

**San Jose Residential Feasibility Analysis - Exhibit B**

Per unit figures rounded to nearest '00

**Submarket:** South & East  
**Prototype:** Type V  
**Tenure:** Sale

<b>Item</b>	<b>Amount</b>
Average Unit Size (Net Saleable SF)	1,150
Stories	5
Density (du/ac)	50
Efficiency	80%
Parking Ratio	1.1
Construction Months	20

**Construction Costs** *Per Unit***Hard Costs**

Building Hard Costs	\$603,800
Parking Hard Costs	\$44,000
Contingency/Other Hard Costs	<u>\$32,400</u>
<b>Total Hard Costs</b>	\$680,100

**Soft Costs**

Architectural and Engineering	\$40,800
Financing Costs	\$30,300
City Fees and Permits	\$63,800
Other Soft Costs	\$67,100
Soft Cost Contingency	<u>\$10,100</u>
<b>Total Soft Costs</b>	\$212,100

**Total Hard and Soft Costs** \$892,300

**Pro-Forma** *Per Unit***Revenue**

Average Price Per Net Saleable Square Foot	\$585
Average Price	\$672,800
Sales Costs Including Warranty Reserve	\$40,400
Profit	<u>\$134,600</u>
<b>Total Net Supportable Cost</b>	\$497,800

**Residual Analysis** *Per Unit***Residual Value**

Supportable Cost	\$497,800
Total Hard and Soft Costs	<u>\$892,300</u>
Residual Value	\$0

**Feasibility Spread / (Gap)** (\$446,900)

**Market Land Cost**

2019-2021 Indicative Land Cost - Low	\$40,000
2019-2021 Indicative Land Cost - High	\$65,000

**San Jose Residential Feasibility Analysis - Exhibit B**

Per unit figures rounded to nearest '00

<b>Submarket:</b>	Central & West
<b>Prototype:</b>	Type V
<b>Tenure</b>	Sale
<b>Item</b>	<b>Amount</b>
Average Unit Size (Net Saleable SF)	1,150
Stories	5
Density (du/ac)	50
Efficiency	80%
Parking Ratio	1.1
Construction Months	20
<b>Construction Costs</b>	<i>Per Unit</i>
<i>Hard Costs</i>	
Building Hard Costs	\$603,800
Parking Hard Costs	\$44,000
Contingency/Other Hard Costs	<u>\$32,400</u>
<b>Total Hard Costs</b>	\$680,100
<i>Soft Costs</i>	
Architectural and Engineering	\$40,800
Financing Costs	\$30,600
City Fees and Permits	\$72,900
Other Soft Costs	\$67,600
Soft Cost Contingency	<u>\$10,600</u>
<b>Total Soft Costs</b>	\$222,500
<i>Total Hard and Soft Costs</i>	\$902,600
<b>Pro-Forma</b>	<i>Per Unit</i>
<b>Revenue</b>	
Average Price Per Net Saleable Square Foot	\$700
Average Price	\$805,000
Sales Costs Including Warranty Reserve	\$48,300
Profit	<u>\$161,000</u>
Total Net Supportable Cost	\$595,700
<b>Residual Analysis</b>	<i>Per Unit</i>
<b>Residual Value</b>	
Supportable Cost	\$595,700
Total Hard and Soft Costs	<u>\$902,600</u>
Residual Value	\$0
<b>Feasibility Spread / (Gap)</b>	(\$359,400)
<b>Market Land Cost</b>	
2019-2021 Indicative Land Cost - Low	\$40,000
2019-2021 Indicative Land Cost - High	\$65,000

**San Jose Residential Feasibility Analysis - Exhibit B**

Per unit figures rounded to nearest '00

<b>Submarket:</b>	North
<b>Prototype:</b>	Type V
<b>Tenure</b>	Sale
<b>Item</b>	<b>Amount</b>
Average Unit Size (Net Saleable SF)	1,150
Stories	5
Density (du/ac)	50
Efficiency	80%
Parking Ratio	1.1
Construction Months	20
<b>Construction Costs</b>	<i>Per Unit</i>
<i>Hard Costs</i>	
Building Hard Costs	\$603,800
Parking Hard Costs	\$44,000
Contingency/Other Hard Costs	<u>\$32,400</u>
<b>Total Hard Costs</b>	\$680,100
<i>Soft Costs</i>	
Architectural and Engineering	\$40,800
Financing Costs	\$30,700
City Fees and Permits	\$74,900
Other Soft Costs	\$67,700
Soft Cost Contingency	<u>\$10,700</u>
<b>Total Soft Costs</b>	\$224,800
<b>Total Hard and Soft Costs</b>	\$905,000
<b>Pro-Forma</b>	<i>Per Unit</i>
<b>Revenue</b>	
Average Price Per Net Saleable Square Foot	\$630
Average Price	\$724,500
Sales Costs Including Warranty Reserve	\$43,500
Profit	<u>\$144,900</u>
Total Net Supportable Cost	\$536,100
<b>Residual Analysis</b>	<i>Per Unit</i>
<b>Residual Value</b>	
Supportable Cost	\$536,100
Total Hard and Soft Costs	<u>\$905,000</u>
Residual Value	\$0
<b>Feasibility Spread / (Gap)</b>	(\$423,800)
<b>Market Land Cost</b>	
2019-2021 Indicative Land Cost - Low	\$25,000
2019-2021 Indicative Land Cost - High	\$85,000

