

**BRICK COVE MARINA**

**PREPARED BY MATEA KULUSIC**



**MK DEVELOPMENT**

# BRICK COVE MARINA

## TABLE OF CONTENTS

### EXECUTIVE SUMMARY

### PROJECT OVERVIEW

- THE INVESTMENT
- SITE PLAN
- FLOOR PLANS
- DESIGN CONCEPT
- AMENITIES

### ZONING ANALYSIS

- CURRENT ZONING
- PROPOSED REZONING
- USE ALLOCATION

### MARKET ANALYSIS

- TOWN OF SOUTHOLD
- TOWN OBJECTIVES
- TRANSPORTATION
- DRAWN TO SITE
- MARINA MARKET
- HOTEL MARKET
- INDUSTRIAL MARKET

### FINANCIAL ANALYSIS

- SITE ACQUISITION
- DEVELOPMENT BUDGET
- BACK OF ENVELOPE
- SOURCES & USES
- PARTNERSHIP STRUCTURE
- FINANCIAL OVERVIEW
- SENSITIVITY ANALYSIS

### MARKETING & CONSTRUCTION

- TIMELINE
- STRATEGY

### RISK & MITIGANTS

### APPENDIX

**MK DEVELOPMENT**

## EXECUTIVE SUMMARY

MK Development is seeking an investor for the acquisition and development of the site located at 1670 Sage Blvd., Southold, NY. The development of the 12.49 acre site (8.29 acres on land and 4.2 acres in water) will consist of building a new 40 key boutique hotel, an oyster farm and anaerobic digester. The development will also seek to preserve the existing 138 boat slips and to reconfigure the existing dry storage and revitalize the beach for private use. The development site will be equal portions business, leisure and learning.

MK Development is under contract to purchase the site for \$8.8 million with a development cost of \$9.5 million (\$100.50 PSF). The project will be funded with a construction loan amounting to \$14.2 million. MK Development is seeking an LP equity investment representing a 90% share in the partnership.



**BRICK COVE MARINA**

**PROJECT OVERVIEW**



**MK DEVELOPMENT**

## THE INVESTMENT

The proposed development proposal is a compelling investment opportunity where varied programming can come together to form a unique experience. The proposal will preserve existing maritime uses, thereby preserving the character of the site. The proposal will also introduce new resilient uses – oyster farming and power generation – that can serve as a replicable model for other sites. The hotel will draw people to the town of Southold, thus boosting revenues for local businesses. Internally, the development is set to generate good returns on investment when the proposed uses are combined with the existing marina revenues.

The development proposal will fit with the character of the local town and will serve as an asset to the local community.



