilized Year)	NA		Annual Debt Service	\$1,402,188		Unit Price	\$50,000	89.50	100.00%	\$450,000	
Gross Rent Multiplier	NA		Debt Service Coverage	1.07 Times			1.12%	1.24%	\$4,475,000		
Purchase Price Per Unit	NA		Loan to Cost	80.00%		DISTRIBUTIONS FROM OPERATIONS:					
Purchase Price Per Sq. Ft.	NA		Secondary Loans	No		Tier 1 - Preferred Return Distribution		Initial	Hurdle 1	Hurdle 2	
			Construction Interest (1)	3.00%	3.25%	3.50%			9.00%	14.00%	
APPRAISED VALUE (2017)	\$28,000,000		SOURCES AND USES OF FUNDS				Non-managing Members - Share		89.94%		
Capitalization Rate (Stabilized Going In)	6.00%		<u>Sources</u>	<u>Amount</u>	<u>% of Total</u>	Managing Members - Share		10.06%			
Gross Rent Multiplier	9.88		Cash/LOC	\$4,025,000	14.37%	Tier 2 - Remainder Cash Flow Distribution					
Appraised Value Per Unit	NA		Land Investor Capital	\$0	0.00%	Non-managing Members - Share		80.00%	80.00%		
Appraised Value Per Sq. Ft.	\$143.33		Debt Borrowed/Loans	\$22,400,000	80.00%	Managing Members - Share		20.00%	20.00%		
ASSESSED VALUE (Stabilized Year)	NA		Deferred Managing Member Fees	\$450,000	1.61%	SALES PROCEED DISTRIBUTION:					
Improvements			Grants / Credits	\$1,125,000	4.02%	Tier 3 - Return of Investment & Unpaid Tier 1			100.00%		
Land			Total Sources	\$28,000,000	100.00%	Tier 4 - Residual Net Sales Proceeds Distribution					
Fair Market Value			<u>Uses</u>			Non-managing Member - Share		80.00%	80.00%		
Assessment Ratio			Land/Property Acquisition	\$0	0.00%	Managing Member - Share		20.00%	20.00%		
RESALE ASSUMPTION			Construction Costs - Hard	\$23,932,933	85.47%	DISCOUNT RATE:					
Capitalization Rate (Going Out)	6.75%		Soft Costs						15.00%		
Brokerage Commission (% of Sales Price)	2.00%		Architecture & Engineering	\$962,895	3.44%	RESERVE FUND INVESTMENT RATE:					
Other Closing Costs (% of Sales Price)	0.35%		Legal Service	\$49,500	0.18%				0.25%		
Holding Period	7-10 Years		Impact Fees	\$354,672	1.27%	TAX RATES					
			RE Taxes During Construction	\$50,000	0.18%	Marginal Tax Rate				35.00%	
			Insurance/Accounting/Tax Retruns	\$60,500	0.22%	Capital Gain Rate				20.00%	
			F.F. & E.	\$103,000	0.37%	Cost Recovery Recapture Rate				25.00%	
DEVELOPMENT SCHEDULE			Loan Origination Expenses	\$204,500	0.73%	INFLATION RATES					
Closing of Construction Loan-Phase I	Apr-15		Construction Interest Reserve	\$750,000	2.68%		Year	1	2	3	4-10
Completion of Construction-Phase I	Sep-16		Marketing/Property Start-up Expense	\$132,000	0.47%	Income Inflation Rate	2.50%	2.50%	2.50%	2.50%	
Stabilized-Phased I	Mar-18		Project Management Fee	\$800,000	2.86%	Expense Inflation Rate	2.50%	2.50%	2.50%	2.50%	
Permanent Mortgage Closing	Apr-18		Equity Sourcing Fee	\$0	0.00%	VACANCY FACTOR					
			Development Fee	\$0	0.00%		Year				
COMPENSATION TO MANAGING MEMBERS OR AFFILIATES			Rent-up Reserves	\$0	0.00%		1-3		Lease-up Schedule		
Annual Asset Management Fee (% of Equity)	0.50%		Operations Reserve	\$0	0.00%		4-10		5.00%		
Annual Guarantee Fee (% of Recourse Loan)	0.00%		Development Contingency	\$600,000	2.14%						
Property Management Fee (% of EGI)	4.00%			\$28,000,000	100.00%						
			(1) 36 Month construction loan, start rate at 30 day LIBOR + 275 b.p.								