**San Jose Residential Feasibility Analysis - Exhibit B**

Per unit figures rounded to nearest '00

<b>Submarket:</b>	Downtown
<b>Prototype:</b>	Type I
<b>Tenure</b>	Sale
<b>Item</b>	<b>Amount</b>
Average Unit Size (Net Saleable SF)	950
Stories	22
Density (du/ac)	330
Efficiency	78%
Parking Ratio	1.1
Construction Months	30
<b>Construction Costs</b>	<i>Per Unit</i>
<b>Hard Costs</b>	
Building Hard Costs	\$651,600
Parking Hard Costs	\$107,800
Contingency/Other Hard Costs	<u>\$38,000</u>
<b>Total Hard Costs</b>	\$797,400
<b>Soft Costs</b>	
Architectural and Engineering	\$47,800
Financing Costs	\$49,100
City Fees and Permits	\$56,100
Other Soft Costs	\$73,300
Soft Cost Contingency	<u>\$11,300</u>
<b>Total Soft Costs</b>	\$237,600
<b>Total Hard and Soft Costs</b>	\$1,035,000
<b>Pro-Forma</b>	<i>Per Unit</i>
<b>Revenue</b>	
Average Price Per Net Saleable Square Foot	\$725
Average Price	\$688,800
Sales Costs Including Warranty Reserve	\$48,300
Profit	<u>\$123,900</u>
Total Net Supportable Cost	\$516,600
<b>Residual Analysis</b>	<i>Per Unit</i>
<b>Residual Value</b>	
Supportable Cost	\$516,600
Total Hard and Soft Costs	<u>\$1,035,000</u>
Residual Value	\$0
<b>Feasibility Spread / (Gap)</b>	(\$573,400)
<b>Market Land Cost</b>	
2019-2021 Indicative Land Cost - Low	\$25,000
2019-2021 Indicative Land Cost - High	\$25,000

**San Jose Residential Feasibility Analysis - Exhibit B**

Per unit figures rounded to nearest '00

**Submarket:** Downtown - Waiver  
**Prototype:** Type I  
**Tenure:** Sale

<b>Item</b>	<b>Amount</b>
Average Unit Size (Net Saleable SF)	950
Stories	22
Density (du/ac)	330
Efficiency	78%
Parking Ratio	1.1
Construction Months	30

**Construction Costs** *Per Unit***Hard Costs**

Building Hard Costs	\$651,600
Parking Hard Costs	\$107,800
Contingency/Other Hard Costs	<u>\$38,000</u>
<b>Total Hard Costs</b>	\$797,400

**Soft Costs**

Architectural and Engineering	\$47,800
Financing Costs	\$47,200
City Fees and Permits	\$22,000
Other Soft Costs	\$71,300
Soft Cost Contingency	<u>\$9,400</u>
<b>Total Soft Costs</b>	\$197,700

**Total Hard and Soft Costs** \$995,100

**Pro-Forma** *Per Unit***Revenue**

Average Price Per Net Saleable Square Foot	\$725
Average Price	\$688,800
Sales Costs Including Warranty Reserve	\$48,300
Profit	<u>\$123,900</u>
Total Net Supportable Cost	\$516,600

**Residual Analysis** *Per Unit***Residual Value**

Supportable Cost	\$516,600
Total Hard and Soft Costs	<u>\$995,100</u>
Residual Value	\$0

**Feasibility Spread / (Gap)** (\$573,400)

**Market Land Cost**

2019-2021 Indicative Land Cost - Low	\$25,000
2019-2021 Indicative Land Cost - High	\$25,000

\*Waiver scenarios assume a waiver of inclusionary fees and a 50% reduction in CRMP and B&S Construction Taxes

**San Jose Residential Feasibility Analysis - Exhibit B**

Per unit costs rounded to nearest '00; per unit pro-forma items rounded to nearest '0

<b>Submarket:</b>	South & East
<b>Prototype:</b>	Type V
<b>Tenure</b>	Rental
<b>Item</b>	<b>Amount</b>
Average Unit Size (Net Rentable SF)	900
Stories	5.00
Density (du/ac)	65
Efficiency	80%
Parking Ratio	1
Construction Months	20
<b>Construction Costs</b>	<i>Per Unit</i>
<i>Hard Costs</i>	
Building Hard Costs	\$442,100
Parking Hard Costs	\$38,800
Contingency/Other Hard Costs	<u>\$24,000</u>
<b>Total Hard Costs</b>	\$505,000
<i>Soft Costs</i>	
Architectural and Engineering	\$30,300
Financing Costs	\$24,200
City Fees and Permits	\$45,300
Other Soft Costs	\$47,200
Soft Cost Contingency	<u>\$7,400</u>
<b>Total Soft Costs</b>	\$154,400
<b>Total Hard and Soft Costs</b>	\$659,400
<b>Pro-Forma</b>	<i>Per Unit</i>
<b>Revenue</b>	
Average Rent Per Square Foot Per Month	\$3.05
Average Rent Per Month	\$2,750
Other Income Per Month	\$170
Vacancy / Credit Loss at 5% Per Month	<u>\$150</u>
<b>Total Revenue Per Month</b>	\$2,770
<b>Operating Expenses</b>	
General Operating Expenses Per Month	\$550
Taxes Per Month	<u>\$470</u>
<b>Total Annual Operating Expenses Per Month</b>	\$1,020
<b>Net Operating Income Per Month</b>	\$1,740
<b>Net Operating Income Per Year</b>	\$20,900
<b>Residual Analysis</b>	<i>Per Unit</i>
<b>Residual Value</b>	
Target Return on Cost	5.25%
Total Supportable Cost	\$398,800
Total Hard and Soft Costs	\$659,400
Residual Value	\$0
<b>Feasibility Spread/(Gap)</b>	(\$313,048)
<b>Market Land Cost</b>	
2019-2021 Indicative Land Cost - Low	\$40,000
2019-2021 Indicative Land Cost - High	\$65,000