# SITE PLAN

Existing conditions in June



Existing conditions in December

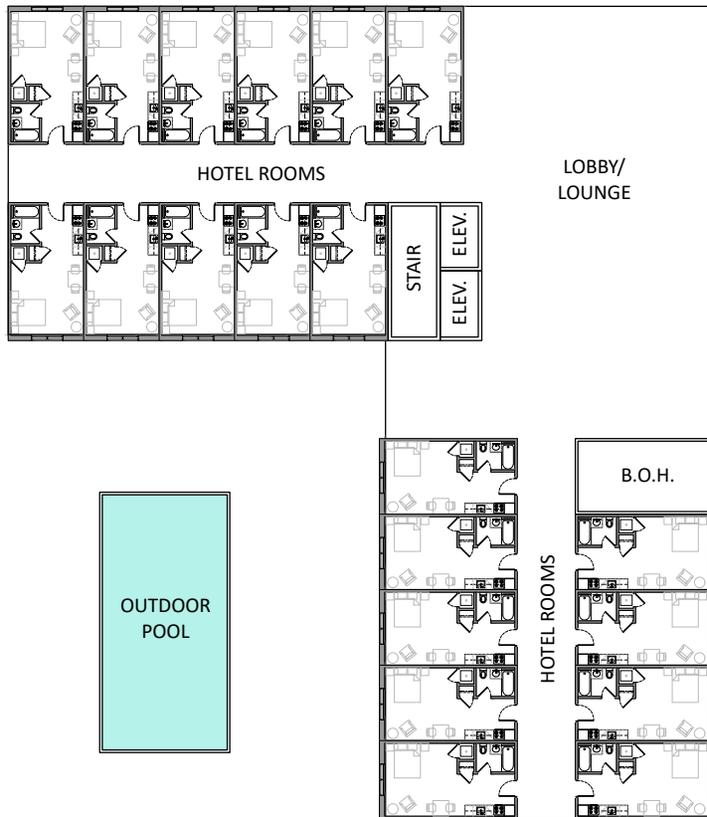


Proposed Site Plan

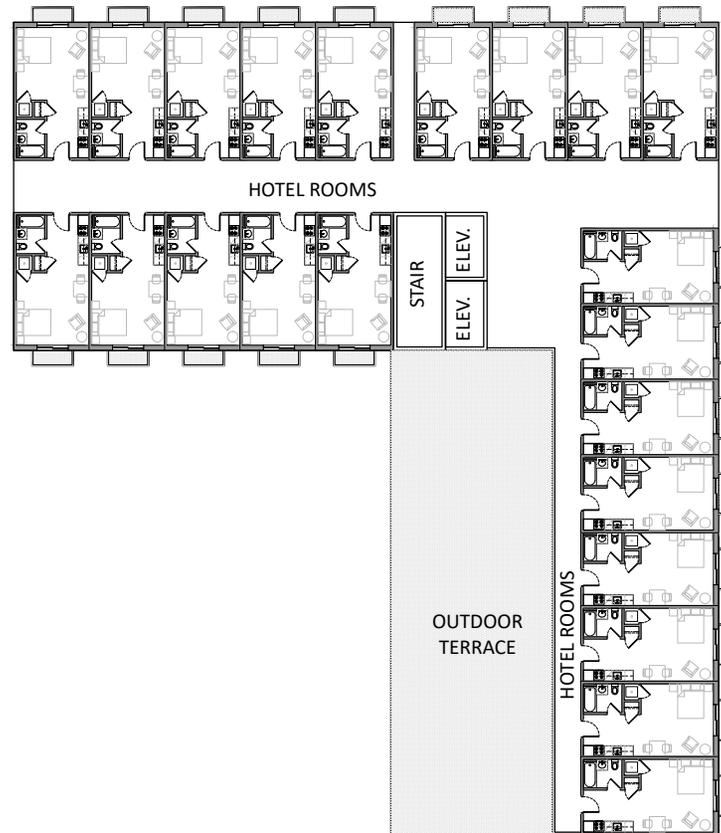


# FLOOR PLANS

*First Floor Plan*



*Second Floor Plan*



## DESIGN CONCEPT

The architectural style will reflect a traditional maritime use characterized by the usage of wood IPE siding, combination of metal panels and stucco, and a white, gray and blue color palette. The intention is to play up the existing connection to the water, bring it into the site and create an experiential destination where people will not mind the commute to access the site.

Upon entering the development site, the first elements people will encounter are the boats. In the summer time the boats will be in the water and in the winter the boats will be arranged on land. Visitors will have the opportunity to explore different types of boats and see them from an angle they are not typically exposed to.

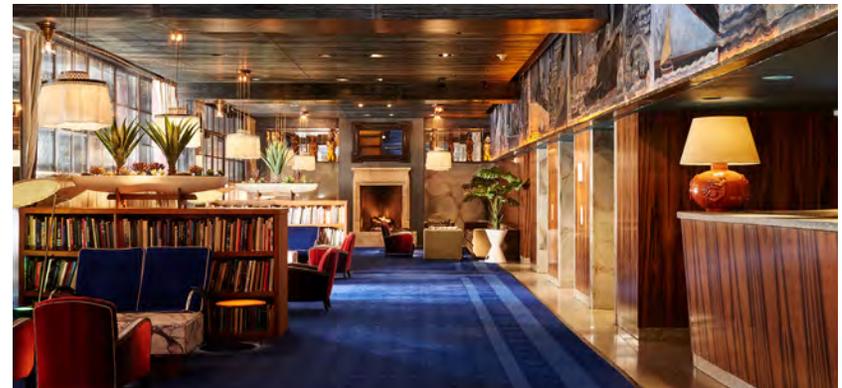
The marina requires a large amount of land for boat storage in the winter months. However, the current storage solution is not efficient and it occupies the portion of the parcel that has the best views. The proposed development will relocate the boat storage to the northern end of the site where there is also a boat ramp, thus making moving the boats into the water much easier. Once the boats are relocated, the beach can be revitalized and the site can be better utilized with other uses.