RESIDENTIAL REVENUE ASSUMPTIONS

RESIDENTIAL LEASE DATA:

UNIT	NO. UNITS	TYPE UNIT	% OF TOTAL	SQ. FT.	MONTHLY UNIT RENT	TOTAL MO. UNIT RENT	RENT/SF	ANNUAL TOTAL RENT
A1	4	Studio	2.4%	700	1,000	4,000	1.43	48,000
A2	10	1/1	5.9%	800	1,125	11,250	1.41	135,000
A3	96	1/1	56.5%	800	1,150	110,400	1.44	1,324,800
B1	48	2/2	28.2%	1,100	1,350	64,800	1.23	777,600
B2	12	2/2 Loft	7.1%	1,100	1,450	17,400	1.32	208,800
						0		0
						0		0
	170		100.0%	153,600	1,223	207,850	1.35	\$2,494,200

OTHER INCOME:

Pet Rent	170		40%		30	2,040		24,480
Pet Rent - NRF	170		20%		17	567		6,800
Parking - GA	144		90%		100	12,960		155,520
RUBS/Trash	170		95.5%		25	4,059		48,705
Storage	85		50%		15	638		7,650
Artist Studio	16		0%	200	250	4,000	1.25	48,000
Coffee/Juice Bar	1		100%	1500	1,500	1,500	12.00	18,000
Misc.	170		100%		15	2,550		30,600
				4,700		28,313		\$339,755

POTENTIAL ANNUAL INCOME:

Vacancy/Other Loss								\$2,833,955
								<u>-141,698</u>
EFFECTIVE GROSS INCOME:								\$2,692,257

RESIDENTIAL EXPENSE ASSUMPTIONS

OPERATING EXPENSES:

	ANNUAL \$	% OF EGI	\$/UNIT	\$/NRA
Management Fee	107,690	4.00%	633	0.70
Administrative	15,300	0.57%	90	0.10
Utilities	109,820	4.08%	646	0.71
Repairs & Maintenance	69,000	2.56%	406	0.45
Grounds	23,800	0.88%	140	0.15
Personnel	160,000	5.94%	941	1.04
Contract Services	17,340	0.64%	102	0.11
Marketing	24,600	0.91%	145	0.16
Insurance	51,000	1.89%	300	0.33
Real Estate Taxes	573,750	21.31%	3,375	3.74
Replacement Reserves	42,500	1.58%	250	0.28
Subtotal Operating Expenses	\$1,194,800	44.38%	\$7,028	\$7.78

INFLATION ASSUMPTIONS

Year	1	2	3	4-10
Rent Inflation	2.50%	2.50%	2.50%	2.50%
Expense Inflation	2.50%	2.50%	2.50%	2.50%

VACANCY LOSS/CONCESSIONS/CREDIT & COLLECTION LOSS

Year	1	2	3	4-10
	Per Lease-up Schedule			
Vacancy Loss	0.00%	0.00%	4.50%	4.50%
Rent Concessions	0.00%	0.00%	0.00%	0.00%
Credit & Collection Loss	0.00%	0.50%	0.50%	0.50%

OTHER INCOME PER UNIT

Year	1	2	3
Pet Rent	31	32	33
Pet Rent - NRF	17	17	17
Parking - GA	102	105	108
Utilities	26	27	28
Storage	15	15	15
Artist Studio	256	262	269
Miscellaneous	15	15	15

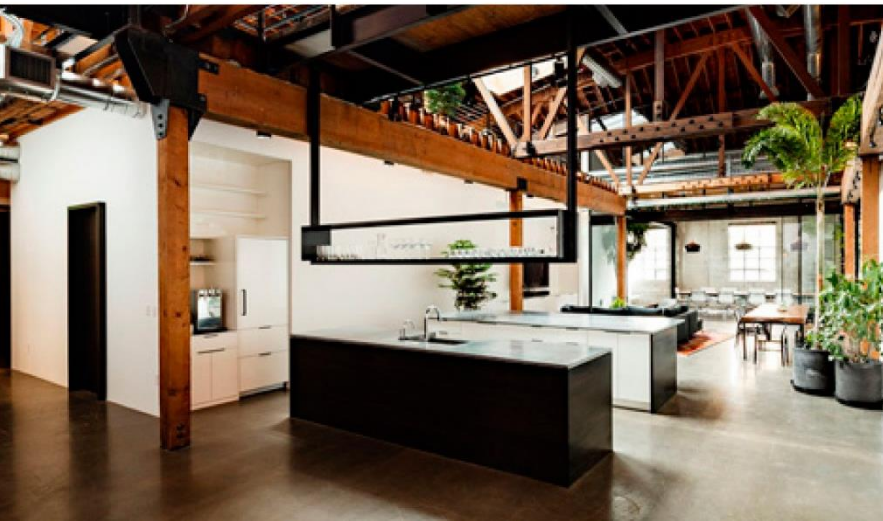
ANNUAL RESIDENTIAL INCOME & EXPENSE PRO FORMA