**San Jose Residential Feasibility Analysis - Exhibit B**

Per unit costs rounded to nearest '00; per unit pro-forma items rounded to nearest '0

<b>Submarket:</b>	Central
<b>Prototype:</b>	Type V
<b>Tenure</b>	Rental
<b>Item</b>	<b>Amount</b>
Average Unit Size (Net Rentable SF)	900
Stories	5.00
Density (du/ac)	65
Efficiency	80%
Parking Ratio	1
Construction Months	20
<b>Construction Costs</b>	<i>Per Unit</i>
<i>Hard Costs</i>	
Building Hard Costs	\$442,100
Parking Hard Costs	\$38,800
Contingency/Other Hard Costs	<u>\$24,000</u>
<b>Total Hard Costs</b>	\$505,000
<i>Soft Costs</i>	
Architectural and Engineering	\$30,300
Financing Costs	\$25,700
City Fees and Permits	\$81,300
Other Soft Costs	\$49,100
Soft Cost Contingency	<u>\$9,300</u>
<b>Total Soft Costs</b>	\$195,800
<b>Total Hard and Soft Costs</b>	\$700,700
<b>Pro-Forma</b>	<i>Per Unit</i>
<b>Revenue</b>	
Average Rent Per Square Foot Per Month	\$3.35
Average Rent Per Month	\$3,020
Other Income Per Month	\$170
Vacancy / Credit Loss at 5% Per Month	<u>\$160</u>
<b>Total Revenue Per Month</b>	\$3,020
<b>Operating Expenses</b>	
General Operating Expenses Per Month	\$560
Taxes Per Month	<u>\$520</u>
<b>Total Annual Operating Expenses Per Month</b>	\$1,080
<b>Net Operating Income Per Month</b>	\$1,940
<b>Net Operating Income Per Year</b>	\$23,300
<b>Residual Analysis</b>	<i>Per Unit</i>
<b>Residual Value</b>	
Target Return on Cost	5.25%
Total Supportable Cost	\$443,600
Total Hard and Soft Costs	\$700,700
<b>Residual Value</b>	\$0
<b>Feasibility Spread/(Gap)</b>	(\$309,639)
<b>Market Land Cost</b>	
2019-2021 Indicative Land Cost - Low	\$40,000
2019-2021 Indicative Land Cost - High	\$65,000

**San Jose Residential Feasibility Analysis - Exhibit B**

Per unit costs rounded to nearest '00; per unit pro-forma items rounded to nearest '0

<b>Submarket:</b>	Central
<b>Prototype:</b>	Type III
<b>Tenure</b>	Rental
<b>Item</b>	<b>Amount</b>
Average Unit Size (Net Rentable SF)	900
Stories	7.00
Density (du/ac)	90
Efficiency	80%
Parking Ratio	1
Construction Months	24
<b>Construction Costs</b>	<i>Per Unit</i>
<i>Hard Costs</i>	
Building Hard Costs	\$502,900
Parking Hard Costs	\$40,400
Contingency/Other Hard Costs	<u>\$27,200</u>
<b>Total Hard Costs</b>	\$570,400
<i>Soft Costs</i>	
Architectural and Engineering	\$34,200
Financing Costs	\$33,600
City Fees and Permits	\$80,700
Other Soft Costs	\$52,900
Soft Cost Contingency	<u>\$10,100</u>
<b>Total Soft Costs</b>	\$211,500
<b>Total Hard and Soft Costs</b>	\$781,900
<b>Pro-Forma</b>	<i>Per Unit</i>
<b>Revenue</b>	
Average Rent Per Square Foot Per Month	\$3.35
Average Rent Per Month	\$3,020
Other Income Per Month	\$170
Vacancy / Credit Loss at 5% Per Month	<u>\$160</u>
<b>Total Revenue Per Month</b>	\$3,020
<b>Operating Expenses</b>	
General Operating Expenses Per Month	\$560
Taxes Per Month	<u>\$520</u>
<b>Total Annual Operating Expenses Per Month</b>	\$1,080
<b>Net Operating Income Per Month</b>	\$1,940
<b>Net Operating Income Per Year</b>	\$23,300
<b>Residual Analysis</b>	<i>Per Unit</i>
<b>Residual Value</b>	
Target Return on Cost	5.25%
Total Supportable Cost	\$443,600
Total Hard and Soft Costs	\$781,900
Residual Value	\$0
<b>Feasibility Spread/(Gap)</b>	(\$390,809)
<b>Market Land Cost</b>	
2019-2021 Indicative Land Cost - Low	\$40,000
2019-2021 Indicative Land Cost - High	\$65,000



