

ADDRESSING THE WORKFORCE HOUSING CRISIS IN FULLERTON: ASPECT APARTMENTS

Project Profile: **Aspect Apartments**

- 251 Orangefair Ave, Fullerton, CA
 - 323 Units, built in 2017
 - Central A/C, in unit laundry, balconies, and plank flooring
 - Amenities including pool, resident lounge, fitness center, and dog washing station
- Aspect Apartments presents a prime opportunity to convert market rate product into well-maintained workforce housing product for years to come, at affordable levels for the residents of Fullerton.
 - Rents will be lowered to no more than 35% of household income at the Low (<80% AMI) to Moderate (<120% AMI) levels and will be annually capped with annual rent increases of no more than 4%. No existing residents will be displaced. Rent growth is limited under the Regulatory Agreement, and increases will not exceed 4% annually, which is a significant discount compared with Fullerton's submarket historical rent growth of 46.3% over the past ten years.

Resident Rent Savings

Total Units			RENTS AFTER ACQUISITION			AFTER Acquisition
			LOW <80% AMI 109 Units	MIDDLE <100% AMI 107 Units	MODERATE <120% AMI 107 Units	
Unit Type	Unit Count	CURRENT Market Rent/Unit	Income < \$86,080	Income < \$107,600	Income < \$129,120	Restricted Rent/Unit
Studio	10	\$ 2,250	\$ 1,884	\$ 1,995	\$ 2,128	\$ 1,991
1 Bedroom	162	2,500	2,152	2,325	2,350	2,276
2 Bedroom	151	3,050	2,422	2,775	2,800	2,667
Total	323	\$ 2,749	\$ 2,270	\$ 2,525	\$ 2,553	\$ 2,450
Resident Savings vs. Current Rents						
Initial Rent Savings/Unit/Mo			\$ 479	\$ 224	\$ 196	\$ 300
Total Rent Savings/Annual			\$ 627,127	\$ 287,906	\$ 251,513	\$ 1,161,744
<i>*Income limits shown for a family of two (1 bedroom unit)</i>						

- Residents will realize annualize savings of \$1,162,000, leaving more disposable income to be spent in support of local businesses.

ASPECT



- City rental preference can be incorporated into the regulatory agreement. Fullerton residents, city employees, first responders, teachers can have their qualifications reviewed first
- This program allows the City to mitigate forecasted market-driven rents and keep rents affordable for middle-income residents, which have increased 46.3% over the last ten years alone in the Fullerton submarket.

Projected Rent Savings

	2021	2026	2031
Market Rate Rents	\$ 2,749	\$ 3,386	\$ 4,023
Restricted Rents	2,450	2,777	3,104
Savings (\$ per Unit)	\$ 300	\$ 609	\$ 919
Savings (%)	12%	22%	30%
Total Annual Savings	\$ 1,161,744	\$ 2,361,100	\$ 3,560,456

**Rents calculated using Fullerton's historical 10yr rent growth rate (CoStar) and Orange County's AMI historical 10yr growth rate (Novogradac)*

- Fullerton will have the right to compel a sale after year 15, which would create huge value for the city. If the City decided to exercise their option, the City is projected to receive total net sale proceeds, amounting to \$88.7mm in Year 15, and \$369.6mm in Year 30. The City receives this cash from the sale of the property and does not need to become the owner of the property unless interested.

Taxes

- Fullerton's 15.64% share of annual property taxes for Aspect totals \$213,161. If no considerations were made to the City, Fullerton would forego \$10,656,889 in property tax revenue over 35 years, assuming a 2% escalation factor.
 - **HOWEVER, FULLERTON WILL BE RECEIVING AN ANNUAL HOST CITY CHARGE THAT STARTS AT \$275,000 IN Y1 THAT GROWS AT 2% ANNUALLY, TOTALING \$13.75 MILLION THROUGHOUT THE LIFE OF THE PROJECT.**

ASPECT



- The acquisition of this property is entirely financed by CSCDA-CIA's governmental revenue bonds, and there are no equity partners. After any outstanding bond payments are made upon a sale, all excess sale proceeds go to the City