Upon entering the development, visitors will go past the boat storage (either on land or in water) and will have direct access to the boutique hotel, amenities, and the revitalized beach. The site will be cleared so that the direct sightline from the access point on the site is the beach and the Peconic River – the development will seek every opportunity to celebrate waterfront views.



Currently, the beach is not entirely accessible due to existing vegetation on site, and once on the beach, the sand is covered by bricks – which are why the site is referred to as “Brick Cove”. To preserve the character of the site – and its name sake – the bricks will be assessed for structural integrity and will be re-purposed on creating a paved area in front of the hotel. The hotel itself will feature a cozy, retreat aesthetic that makes the visitor feel connected to the waterfront.

Upon leaving the hotel, visitors will experience the oyster farming and anaerobic digester facilities. Tours will be offered of the facilities where visitors will be able to learn about maritime industry and sustainable power generation.



## AMENITIES



### *Hotel Amenities:*

- Outdoor Pool with new brick herringbone patio
- Waterfront terrace
- Lobby/ Lounge
- Outdoor Grill/ BBQ area
- 24-hour front desk
- Free parking
- Free coffee
- Suites with full kitchens



**ZONING ANALYSIS**



# CURRENT ZONING

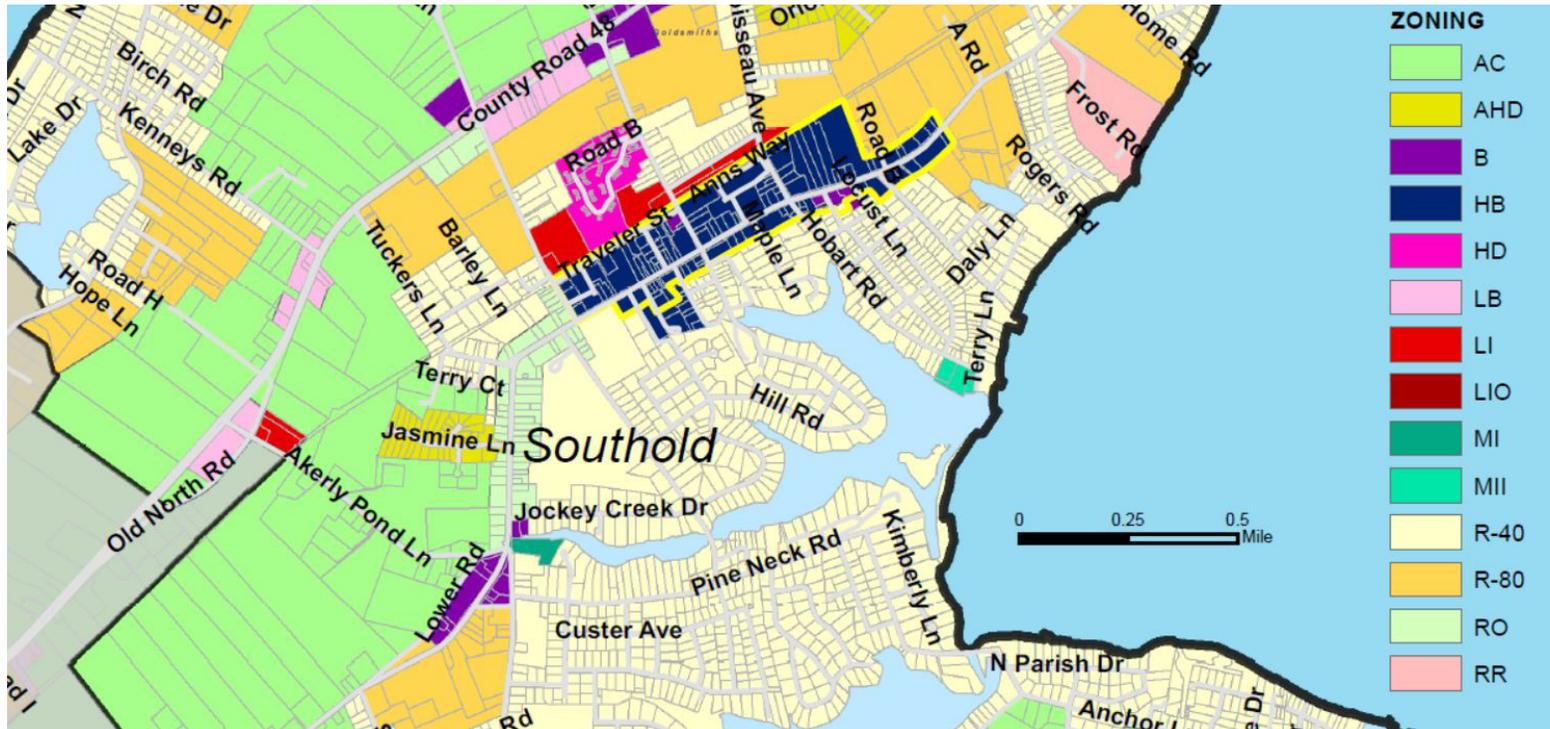
The project site is zoned MII and it is the only maritime district situated in the midst of a low-density R-40 residential district, which consists of single family homes on 1-acre plots of land.