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
Pro Forma	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25	
GROSS POTENTIAL INCOME:											
Rental Income	2,494,200	0	229,338	1,866,442	2,685,981	2,753,130	2,821,958	2,892,507	2,964,820	3,038,941	3,114,914
Other Income	339,755	0	28,434	231,475	365,879	375,026	384,402	394,012	403,862	413,958	424,307
Vacancy Loss	-127,528	0	0	0	-137,334	-140,767	-144,286	-147,893	-151,591	-155,380	-159,265
Rent Concessions	0	0	0	0	0	0	0	0	0	0	0
Credit & Collection Loss	-14,170	0	-1,289	-10,490	-15,259	-15,641	-16,032	-16,433	-16,843	-17,264	-17,696
EFFECTIVE GROSS INCOME:	2,692,257	0	256,483	2,087,427	2,899,267	2,971,748	3,046,042	3,122,193	3,200,248	3,280,254	3,362,260
OPERATING EXPENSES:											
Management Fee	107,690	0	10,259	83,497	115,971	118,870	121,842	124,888	128,010	131,210	134,490
Administrative	15,300	0	7,841	16,476	16,476	16,888	17,311	17,743	18,187	18,642	19,108
Utilities	109,820	0	56,283	118,264	118,264	121,221	124,251	127,358	130,541	133,805	137,150
Repairs & Maintenance	69,000	0	6,344	52,924	74,305	76,163	78,067	80,019	82,019	84,070	86,172
Grounds	23,800	0	12,198	25,630	25,630	26,271	26,928	27,601	28,291	28,998	29,723
Personnel	160,000	0	136,667	172,303	172,303	176,610	181,025	185,551	190,190	194,944	199,818
Contract Services	17,340	0	8,887	18,673	18,673	19,140	19,619	20,109	20,612	21,127	21,655
Marketing	24,600	0	12,608	26,492	26,492	27,154	27,833	28,528	29,242	29,973	30,722
Insurance	51,000	0	26,138	54,921	54,921	56,294	57,702	59,144	60,623	62,139	63,692
Real Estate Taxes	573,750	0	161,726	382,261	617,866	633,313	649,145	665,374	682,008	699,059	716,535
Replacement Reserves	42,500	0	3,908	32,598	45,768	46,912	48,085	49,287	50,519	51,782	53,077
	1,194,800	0	442,857	984,040	1,286,669	1,318,836	1,351,807	1,385,602	1,420,242	1,455,748	1,492,142
NET OPERATION INCOME:	1,497,457	0	-186,375	1,103,387	1,612,597	1,652,912	1,694,235	1,736,591	1,780,006	1,824,506	1,870,119