Projected Sale Economics

	<u>Current Year</u>	<u>Year 15 Total</u>	<u>Year 30 Total</u>
Projected Cash to City on Sale of Asset		\$88,727,958	\$369,651,179
Plus: Resident Rent Savings (vs. Current Rents)	\$1,161,744	\$22,255,392	\$56,928,567
<i>Sale in year 30 assumes 3% market rent growth, 3% affordable rent growth, and 4.25% exit cap rate</i>			

- The City is not the bond issuer or the credit enhancer, and these bonds do not diminish the City's issuing capacity. The bonds are backed solely by the project revenues. The City incurs no fees, liability, or administrative responsibilities in connection with this program.
- All excess cash flow is either reinvested back into the property to maintain the property in "Class A" condition over 35 years, or excess cash flow is used to repay bond principal.

Aspect Apartments

Fullerton, CA

323 Units

Project Sources and Uses

<u>Uses of Funds</u>	<u>Total</u>
Project Purchase Price	\$ 175,500,000
Deposit to Capitalized Interest Account	478,795
Deposit to Capital Expense Fund	1,857,250
Deposit to Operating Reserve Fund	490,398
Deposit to Coverage Reserve Fund	1,900,000
Deposit to Senior Debt Service Reserve Fund	6,734,000
Deposit to Extraordinary Expense Fund	500,000
Deposit to Operating Account	350,000
Initial Payment to Project Administrator	3,000,000
Cost of Issuance	5,667,164
Series 2021B Bond	6,000,000
Total Uses of Funds	\$ 202,477,607
<u>Sources of Funds</u>	
A Bonds	\$ 192,400,000
Original Issue Premium	4,077,607
Series 2021B Bond	6,000,000
Total Sources of Funds	\$ 202,477,607

Upfront Fees

Project Administrator receives a \$3,000,000 developer fee
As Owner of the Property, CSCDA-CIA receives a 1% Issuer fee on total Bond Proceeds

Underwriting Assumptions

<u>Financing Assumptions</u>		
A Bond Coupon		3.50%
A Bond Yield		3.40%
Interest Payment Frequency		2 pmts/yr
A Bond Price		\$102.12
<u>Economic Assumptions</u>	<u>Year 1</u>	<u>Stabilized Operations</u>
Occupancy	95.00%	95.00%
Bad Debt/Delinquency	1.00%	0.00%
AMI Growth Rate	3.00%	3.00%
Market Rent Growth Rate	3.00%	3.00%
Other Income Growth Rate	3.00%	3.00%
Expense Growth Rate	3.00%	3.00%

Aspect Apartments

Fullerton, CA

323 Units

Bond Summary

Par Amount Series A	\$	192,400,000
Estimated Series A Premium		4,077,607
Par Amount Series B		6,000,000
Total Bond & Premium Amount	\$	202,477,607

Costs of Issuance

<u>Expense Type</u>	<u>Name</u>	<u>Fee Percentage</u>	<u>Total Costs</u>
Issuer Fee	CSCDA	1.00%	\$ 1,984,000
Issuer Counsel			15,000
Issuer Financial Advisor			-
Bond Counsel			225,000
Bond Underwriter	Stifel	1.50%	2,947,164
Bond Underwriter Counsel			100,000
Property Tax Exemption Opinion			7,500
Trustee			10,000
Trustee Counsel			7,500
Dissemination Agent			1,000
Accounting			2,500
Borrower's Counsel			100,000
Local Real Estate Counsel			25,000
Third Pary Reports & Consultants			142,500
Misc. / Contingency			100,000
Total			\$ 5,667,164
Total Costs of Issuance			\$ 5,667,164