### Use Regulations:

To maintain the low density in the area, the zoning code sets a limit of one use per 80,000 SF. The 8.29 acres on land translate to 361,112.4 square feet;  $361,112.4 \text{ SF} / 80,000 \text{ SF} = 4.5$  permitted uses on site.

### The proposed uses are:

- (1) marina with boat storage
- (2) hotel
- (3) aquaponic facility with anaerobic digester.



Zoning Map of the Town of Southhold prepared by Town of Southhold Geographic Information System



# PROPOSED ZONING

## Uses Permitted As-Of-Right:

- Marinas for the docking, mooring and accommodation of recreational or commercial boats, including the sale of fuel and oil primarily for the use of boats accommodated in such marina
- Boat docks, slips, piers or wharves for charter boats carrying passengers on excursions, pleasure or fishing trips or for vessels engaged in fishery or shellfishery
- Mariculture or aquaculture operations or research and development

## Uses Permitted by Special Exception by the Board of Appeals:

- Restaurants, excluding outdoor counter service, drive-ins or curbside establishments. Such prohibition shall not prevent service at tables on a covered or uncovered terrace or porch incidental to a restaurant
- Transient hotels or motels subject to following conditions:
- Min area for such use shall be not less than 3 acres
- Number of guest rooms permitted in the hotel/motel shall be determined by the proportion of the site utilized for such use and the availability of public water and sewer. The max number of guest units shall be one unit per 4,000 SF of land with public water and sewer
- Max number of hotel keys allowed: 160,000 SF / 4,000 SF = 40

## The Zoning Board of Appeals:

The proposed site needs to be submitted to the Building Inspector for approval and if the inspector issues a denial on the proposal, then within 60 days the project can be brought before the Zoning Board of Appeals, which consists of five members who are appointed by the Southold Town Board. The board reviews the proposal and has the power to grant a variance, but only if the proposal conforms to all prescribed zoning regulations. The board will not approve a proposal that includes a use that has not been addressed within the text of the code.

### Town of Southold Zoning

#### Lot, Height, Bulk Requirements for MII Zone

	Required	Provided
Min Lot Size (SF)	80,000	160,000
Min Lot Width	150'-0"	640'-0"
Lot Depth	150'-0"	790'-0"
Front Yard	35'-0"	Provided
Side Yard	25'-0"	Provided
Both Side Yards	50'-0"	Provided
Rear Yard	25'-0"	Provided
Landscape Area	20%	25%

#### Maximum Permitted Dimensions

Lot Coverage	30%	30%
Building Height	35'-0"	30'-0"
Number of Stories	2	2



# USE ALLOCATION

<b>Property</b>					
Address	1670 Sage Blvd. Southold, NY		Max lot coverage	FAR	Proposed Area
	Acre	SF	30%	2	
<b>Plot</b>					
	12.49	544,065			
On land	8.29	361,112	108,334	722,225	137,994
In Water	4.2	182,953			
<b>Parcel Breakdown per use</b>					
Hotel	3.67	160,000	48,000	320,000	35,000
Oyster Farm & AD	1.37	60,000	18,000	120,000	60,000
Marina winter storage	2.23	97,552	29,266	195,104	29,926
Parking	1	43,560	13,068	87,120	13,068

## Zoning Variance Process:

- Submit initial filing
- Within 60 days receive disapproval from building department
- Present plan before Planning Board
- State Environmental Quality Review Act – available for 30 days
- ZBA issues Statement of Findings
- Town decides on special exception permit

**Approximate timeline: 1 year**



Dashed line denotes location of property line



**MARKET ANALYSIS**



## TOWN OF SOUTHOLD

### **Area Overview:**

The project site is located in the town of Southold, NY. Southold has a population of about 25,000 people and the median age for the area is at 53. The median household income is at \$79,438 and the overall educational attainment is at 93.8%. The area has 15,806 housing units, 2,880 companies, and the area poverty level is at 6.8%.