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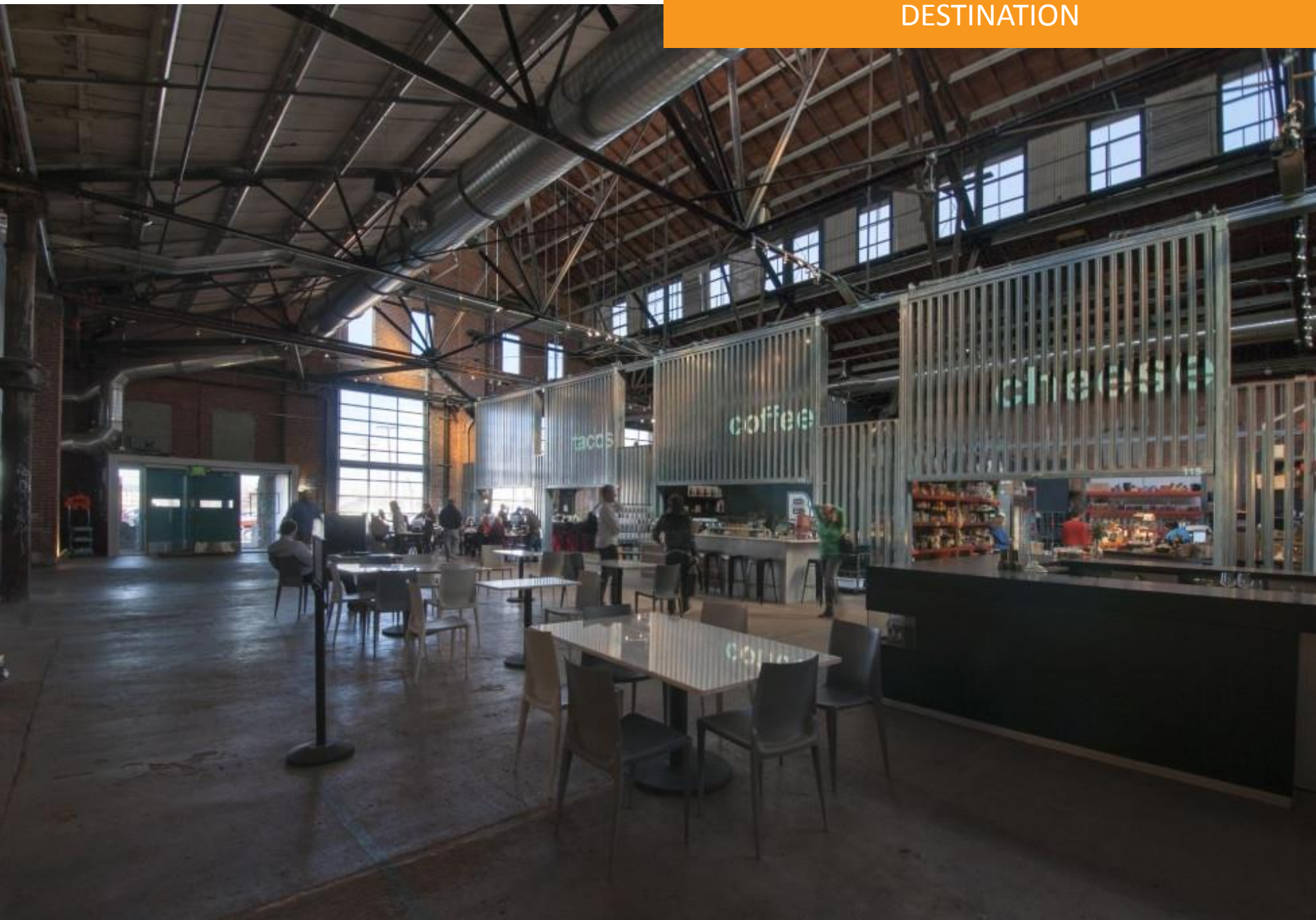
HISTORIC RUINS