Aspect

Operating Proforma Cash Flow

Cash Flow Summary

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9
	10/22/2022	10/22/2023	10/22/2024	10/22/2025	10/22/2026	10/22/2027	10/22/2028	10/22/2029	10/22/2030
Net Revenue	\$ 9,046,576	\$ 9,580,809	\$ 9,941,127	\$ 10,397,087	\$ 10,709,000	\$ 11,030,270	\$ 11,361,178	\$ 11,702,014	\$ 12,053,074
Total Expense	(1,955,740)	(2,019,012)	(2,080,858)	(2,146,044)	(2,210,425)	(2,276,738)	(2,345,040)	(2,415,391)	(2,487,853)
Gross Operating Profit (Total Net Revenues)	7,090,836	7,561,797	7,860,269	8,251,044	8,498,575	8,753,532	9,016,138	9,286,622	9,565,221
Host City Charge	(275,000)	(280,500)	(286,110)	(291,832)	(297,669)	(303,622)	(309,695)	(315,889)	(322,206)
Other Administrative Expenses	(25,000)	(25,500)	(26,010)	(26,530)	(27,061)	(27,602)	(28,154)	(28,717)	(29,291)
Agency Administration Fee	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
Capital Expense Requirement	(96,900)	(99,807)	(102,801)	(105,885)	(109,062)	(112,334)	(115,704)	(119,175)	(122,750)
Project Administrator Management Fee	(250,000)	(257,500)	(265,225)	(273,182)	(281,377)	(289,819)	(298,513)	(307,468)	(316,693)
Total Net Revenues Less Administrative Expenses and Fees	6,193,936	6,648,490	6,930,123	7,303,614	7,533,406	7,770,156	8,014,073	8,265,373	8,524,280
Income from Investment Earnings & Reserve Releases	73,389	73,389	73,389	73,389	76,392	75,587	76,157	73,844	1,959,156
Income from Operations & Investment Earnings	6,267,325	6,721,879	7,003,512	7,377,003	7,609,798	7,845,743	8,090,230	8,339,217	10,483,436
Senior Debt Service Payment	(6,267,325)	(6,721,879)	(6,734,000)	(6,734,000)	(6,732,600)	(6,722,975)	(6,704,775)	(6,677,300)	(6,640,200)
Funds Remaining for B Bond Payment	-	-	269,512	643,003	877,198	1,122,768	1,385,455	1,661,917	3,843,236
Subordinate Interest Payment	-	-	(269,512)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)
Funds Available for A Bond Redemption	-	-	-	43,003	277,198	522,768	785,455	1,061,917	3,243,236
Senior Debt - Special Principal Redemption	-	-	-	(40,000)	(275,000)	(520,000)	(785,000)	(1,060,000)	(3,240,000)
Funds Availabe for B Bond Redemption	-	-	-	3,003	2,198	2,768	455	1,917	3,236
<u>Subordinate Debt - Special Principal Redemption</u>	-	-	-	-	-	-	-	-	-
Cash Flow After Bond Redemption	-	-	-	3,003	2,198	2,768	455	1,917	3,236
Remaining Cash Flow for Trailing Excess NOI	\$ -	\$ -	\$ -	\$ 3,003	\$ 2,198	\$ 2,768	\$ 455	\$ 1,917	\$ 3,236

Estimated Foregone Tax Revenue (Fullerton Portion)	(213,161)	(217,425)	(221,773)	(226,208)	(230,733)	(235,347)	(240,054)	(244,855)	(249,752)
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Note: assumes Fullerton receives 15.64% of general tax.

Projected Sale Economics

Estimated Property Value
Less: Projected Closing Costs
<u>Less: Outstanding Bonds</u>
Net Sale Proceeds to Fullerton