Southold is the oldest English town in New York State celebrating its 280th anniversary this year. In the early days, the town was strategically located on high ground, surrounded by water, and the land was fertile for farming. Today, Southold is a low-density predominantly residential town that encourages water-related industrial uses, as well as farmland preservation. The density of the area is about 550 persons per square mile. As such, the demand for the amenities located on the site will come from surrounding areas and will not depend solely on the town of Southold.

Southold is located within 30 miles of (7) major colleges, including: Connecticut College, Gateway Community College, Yale University, University of New Haven, Southern Connecticut State University, and Three Rivers Community College. Each of these institutions has populations of 2,000 and more. Brick Cove Marina can pull from this demographic by providing event space and retreat for the students through the hotel, and the oyster farm and anaerobic digester can offer educational value where students can visit the site and gain hands-on experience.

Public transportation to the site is limited. The nearest rail line to the site is the Amtrak station at Old Saybrook on 455 Boston Post Road and is located 18 miles away. The majority of the local populace either drives or rides bikes. As such, the site will comply with zoning to provide the required number of parking spaces. In addition, there may be an opportunity to work with the town to establish a trolley line to bring people to the site as part of a continuous loop.

***“The problem of the next fifty years will be to satisfy the ever increasing demands of the public while preserving the quality of life, the natural beauty, and the serenity that today’s residents regard as the heritage handed down to them by the men and women who came here to establish Southold in 1640”*** – from the Town of Southold website



# TOWN OBJECTIVES

### **Traffic:**

- Reduce congestion in Southold
- No new private roads

### **Development Response:**

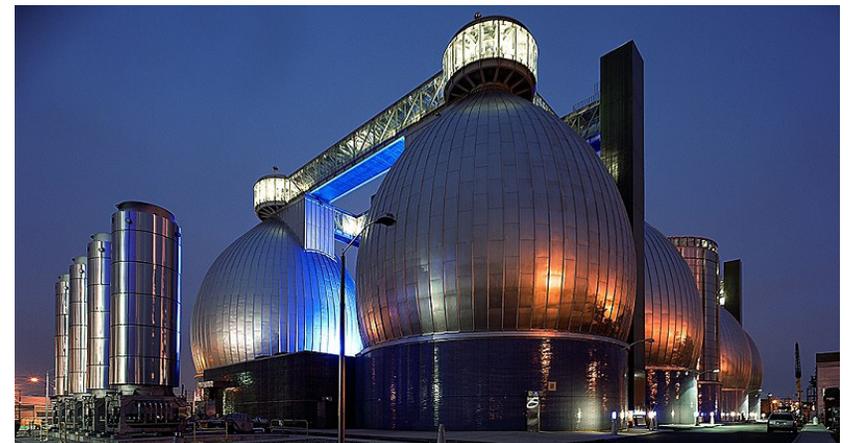
- The development will provide ample parking for visitors and employees and MK Development will work with the city to implement a new trolley system to access the site.
- Site is accessed through an existing easement, all proposed roadwork will take place entirely within the Brick Cove Marina tax lot.

### **Environmental/ Infrastructure:**

- Reduce Stormwater
- Complete Existing Sanitary Sewer System
- Evaluate Town Water Supply
- Work with Local Service Provide for Energy Needs: “The local service providers will have to extend and possibly upgrade their already present service to further facilitate future localized developments and improvements.”
  - a. Natural gas
  - b. Solar/ Renewable Energy
  - c. Communications

### **Development Response:**

- The development will have an oyster farm on site with anaerobic digester. The anaerobic digester will accept the waste from the oyster farm and will process the waste into heat and electricity, both of which will contribute to reduced utility costs and will benefit the environment by acting as a renewable energy source. Moreover, the waste will not need to be trucked off site so residents in the area will not be bothered by truck noise, traffic and smells.