**San Jose Residential Feasibility Analysis - Exhibit B**

Per unit costs rounded to nearest '00; per unit pro-forma items rounded to nearest '0

<b>Submarket:</b>	West
<b>Prototype:</b>	Type III
<b>Tenure</b>	Rental
<b>Item</b>	<b>Amount</b>
Average Unit Size (Net Rentable SF)	900
Stories	7.00
Density (du/ac)	90
Efficiency	80%
Parking Ratio	1
Construction Months	24
<b>Construction Costs</b>	<i>Per Unit</i>
<i>Hard Costs</i>	
Building Hard Costs	\$502,900
Parking Hard Costs	\$40,400
Contingency/Other Hard Costs	<u>\$27,200</u>
<b>Total Hard Costs</b>	\$570,400
<i>Soft Costs</i>	
Architectural and Engineering	\$34,200
Financing Costs	\$33,500
City Fees and Permits	\$78,100
Other Soft Costs	\$52,800
Soft Cost Contingency	<u>\$9,900</u>
<b>Total Soft Costs</b>	\$208,600
<b>Total Hard and Soft Costs</b>	\$779,000
<b>Pro-Forma</b>	<i>Per Unit</i>
<b>Revenue</b>	
Average Rent Per Square Foot Per Month	\$4.15
Average Rent Per Month	\$3,740
Other Income Per Month	\$170
Vacancy / Credit Loss at 5% Per Month	<u>\$200</u>
<b>Total Revenue Per Month</b>	\$3,710
<b>Operating Expenses</b>	
General Operating Expenses Per Month	\$580
Taxes Per Month	<u>\$670</u>
<b>Total Annual Operating Expenses Per Month</b>	\$1,240
<b>Net Operating Income Per Month</b>	\$2,460
<b>Net Operating Income Per Year</b>	\$29,600
<b>Residual Analysis</b>	<i>Per Unit</i>
<b>Residual Value</b>	
Target Return on Cost	5.25%
Total Supportable Cost	\$563,000
Total Hard and Soft Costs	\$779,000
Residual Value	\$0
<b>Feasibility Spread/(Gap)</b>	(\$286,013)
<b>Market Land Cost</b>	
2019-2021 Indicative Land Cost - Low	\$65,000
2019-2021 Indicative Land Cost - High	\$75,000

**San Jose Residential Feasibility Analysis - Exhibit B**

Per unit costs rounded to nearest '00; per unit pro-forma items rounded to nearest '0

<b>Submarket:</b>	North
<b>Prototype:</b>	Type III
<b>Tenure</b>	Rental
<b>Item</b>	<b>Amount</b>
Average Unit Size (Net Rentable SF)	900
Stories	7.00
Density (du/ac)	90
Efficiency	80%
Parking Ratio	1
Construction Months	24
<b>Construction Costs</b>	<i>Per Unit</i>
<i>Hard Costs</i>	
Building Hard Costs	\$502,900
Parking Hard Costs	\$40,400
Contingency/Other Hard Costs	<u>\$27,200</u>
<b>Total Hard Costs</b>	\$570,400
<i>Soft Costs</i>	
Architectural and Engineering	\$34,200
Financing Costs	\$32,400
City Fees and Permits	\$55,700
Other Soft Costs	\$51,500
Soft Cost Contingency	<u>\$8,700</u>
<b>Total Soft Costs</b>	\$182,600
<b>Total Hard and Soft Costs</b>	\$753,000
<b>Pro-Forma</b>	<i>Per Unit</i>
<b>Revenue</b>	
Average Rent Per Square Foot Per Month	\$3.30
Average Rent Per Month	\$2,970
Other Income Per Month	\$170
Vacancy / Credit Loss at 5% Per Month	<u>\$160</u>
<b>Total Revenue Per Month</b>	\$2,980
<b>Operating Expenses</b>	
General Operating Expenses Per Month	\$560
Taxes Per Month	<u>\$520</u>
<b>Total Annual Operating Expenses Per Month</b>	\$1,070
<b>Net Operating Income Per Month</b>	\$1,910
<b>Net Operating Income Per Year</b>	\$22,900
<b>Residual Analysis</b>	<i>Per Unit</i>
<b>Residual Value</b>	
Target Return on Cost	5.25%
Total Supportable Cost	\$436,100
Total Hard and Soft Costs	\$753,000
Residual Value	\$0
<b>Feasibility Spread/(Gap)</b>	(\$371,889)
<b>Market Land Cost</b>	
2019-2021 Indicative Land Cost - Low	\$25,000
2019-2021 Indicative Land Cost - High	\$85,000

**San Jose Residential Feasibility Analysis - Exhibit B**

Per unit costs rounded to nearest '00; per unit pro-forma items rounded to nearest '0