Note: assumes 4.25% exit cap rate and 2% closing costs

Aspect

Operating Proforma Cash Flow

Cash Flow Summary

	Yr 10	Yr 11	Yr 12	Yr 13	Yr 14	Yr 15	Yr 16	Yr 17	Yr 18
	10/22/2031	10/22/2032	10/22/2033	10/22/2034	10/22/2035	10/22/2036	10/22/2037	10/22/2038	10/22/2039
Net Revenue	\$ 12,414,666	\$ 12,787,106	\$ 13,170,719	\$ 13,565,841	\$ 13,972,816	\$ 14,392,001	\$ 14,823,761	\$ 15,268,473	\$ 15,726,528
Total Expense	(2,562,489)	(2,639,363)	(2,718,544)	(2,800,101)	(2,884,104)	(2,970,627)	(3,059,746)	(3,151,538)	(3,246,084)
Gross Operating Profit (Total Net Revenues)	9,852,177	10,147,743	10,452,175	10,765,740	11,088,713	11,421,374	11,764,015	12,116,936	12,480,444
Host City Charge	(328,650)	(335,223)	(341,928)	(348,766)	(355,742)	(362,857)	(370,114)	(377,516)	(385,066)
Other Administrative Expenses	(29,877)	(30,475)	(31,084)	(31,706)	(32,340)	(32,987)	(33,647)	(34,320)	(35,006)
Agency Administration Fee	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
Capital Expense Requirement	(126,433)	(130,225)	(134,132)	(138,156)	(142,301)	(146,570)	(150,967)	(155,496)	(160,161)
Project Administrator Management Fee	(326,193)	(335,979)	(346,058)	(356,440)	(367,133)	(378,147)	(389,492)	(401,177)	(413,212)
Total Net Revenues Less Administrative Expenses and Fees	8,791,024	9,065,840	9,348,972	9,640,671	9,941,196	10,250,813	10,569,796	10,898,427	11,236,998
Income from Investment Earnings & Reserve Releases	60,475	61,938	58,417	60,128	57,888	58,824	60,851	58,035	60,776
Income from Operations & Investment Earnings	8,851,499	9,127,778	9,407,389	9,700,799	9,999,085	10,309,637	10,630,646	10,956,462	11,297,775
Senior Debt Service Payment	(6,526,800)	(6,466,600)	(6,394,500)	(6,310,150)	(6,212,500)	(6,101,025)	(5,974,850)	(5,832,925)	(5,674,725)
Funds Remaining for B Bond Payment	2,324,699	2,661,178	3,012,889	3,390,649	3,786,585	4,208,612	4,655,796	5,123,537	5,623,050
Subordinate Interest Payment	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)
Funds Available for A Bond Redemption	1,724,699	2,061,178	2,412,889	2,790,649	3,186,585	3,608,612	4,055,796	4,523,537	5,023,050
Senior Debt - Special Principal Redemption	(1,720,000)	(2,060,000)	(2,410,000)	(2,790,000)	(3,185,000)	(3,605,000)	(4,055,000)	(4,520,000)	(5,020,000)
Funds Availabe for B Bond Redemption	4,699	1,178	2,889	649	1,585	3,612	796	3,537	3,050
<u>Subordinate Debt - Special Principal Redemption</u>	-	-	-	-	-	-	-	-	-
Cash Flow After Bond Redemption	4,699	1,178	2,889	649	1,585	3,612	796	3,537	3,050
Remaining Cash Flow for Trailing Excess NOI	\$ 4,699	\$ 1,178	\$ 2,889	\$ 649	\$ 1,585	\$ 3,612	\$ 796	\$ 3,537	\$ 3,050

Estimated Foregone Tax Revenue (Fullerton Portion)	(254,748)	(259,842)	(265,039)	(270,340)	(275,747)	(281,262)	(286,887)	(292,625)	(298,477)
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Note: assumes Fullerton receives 15.64% of general tax.

Projected Sale Economics

Estimated Property Value	\$ 268,738,210	\$ 276,800,356	\$ 285,104,367	\$ 293,657,498
Less: Projected Closing Costs	(5,374,764)	(5,536,007)	(5,702,087)	(5,873,150)
<u>Less: Outstanding Bonds</u>	<u>(174,635,488)</u>	<u>(170,130,488)</u>	<u>(165,145,488)</u>	<u>(159,625,488)</u>
Net Sale Proceeds to Fullerton	\$ 88,727,958	\$ 101,133,861	\$ 114,256,791	\$ 128,158,860