Precedent: Anaerobic digester at Newtown Creek Wastewater Treatment Plant



# TRANSPORTATION

## Pedestrian Experience:

- 28 miles of sidewalks

## Rail:

- Two LIRR stations in the hamlets of Mattituck and Southold
- Each station provides service to Penn Station four times a day
- Daily ridership is approximately 240 per day
- Weekend ridership is approximately 160 per day
- During the summer ridership is approximately 570 per day

## Bus:

- Suffolk County Transit bus No. 592 - 25 stops in Southold // Runs every 15 minutes
- Hampton Jitney (private bus operator) - 10 stops in Southold

## Ferry:

- Cross Sound Ferry - Private ferry company connecting Long Island with New London, Connecticut
- Fishers Island Ferry
- North Dock Ferry

## Taxi and Ride-sharing:

- Six taxi and ride-sharing companies

## Seasonal Tourist Transportation:

- Town of Southold and North Fork Promotion Council were given a grant from New York State to create a tourist trolley or shuttle system to link with the railroad to tourist destinations



① Location of Brick Cove Marina



# DRAWS TO SITE

## ***Draws to Southold:***

### East End Seaport Museum

- Museum
- Lighthouse cruises
- Maritime festival

### Downs Farm Preserve

- New York State Significant Coastal Fish and Wildlife Habitat
- Native American fort site, scenic woodlands and tidal wetlands

### Preserves – scenic, biological, recreational resources

- Arshamomaque Pond Preserve
- Dam Pond Maritime Preserve

### Seaview Trails

- Soundview Loop
- Mattituck/ Cutchogue Loop
- 57 miles of bicycling trails

### Numerous parks and beaches

### 10 Hamlets



# TOWN OF SOUTHOLD

## **Data**

- Median Age: 52
- Homeownership Rate: 83.8%
- Unemployment Rate: 3.2%
- Density: 549 people per square mile

## **Education**

- 72.39% have some type of college education
- Median age in area: 52.6

## **Income**

\$50,577 is the average income in the area

- \$4,214.75 monthly earning
- \$1,404.9 monthly leisure expenditure max

\$81,221 is the median income

- \$6,768 monthly earning
- \$2,256 monthly leisure expenditure max

## **Schools/ Colleges in Area**

- Connecticut College
- Gateway Community College
- Yale University
- University of New Haven
- Southern Connecticut State University
- Quinnipiac University
- Three Rivers Community College



# MARINA MARKET

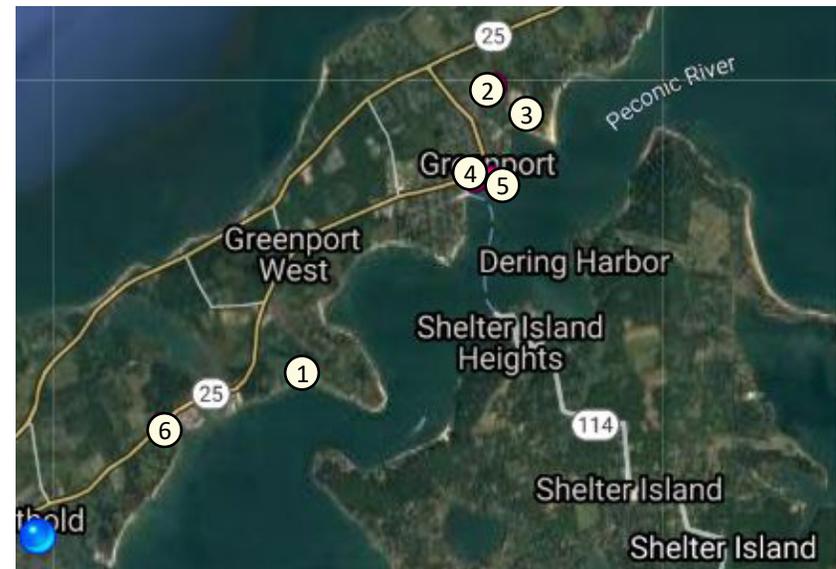
Southold is a town that has centered on maritime activities. However, due to the extensive number of mooring locations in the town, it has been determined that the mooring locations have begun to impair the fragile marine environment surrounding the town. As such, the town is heavily regulating and restricting the issuance of new mooring permits. Therefore, it is advantageous to preserve the 138 existing boat slips at Brick Cove Marina.