<b>Submarket:</b>	Central
<b>Prototype:</b>	Type I
<b>Tenure</b>	Rental
<b>Item</b>	<b>Amount</b>
Average Unit Size (Net Rentable SF)	900
Stories	22.00
Density (du/ac)	350
Efficiency	78%
Parking Ratio	1
Construction Months	30
<b>Construction Costs</b>	<i>Per Unit</i>
<i>Hard Costs</i>	
Building Hard Costs	\$579,200
Parking Hard Costs	\$76,800
Contingency/Other Hard Costs	<u>\$32,800</u>
<b>Total Hard Costs</b>	\$688,800
<i>Soft Costs</i>	
Architectural and Engineering	\$41,300
Financing Costs	\$47,800
City Fees and Permits	\$80,200
Other Soft Costs	\$61,400
Soft Cost Contingency	<u>\$11,500</u>
<b>Total Soft Costs</b>	\$242,300
<b>Total Hard and Soft Costs</b>	\$931,100
<b>Pro-Forma</b>	<i>Per Unit</i>
<b>Revenue</b>	
Average Rent Per Square Foot Per Month	\$3.35
Average Rent Per Month	\$3,020
Other Income Per Month	\$190
Vacancy / Credit Loss at 5% Per Month	<u>\$160</u>
<b>Total Revenue Per Month</b>	\$3,040
<b>Operating Expenses</b>	
General Operating Expenses Per Month	\$630
Taxes Per Month	<u>\$510</u>
<b>Total Annual Operating Expenses Per Month</b>	\$1,150
<b>Net Operating Income Per Month</b>	\$1,890
<b>Net Operating Income Per Year</b>	\$22,700
<b>Residual Analysis</b>	<i>Per Unit</i>
<b>Residual Value</b>	
Target Return on Cost	5.25%
Total Supportable Cost	\$432,800
Total Hard and Soft Costs	\$931,100
Residual Value	\$0
<b>Feasibility Spread/(Gap)</b>	(\$550,836)
<b>Market Land Cost</b>	
2019-2021 Indicative Land Cost - Low	\$40,000
2019-2021 Indicative Land Cost - High	\$65,000

**San Jose Residential Feasibility Analysis - Exhibit B**

Per unit costs rounded to nearest '00; per unit pro-forma items rounded to nearest '0

<b>Submarket:</b>	Central - Waiver
<b>Prototype:</b>	Type I
<b>Tenure</b>	Rental
<b>Item</b>	<b>Amount</b>
Average Unit Size (Net Rentable SF)	900
Stories	22.00
Density (du/ac)	350
Efficiency	78%
Parking Ratio	1
Construction Months	30
<b>Construction Costs</b>	<i>Per Unit</i>
<i>Hard Costs</i>	
Building Hard Costs	\$579,200
Parking Hard Costs	\$76,800
Contingency/Other Hard Costs	<u>\$32,800</u>
<b>Total Hard Costs</b>	\$688,800
<i>Soft Costs</i>	
Architectural and Engineering	\$41,300
Financing Costs	\$44,600
City Fees and Permits	\$27,300
Other Soft Costs	\$58,200
Soft Cost Contingency	<u>\$8,600</u>
<b>Total Soft Costs</b>	\$180,100
<b>Total Hard and Soft Costs</b>	\$868,900
<b>Pro-Forma</b>	<i>Per Unit</i>
<b>Revenue</b>	
Average Rent Per Square Foot Per Month	\$3.35
Average Rent Per Month	\$3,020
Other Income Per Month	\$190
Vacancy / Credit Loss at 5% Per Month	<u>\$160</u>
<b>Total Revenue Per Month</b>	\$3,040
<b>Operating Expenses</b>	
General Operating Expenses Per Month	\$630
Taxes Per Month	<u>\$510</u>
<b>Total Annual Operating Expenses Per Month</b>	\$1,150
<b>Net Operating Income Per Month</b>	\$1,890
<b>Net Operating Income Per Year</b>	\$22,700
<b>Residual Analysis</b>	<i>Per Unit</i>
<b>Residual Value</b>	
Target Return on Cost	5.25%
Total Supportable Cost	\$432,800
Total Hard and Soft Costs	\$868,900
Residual Value	\$0
<b>Feasibility Spread/(Gap)</b>	(\$550,836)
<b>Market Land Cost</b>	
2019-2021 Indicative Land Cost - Low	\$40,000
2019-2021 Indicative Land Cost - High	\$65,000

\*Waiver scenarios assume a waiver of inclusionary fees and a 50% reduction in CRMP and B&amp;S Construction Taxes

**San Jose Residential Feasibility Analysis - Exhibit B**

Per unit costs rounded to nearest '00; per unit pro-forma items rounded to nearest '0