Note: assumes 4.25% exit cap rate and 2% closing costs

Note: Fullerton's option to compel sale commences Yr 15

Aspect

Operating Proforma Cash Flow

Cash Flow Summary

	Yr 19	Yr 20	Yr 21	Yr 22	Yr 23	Yr 24	Yr 25	Yr 26	Yr 27
	10/22/2040	10/22/2041	10/22/2042	10/22/2043	10/22/2044	10/22/2045	10/22/2046	10/22/2047	10/22/2048
Net Revenue	\$ 16,198,324	\$ 16,684,273	\$ 17,184,801	\$ 17,700,345	\$ 18,231,356	\$ 18,778,296	\$ 19,341,645	\$ 19,921,895	\$ 20,519,552
Total Expense	(3,343,467)	(3,443,771)	(3,547,084)	(3,653,496)	(3,763,101)	(3,875,994)	(3,992,274)	(4,112,042)	(4,235,403)
Gross Operating Profit (Total Net Revenues)	12,854,857	13,240,503	13,637,718	14,046,849	14,468,255	14,902,302	15,349,371	15,809,853	16,284,148
Host City Charge	(392,768)	(400,623)	(408,636)	(416,808)	(425,144)	(433,647)	(442,320)	(451,167)	(460,190)
Other Administrative Expenses	(35,706)	(36,420)	(37,149)	(37,892)	(38,649)	(39,422)	(40,211)	(41,015)	(41,835)
Agency Administration Fee	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
Capital Expense Requirement	(164,966)	(169,915)	(175,012)	(180,263)	(185,670)	(191,241)	(196,978)	(202,887)	(208,974)
Project Administrator Management Fee	(425,608)	(438,377)	(451,528)	(465,074)	(479,026)	(493,397)	(508,199)	(523,444)	(539,148)
Total Net Revenues Less Administrative Expenses and Fees	11,585,809	11,945,168	12,315,394	12,696,813	13,089,765	13,494,595	13,911,664	14,341,339	14,784,001
Income from Investment Earnings & Reserve Releases	60,289	59,312	61,769	57,777	59,179	58,857	61,442	57,970	61,423
Income from Operations & Investment Earnings	11,646,098	12,004,480	12,377,163	12,754,590	13,148,943	13,553,453	13,973,106	14,399,309	14,845,424
Senior Debt Service Payment	(5,499,025)	(5,304,950)	(5,091,625)	(4,857,650)	(4,602,325)	(4,324,250)	(4,022,375)	(3,695,125)	(3,341,625)
Funds Remaining for B Bond Payment	6,147,073	6,699,530	7,285,538	7,896,940	8,546,618	9,229,203	9,950,731	10,704,184	11,503,799
Subordinate Interest Payment	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)
Funds Available for A Bond Redemption	5,547,073	6,099,530	6,685,538	7,296,940	7,946,618	8,629,203	9,350,731	10,104,184	10,903,799
Senior Debt - Special Principal Redemption	(5,545,000)	(6,095,000)	(6,685,000)	(7,295,000)	(7,945,000)	(8,625,000)	(9,350,000)	(10,100,000)	(10,900,000)
Funds Availabe for B Bond Redemption	2,073	4,530	538	1,940	1,618	4,203	731	4,184	3,799
<u>Subordinate Debt - Special Principal Redemption</u>	-	-	-	-	-	-	-	-	-
Cash Flow After Bond Redemption	2,073	4,530	538	1,940	1,618	4,203	731	4,184	3,799
Remaining Cash Flow for Trailing Excess NOI	\$ 2,073	\$ 4,530	\$ 538	\$ 1,940	\$ 1,618	\$ 4,203	\$ 731	\$ 4,184	\$ 3,799

Estimated Foregone Tax Revenue (Fullerton Portion)	(304,447)	(310,536)	(316,746)	(323,081)	(329,543)	(336,134)	(342,857)	(349,714)	(356,708)
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Note: assumes Fullerton receives 15.64% of general tax.

Projected Sale Economics

Estimated Property Value	\$ 302,467,223	\$ 311,541,239	\$ 320,887,477	\$ 330,514,101	\$ 340,429,524	\$ 350,642,410	\$ 361,161,682	\$ 371,996,532	\$ 383,156,428
Less: Projected Closing Costs	(6,049,344)	(6,230,825)	(6,417,750)	(6,610,282)	(6,808,590)	(7,012,848)	(7,223,234)	(7,439,931)	(7,663,129)
<u>Less: Outstanding Bonds</u>	(153,555,488)	(146,910,488)	(139,635,488)	(131,730,488)	(123,135,488)	(113,830,488)	(103,755,488)	(92,905,488)	(81,205,488)
Net Sale Proceeds to Fullerton	\$ 142,862,390	\$ 158,399,927	\$ 174,834,239	\$ 192,173,331	\$ 210,485,445	\$ 229,799,073	\$ 250,182,960	\$ 271,651,114	\$ 294,287,812