Part of the draw to the area is the boating culture. There is a lack of competition due to unavailability of mooring permits. As such, there is the potential to increase rents for the boat slips and boost revenues further.



## Marinas in Area:

- |    |  |                      |
|----|--|----------------------|
| 1. | Brick Cove Marina, Southold, NY              | 138 slips            |
| 2. | Brewer Stirling Harbor Marina, Greenport, NY | 185 slips            |
| 3. | Safe Harbor, Greenport, NY                   | 200 slips            |
| 4. | Claudios Restaurant, Greenport, NY           | no mooring           |
| 5. | Mitchell Park & Marina, Greenport, NY        | 60 slips/ no mooring |
| 6. | Albertson Marine Inc, Southold, NY           | 95 slips             |



# HOTEL MARKET

Much of Long Island is perceived to be a destination for leisure – to get away from the city. The area currently has a good supply of smaller inns; however, due to the presence of local vineyards, proximity to Shelter Island and local colleges, as well as the novelty of our development site, an additional small, and boutique hotel would perform well on the market.

Consideration:

The town of Southold changed the text of the zoning code to limit the number and size of hotels being built in the area as a means to control traffic and noise, as well as to preserve the quiet nature of the town. The Brick Cove Marina site is secluded enough from the rest of the city and is large enough where visitors can be removed from the neighboring residences and an appropriate noise buffer can be put in place.

Competitive Set - Hotel						
Hotel/Motel	Address	Distance from Property	Prop. Size	No. Keys	ADR	Amenities
Heron Suites	61600 Route 25, Southold NY 11971	1.1 miles		20	\$ 229.00	Outdoor pool, waterfront terrace, boat slips (Albertson Marine), grab-and-go market, 24-hour front desk, free coffee service, free parking, kitchens in suites
Southold Beach Motel	53250 Country Road 48, Southold NY 11971	3.1 miles		15	\$ 224.00	Kitchens in suites, cable TV, waterfront rooms, beach views, personal patio space, garden rooms, picnic area, grill and tables in garden
Silver Sands Motel	1400 Silvermere RD, Greenport NY 11944	2.1 miles	38 acres	41	\$ 226.00	Film location / appeared in Vogue, free parking, pool, beach, outdoor pool
Soundview Inn	58855 Route 48, Greenport NY 11944	3.4 miles		55	\$ 200.00	Lobby lounge, seaside pool, seaside activities/ tutorials, yoga, piano bar, sauna
Sunset Motel	62055 Route 48, Greenport NY 11944	3.4 miles			\$ 225.00	Kitchenettes in suites, private screened porch, BBQ grills, private beach, large lawn, surf fishing

Competitive Set - Hotel Transactions						
Hotel/Motel	Address	Floors	Prop. Size	Units	Sale Price	Price/Unit
Harborfront	209 Front Street, Greenport, NY	3	0.5 acres	35	\$ 9,500,000.00	\$ 271,428.57
The Inn at the Blue	7850 Main Rd, East Marion, NY		1.36 acres	29	\$ 3,500,000.00	\$ 120,689.66
Gansett Green Manor	273 Main St, Amagansett, NY		1.95 acres	14	\$ 6,137,500.00	\$ 438,392.86
515 Montauk Highway	515 Montauk Hwy, East Hampton, NY		1.44 acres	19	\$ 3,700,000.00	\$ 194,736.84
Atlantic Terrace	21 Oceanview Ter, Montauk, NY	1	2.3 acres	96	\$ 32,150,000.00	\$ 334,895.83
Journey	490 Montauk Hwy, East Hampton, NY	2	1.1 acres	25	\$ 5,000,000.00	\$ 200,000.00
Gurney's Montauk Yacht Club & Resort	32 Star Island Rd, Montauk, NY	2	35 acres	107	\$ 60,000,000.00	\$ 560,747.66