<b>Submarket:</b>	West
<b>Prototype:</b>	Type I
<b>Tenure</b>	Rental
<b>Item</b>	<b>Amount</b>
Average Unit Size (Net Rentable SF)	900
Stories	22.00
Density (du/ac)	350
Efficiency	78%
Parking Ratio	1
Construction Months	30
<b>Construction Costs</b>	<i>Per Unit</i>
<i>Hard Costs</i>	
Building Hard Costs	\$579,200
Parking Hard Costs	\$76,800
Contingency/Other Hard Costs	<u>\$32,800</u>
<b>Total Hard Costs</b>	\$688,800
<i>Soft Costs</i>	
Architectural and Engineering	\$41,300
Financing Costs	\$47,700
City Fees and Permits	\$77,700
Other Soft Costs	\$61,200
Soft Cost Contingency	<u>\$11,400</u>
<b>Total Soft Costs</b>	\$239,300
<b>Total Hard and Soft Costs</b>	\$928,100
<b>Pro-Forma</b>	<i>Per Unit</i>
<b>Revenue</b>	
Average Rent Per Square Foot Per Month	\$4.15
Average Rent Per Month	\$3,740
Other Income Per Month	\$190
Vacancy / Credit Loss at 5% Per Month	<u>\$200</u>
<b>Total Revenue Per Month</b>	\$3,720
<b>Operating Expenses</b>	
General Operating Expenses Per Month	\$660
Taxes Per Month	<u>\$650</u>
<b>Total Annual Operating Expenses Per Month</b>	\$1,310
<b>Net Operating Income Per Month</b>	\$2,420
<b>Net Operating Income Per Year</b>	\$29,000
<b>Residual Analysis</b>	<i>Per Unit</i>
<b>Residual Value</b>	
Target Return on Cost	5.25%
Total Supportable Cost	\$552,200
Total Hard and Soft Costs	\$928,100
Residual Value	\$0
<b>Feasibility Spread/(Gap)</b>	(\$445,967)
<b>Market Land Cost</b>	
2019-2021 Indicative Land Cost - Low	\$65,000
2019-2021 Indicative Land Cost - High	\$75,000

**San Jose Residential Feasibility Analysis - Exhibit B**

Per unit costs rounded to nearest '00; per unit pro-forma items rounded to nearest '0

<b>Submarket:</b>	West - Waiver
<b>Prototype:</b>	Type I
<b>Tenure</b>	Rental
<b>Item</b>	<b>Amount</b>
Average Unit Size (Net Rentable SF)	900
Stories	22.00
Density (du/ac)	350
Efficiency	78%
Parking Ratio	1
Construction Months	30
<b>Construction Costs</b>	<i>Per Unit</i>
<i>Hard Costs</i>	
Building Hard Costs	\$579,200
Parking Hard Costs	\$76,800
Contingency/Other Hard Costs	<u>\$32,800</u>
<b>Total Hard Costs</b>	\$688,800
<i>Soft Costs</i>	
Architectural and Engineering	\$41,300
Financing Costs	\$44,500
City Fees and Permits	\$24,800
Other Soft Costs	\$58,100
Soft Cost Contingency	<u>\$8,400</u>
<b>Total Soft Costs</b>	\$177,100
<b>Total Hard and Soft Costs</b>	\$865,900
<b>Pro-Forma</b>	<i>Per Unit</i>
<b>Revenue</b>	
Average Rent Per Square Foot Per Month	\$4.15
Average Rent Per Month	\$3,740
Other Income Per Month	\$190
Vacancy / Credit Loss at 5% Per Month	<u>\$200</u>
<b>Total Revenue Per Month</b>	\$3,720
<b>Operating Expenses</b>	
General Operating Expenses Per Month	\$660
Taxes Per Month	<u>\$650</u>
<b>Total Annual Operating Expenses Per Month</b>	\$1,310
<b>Net Operating Income Per Month</b>	\$2,420
<b>Net Operating Income Per Year</b>	\$29,000
<b>Residual Analysis</b>	<i>Per Unit</i>
<b>Residual Value</b>	
Target Return on Cost	5.25%
Total Supportable Cost	\$552,200
Total Hard and Soft Costs	\$865,900
Residual Value	\$0
<b>Feasibility Spread/(Gap)</b>	(\$445,967)
<b>Market Land Cost</b>	
2019-2021 Indicative Land Cost - Low	\$65,000
2019-2021 Indicative Land Cost - High	\$75,000

\*Waiver scenarios assume a waiver of inclusionary fees and a 50% reduction in CRMP and B&amp;S Construction Taxes

**San Jose Residential Feasibility Analysis - Exhibit B**

Per unit costs rounded to nearest '00; per unit pro-forma items rounded to nearest '0

<b>Submarket:</b>	West - Waiver/ Aff
<b>Prototype:</b>	Type I
<b>Tenure</b>	Rental
<b>Item</b>	<b>Amount</b>
Average Unit Size (Net Rentable SF)	900
Stories	22.00
Density (du/ac)	350
Efficiency	78%
Parking Ratio	1
Construction Months	30
<b>Construction Costs</b>	<i>Per Unit</i>
<i>Hard Costs</i>	
Building Hard Costs	\$579,200
Parking Hard Costs	\$76,800
Contingency/Other Hard Costs	<u>\$32,800</u>
<b>Total Hard Costs</b>	\$688,800
<i>Soft Costs</i>	
Architectural and Engineering	\$41,300
Financing Costs	\$44,500
City Fees and Permits	\$24,800
Other Soft Costs	\$58,100
Soft Cost Contingency	<u>\$8,400</u>
<b>Total Soft Costs</b>	\$177,100
<b>Total Hard and Soft Costs</b>	\$865,900
<b>Pro-Forma</b>	<i>Per Unit</i>
<b>Revenue</b>	
Average Rent Per Square Foot Per Month	\$4.15
Average Rent Per Month	\$3,720
Other Income Per Month	\$190
Vacancy / Credit Loss at 5% Per Month	<u>\$200</u>
<b>Total Revenue Per Month</b>	\$3,710
<b>Operating Expenses</b>	
General Operating Expenses Per Month	\$660
Taxes Per Month	<u>\$650</u>
<b>Total Annual Operating Expenses Per Month</b>	\$1,310
<b>Net Operating Income Per Month</b>	\$2,410
<b>Net Operating Income Per Year</b>	\$28,900
<b>Residual Analysis</b>	<i>Per Unit</i>
<b>Residual Value</b>	
Target Return on Cost	5.25%
Total Supportable Cost	\$550,000
Total Hard and Soft Costs	\$865,900
Residual Value	\$0
<b>Feasibility Spread/(Gap)</b>	(\$445,967)
<b>Market Land Cost</b>	
2019-2021 Indicative Land Cost - Low	\$65,000
2019-2021 Indicative Land Cost - High	\$75,000