Note: assumes 4.25% exit cap rate and 2% closing costs

Aspect

Operating Proforma Cash Flow

Cash Flow Summary

	Yr 28	Yr 29	Yr 30	Yr 31	Yr 32	Yr 33	Yr 34	Yr 35
	10/22/2049	10/22/2050	10/22/2051	10/22/2052	10/22/2053	10/22/2054	10/22/2055	10/22/2056
Net Revenue	\$ 21,135,138	\$ 21,769,192	\$ 22,422,268	\$ 23,094,936	\$ 23,787,784	\$ 24,501,418	\$ 25,236,460	\$ 25,993,554
Total Expense	(4,362,465)	(4,493,339)	(4,628,140)	(4,766,984)	(4,909,993)	(5,057,293)	(5,209,012)	(5,365,282)
Gross Operating Profit (Total Net Revenues)	16,772,673	17,275,853	17,794,128	18,327,952	18,877,791	19,444,125	20,027,448	20,628,272
Host City Charge	(469,394)	(478,782)	(488,357)	(498,124)	(508,087)	(518,249)	(528,614)	(539,186)
Other Administrative Expenses	(42,672)	(43,526)	(44,396)	(45,284)	(46,190)	(47,114)	(48,056)	(49,017)
Agency Administration Fee	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
Capital Expense Requirement	(215,243)	(221,700)	(228,351)	(235,202)	(242,258)	(249,526)	(257,011)	(264,722)
Project Administrator Management Fee	(555,322)	(571,982)	(589,141)	(606,816)	(625,020)	(643,771)	(663,084)	(682,976)
Total Net Revenues Less Administrative Expenses and Fees	15,240,042	15,709,863	16,193,882	16,692,526	17,206,236	17,735,466	18,280,684	18,842,371
Income from Investment Earnings & Reserve Releases	61,038	58,194	61,071	59,493	60,633	6,763,889	2,655	17,364,302
Income from Operations & Investment Earnings	15,301,080	15,768,057	16,254,954	16,752,019	17,266,869	24,499,355	18,283,339	36,206,673
Senior Debt Service Payment	(2,960,125)	(2,549,225)	(2,107,700)	(1,633,625)	(1,125,600)	(581,700)	-	-
Funds Remaining for B Bond Payment	12,340,955	13,218,832	14,147,254	15,118,394	16,141,269	23,917,655	18,283,339	36,206,673
Subordinate Interest Payment	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(83,549)	-
Funds Available for A Bond Redemption	11,740,955	12,618,832	13,547,254	14,518,394	15,541,269	23,317,655	18,199,790	36,206,673
Senior Debt - Special Principal Redemption	(11,740,000)	(12,615,000)	(13,545,000)	(14,515,000)	(15,540,000)	(16,620,000)	-	-
Funds Availabe for B Bond Redemption	955	3,832	2,254	3,394	1,269	6,697,655	18,199,790	36,206,673
<u>Subordinate Debt - Special Principal Redemption</u>	-	-	-	-	-	(6,695,000)	(835,488)	-
Cash Flow After Bond Redemption	955	3,832	2,254	3,394	1,269	2,655	17,364,302	36,206,673
Remaining Cash Flow for Trailing Excess NOI	\$ 955	\$ 3,832	\$ 2,254	\$ 3,394	\$ 1,269	\$ 2,655	\$ 17,364,302	\$ -

Estimated Foregone Tax Revenue (Fullerton Portion)	(363,842)	(371,119)	(378,541)	(386,112)	(393,834)	(401,711)	(409,745)	(417,940)
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Note: assumes Fullerton receives 15.64% of general tax.

Projected Sale Economics

Estimated Property Value	\$ 394,651,121	\$ 406,490,655	\$ 418,685,374	\$ 431,245,936	\$ 444,183,314	\$ 457,508,813	\$ 471,234,077	\$ 485,371,100
Less: Projected Closing Costs	(7,893,022)	(8,129,813)	(8,373,707)	(8,624,919)	(8,883,666)	(9,150,176)	(9,424,682)	(9,707,422)
<u>Less: Outstanding Bonds</u>	(68,625,488)	(55,135,488)	(40,660,488)	(25,175,488)	(8,610,488)	22,479,512	835,488	-
Net Sale Proceeds to Fullerton	\$ 318,132,611	\$ 343,225,354	\$ 369,651,179	\$ 397,445,529	\$ 426,689,159	\$ 470,838,149	\$ 462,644,884	\$ 475,663,678

Note: assumes 4.25% exit cap rate and 2% closing costs