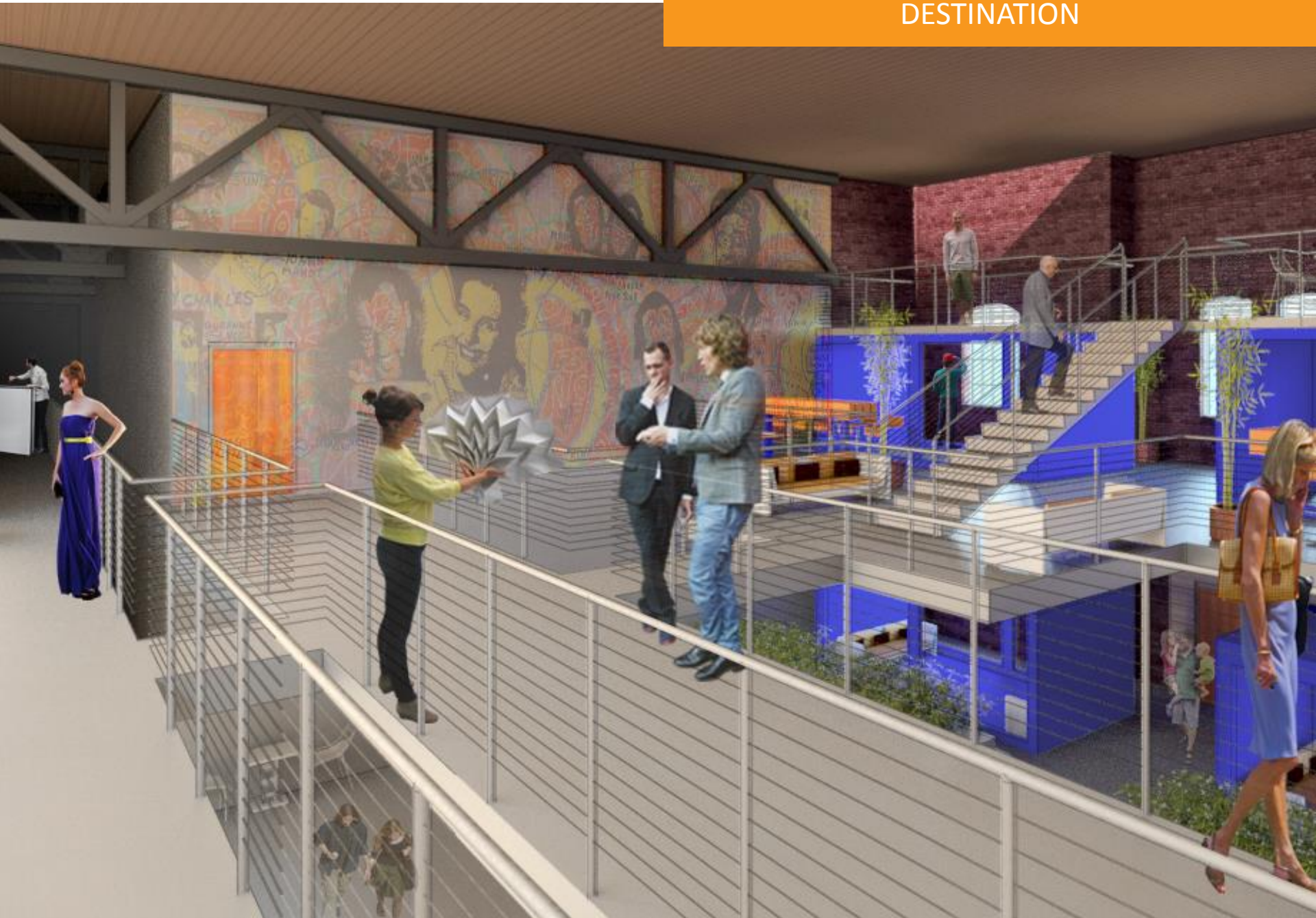




VISIONARY



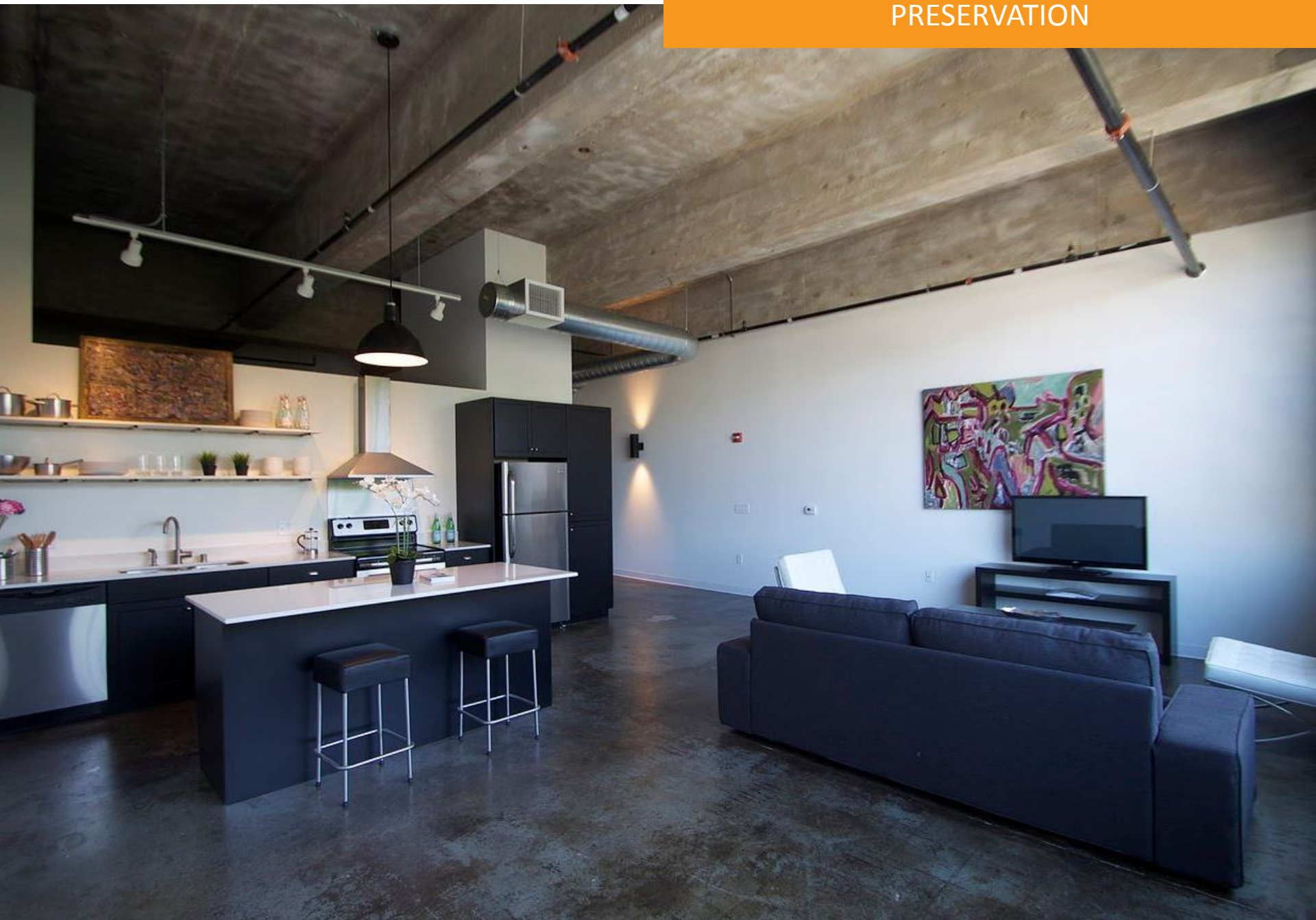