\*Waiver scenarios assume a waiver of inclusionary fees and a 50% reduction in CRMP and B&amp;S Construction Taxes

**San Jose Residential Feasibility Analysis - Exhibit B**

Per unit costs rounded to nearest '00; per unit pro-forma items rounded to nearest '0

<b>Submarket:</b>	North
<b>Prototype:</b>	Type I
<b>Tenure</b>	Rental
<b>Item</b>	<b>Amount</b>
Average Unit Size (Net Rentable SF)	900
Stories	22.00
Density (du/ac)	350
Efficiency	78%
Parking Ratio	1
Construction Months	30
<b>Construction Costs</b>	<i>Per Unit</i>
<i>Hard Costs</i>	
Building Hard Costs	\$579,200
Parking Hard Costs	\$76,800
Contingency/Other Hard Costs	<u>\$32,800</u>
<b>Total Hard Costs</b>	\$688,800
<i>Soft Costs</i>	
Architectural and Engineering	\$41,300
Financing Costs	\$46,300
City Fees and Permits	\$54,600
Other Soft Costs	\$59,900
Soft Cost Contingency	<u>\$10,100</u>
<b>Total Soft Costs</b>	\$212,100
<b>Total Hard and Soft Costs</b>	\$901,000
<b>Pro-Forma</b>	<i>Per Unit</i>
<b>Revenue</b>	
Average Rent Per Square Foot Per Month	\$3.30
Average Rent Per Month	\$2,970
Other Income Per Month	\$190
Vacancy / Credit Loss at 5% Per Month	<u>\$160</u>
<b>Total Revenue Per Month</b>	\$3,000
<b>Operating Expenses</b>	
General Operating Expenses Per Month	\$630
Taxes Per Month	<u>\$500</u>
<b>Total Annual Operating Expenses Per Month</b>	\$1,140
<b>Net Operating Income Per Month</b>	\$1,860
<b>Net Operating Income Per Year</b>	\$22,300
<b>Residual Analysis</b>	<i>Per Unit</i>
<b>Residual Value</b>	
Target Return on Cost	5.25%
Total Supportable Cost	\$425,300
Total Hard and Soft Costs	\$901,000
Residual Value	\$0
<b>Feasibility Spread/(Gap)</b>	(\$530,665)
<b>Market Land Cost</b>	
2019-2021 Indicative Land Cost - Low	\$25,000
2019-2021 Indicative Land Cost - High	\$85,000



**San Jose Residential Feasibility Analysis - Exhibit B**

Per unit costs rounded to nearest '00; per unit pro-forma items rounded to nearest '0

<b>Submarket:</b>	North - Waiver
<b>Prototype:</b>	Type I
<b>Tenure</b>	Rental
<b>Item</b>	<b>Amount</b>
Average Unit Size (Net Rentable SF)	900
Stories	22.00
Density (du/ac)	350
Efficiency	78%
Parking Ratio	1
Construction Months	30
<b>Construction Costs</b>	<i>Per Unit</i>
<i>Hard Costs</i>	
Building Hard Costs	\$579,200
Parking Hard Costs	\$76,800
Contingency/Other Hard Costs	<u>\$32,800</u>
<b>Total Hard Costs</b>	\$688,800
<i>Soft Costs</i>	
Architectural and Engineering	\$41,300
Financing Costs	\$44,800
City Fees and Permits	\$29,700
Other Soft Costs	\$58,400
Soft Cost Contingency	<u>\$8,700</u>
<b>Total Soft Costs</b>	\$182,900
<b>Total Hard and Soft Costs</b>	\$871,700
<b>Pro-Forma</b>	<i>Per Unit</i>
<b>Revenue</b>	
Average Rent Per Square Foot Per Month	\$3.30
Average Rent Per Month	\$2,970
Other Income Per Month	\$190
Vacancy / Credit Loss at 5% Per Month	<u>\$160</u>
<b>Total Revenue Per Month</b>	\$3,000
<b>Operating Expenses</b>	
General Operating Expenses Per Month	\$630
Taxes Per Month	<u>\$500</u>
<b>Total Annual Operating Expenses Per Month</b>	\$1,140
<b>Net Operating Income Per Month</b>	\$1,860
<b>Net Operating Income Per Year</b>	\$22,300
<b>Residual Analysis</b>	<i>Per Unit</i>
<b>Residual Value</b>	
Target Return on Cost	5.25%
Total Supportable Cost	\$425,300
Total Hard and Soft Costs	\$871,700
Residual Value	\$0
<b>Feasibility Spread/(Gap)</b>	(\$530,665)
<b>Market Land Cost</b>	
2019-2021 Indicative Land Cost - Low	\$25,000
2019-2021 Indicative Land Cost - High	\$85,000

\*Waiver scenarios assume a waiver of inclusionary fees and a 50% reduction in CRMP and B&amp;S Construction Taxes

**San Jose Residential Feasibility Analysis - Exhibit B**

Per unit costs rounded to nearest '00; per unit pro-forma items rounded to nearest '0

<b>Submarket:</b>	Downtown
<b>Prototype:</b>	Type I
<b>Tenure</b>	Rental
<b>Item</b>	<b>Amount</b>
Average Unit Size (Net Rentable SF)	900
Stories	22.00
Density (du/ac)	350
Efficiency	78%
Parking Ratio	1
Construction Months	30
<b>Construction Costs</b>	<i>Per Unit</i>
<i>Hard Costs</i>	
Building Hard Costs	\$579,200
Parking Hard Costs	\$76,800
Contingency/Other Hard Costs	<u>\$32,800</u>
<b>Total Hard Costs</b>	\$688,800
<i>Soft Costs</i>	
Architectural and Engineering	\$41,300
Financing Costs	\$47,400
City Fees and Permits	\$74,200
Other Soft Costs	\$61,000
Soft Cost Contingency	<u>\$11,200</u>
<b>Total Soft Costs</b>	\$235,200
<b>Total Hard and Soft Costs</b>	\$924,100
<b>Pro-Forma</b>	<i>Per Unit</i>
<b>Revenue</b>	
Average Rent Per Square Foot Per Month	\$3.75
Average Rent Per Month	\$3,380
Other Income Per Month	\$190
Vacancy / Credit Loss at 5% Per Month	<u>\$180</u>
<b>Total Revenue Per Month</b>	\$3,380
<b>Operating Expenses</b>	
General Operating Expenses Per Month	\$650
Taxes Per Month	<u>\$580</u>
<b>Total Annual Operating Expenses Per Month</b>	\$1,230
<b>Net Operating Income Per Month</b>	\$2,150
<b>Net Operating Income Per Year</b>	\$25,900
<b>Residual Analysis</b>	<i>Per Unit</i>
<b>Residual Value</b>	
Target Return on Cost	5.25%
Total Supportable Cost	\$492,500
Total Hard and Soft Costs	\$924,100
Residual Value	\$0
<b>Feasibility Spread/(Gap)</b>	(\$486,593)
<b>Market Land Cost</b>	
2019-2021 Indicative Land Cost - Low	\$25,000
2019-2021 Indicative Land Cost - High	\$85,000

**San Jose Residential Feasibility Analysis - Exhibit B**

Per unit costs rounded to nearest '00; per unit pro-forma items rounded to nearest '0

<b>Submarket:</b>	Downtown - Waiver
<b>Prototype:</b>	Type I
<b>Tenure</b>	Rental
<b>Item</b>	<b>Amount</b>
Average Unit Size (Net Rentable SF)	900
Stories	22.00
Density (du/ac)	350
Efficiency	78%
Parking Ratio	1
Construction Months	30
<b>Construction Costs</b>	<i>Per Unit</i>
<i>Hard Costs</i>	
Building Hard Costs	\$579,200
Parking Hard Costs	\$76,800
Contingency/Other Hard Costs	<u>\$32,800</u>
<b>Total Hard Costs</b>	\$688,800
<i>Soft Costs</i>	
Architectural and Engineering	\$41,300
Financing Costs	\$44,300
City Fees and Permits	\$21,300
Other Soft Costs	\$57,900
Soft Cost Contingency	<u>\$8,200</u>
<b>Total Soft Costs</b>	\$173,000
<b>Total Hard and Soft Costs</b>	\$861,800
<b>Pro-Forma</b>	<i>Per Unit</i>
<b>Revenue</b>	
Average Rent Per Square Foot Per Month	\$3.75
Average Rent Per Month	\$3,380
Other Income Per Month	\$190
Vacancy / Credit Loss at 5% Per Month	<u>\$180</u>
<b>Total Revenue Per Month</b>	\$3,380
<b>Operating Expenses</b>	
General Operating Expenses Per Month	\$650
Taxes Per Month	<u>\$580</u>
<b>Total Annual Operating Expenses Per Month</b>	\$1,230
<b>Net Operating Income Per Month</b>	\$2,150
<b>Net Operating Income Per Year</b>	\$25,900
<b>Residual Analysis</b>	<i>Per Unit</i>
<b>Residual Value</b>	
Target Return on Cost	5.25%
Total Supportable Cost	\$492,500
Total Hard and Soft Costs	\$861,800
Residual Value	\$0
<b>Feasibility Spread/(Gap)</b>	(\$424,391)
<b>Market Land Cost</b>	
2019-2021 Indicative Land Cost - Low	\$25,000
2019-2021 Indicative Land Cost - High	\$85,000

\*Waiver scenarios assume a waiver of inclusionary fees and a 50% reduction in CRMP and B&amp;S Construction Taxes