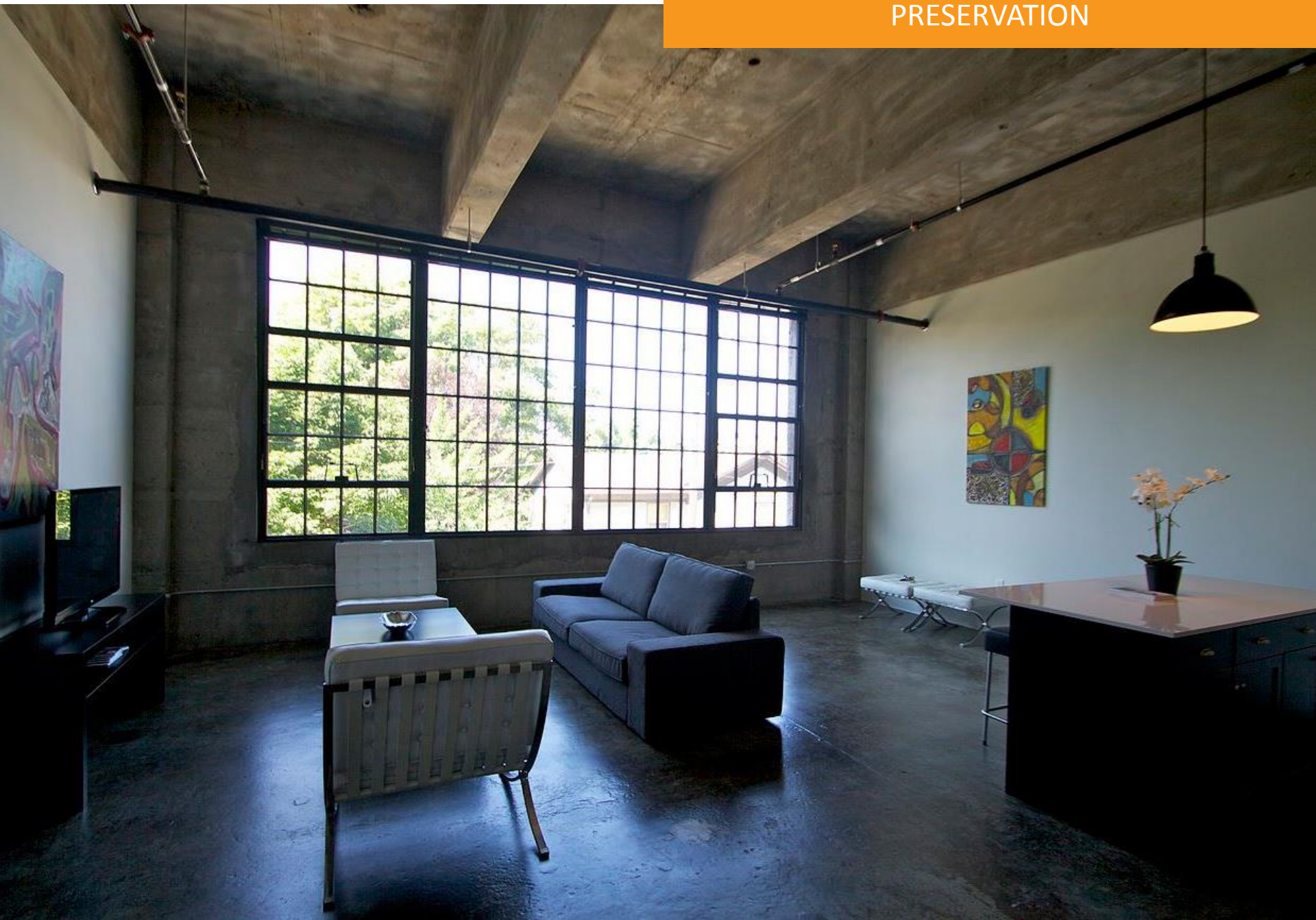
SUSTAINABLE



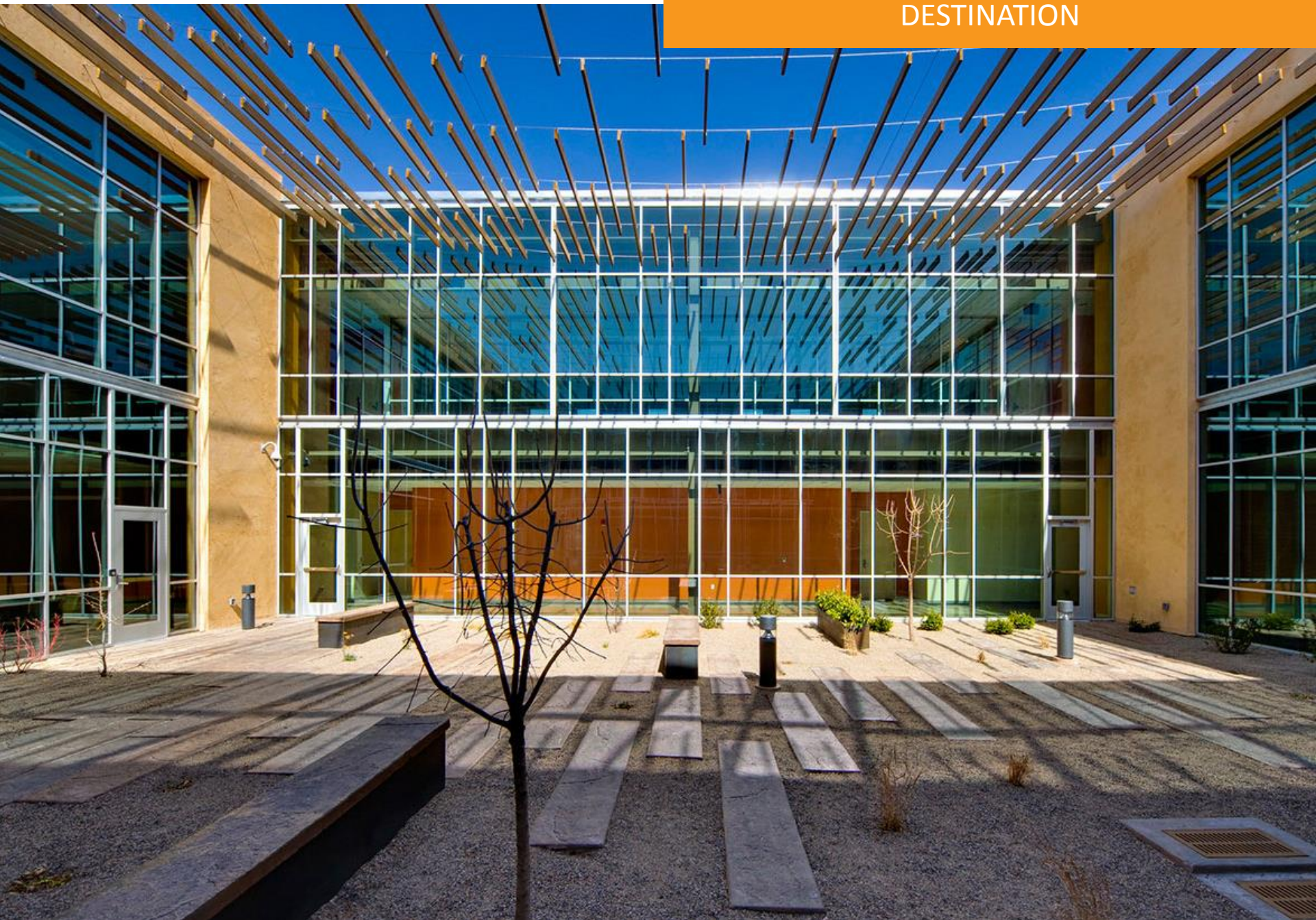
PRESERVATION



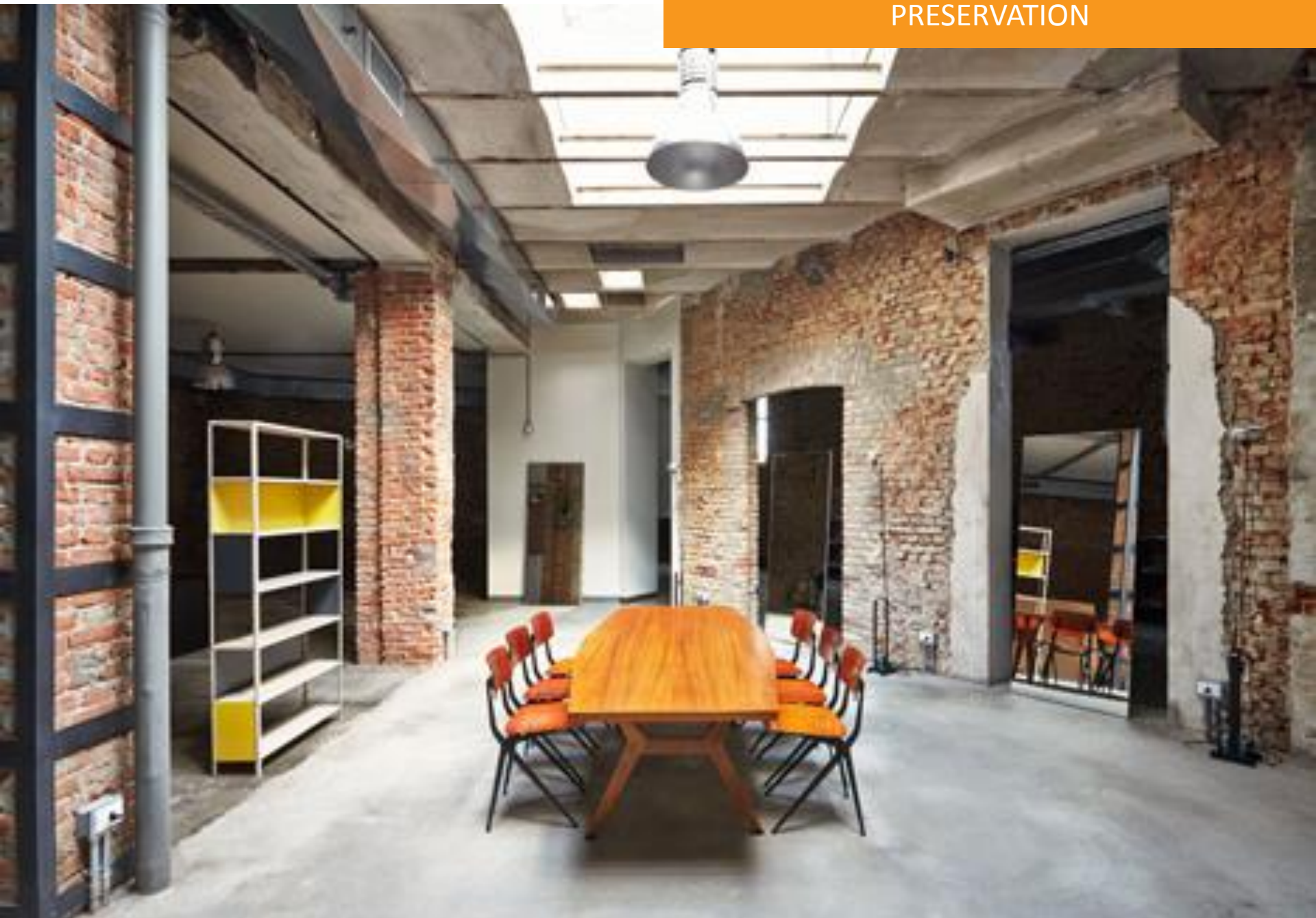
PRESERVATION



DESTINATION



PRESERVATION





Garver Feed Mill | Questions



Garver Feed Mill | Questions