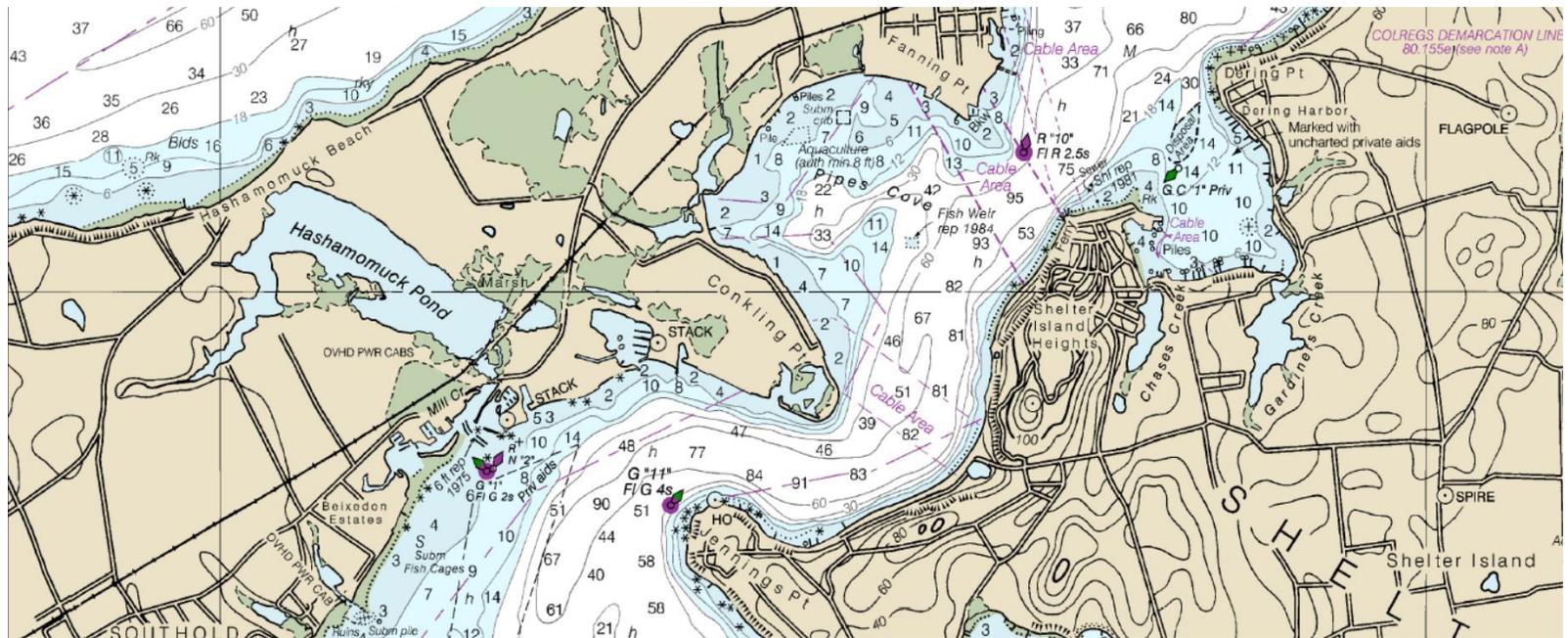


# HOTEL MARKET

The site is advantageously located on the Peconic River. Within approximately 50'-0" of the shoreline the water is only 10'-0" deep. Because the beach cove fronts shallow water and is protected by land mass to the north and east, there is potential to section off a portion of the site below water to create a beach that will serve as an accessory amenity to the hotel. The hotel use is not permitted as-of-right and as such, the development will seek a variance from the department of city planning. The local zoning code outlines provisions that hotels need to comply with in the area so we are confident that the town will approve the request.

The shallow water means that the site can only accommodate smaller boats with low drafts. Beyond the 50'-0" mark, the depth of the water rapidly drops to 91'-0" below sea level. In addition, the shallow water is also advantageous for aquaponic farming, specifically oysters. Long Island is known for supplying New York City with quality oysters so the site will facilitate the harvesting.

However, there is a significant amount of waste that is produced as a result of farming activities that would need to be processed and taken off-site. The development seeks to build a complementary 1-ton anaerobic digester and small processing plant. The "wet" waste from the farm will be placed into the anaerobic digester, which will break down the waste and the power plant will convert the waste into electricity and heat energy – both of which will in turn serve the site. This will both reduce cost of operations for the site and in the event of a major storm and power-outage the anaerobic digester is able to generate energy to sustain the site for a day or two. The anaerobic digester is a sealed container that will not release odors and can be clad to be aesthetically pleasing. The aquaponic farming together with the anaerobic generator will offer a unique learning experience for those interested in the sciences, technology and maritime culture.



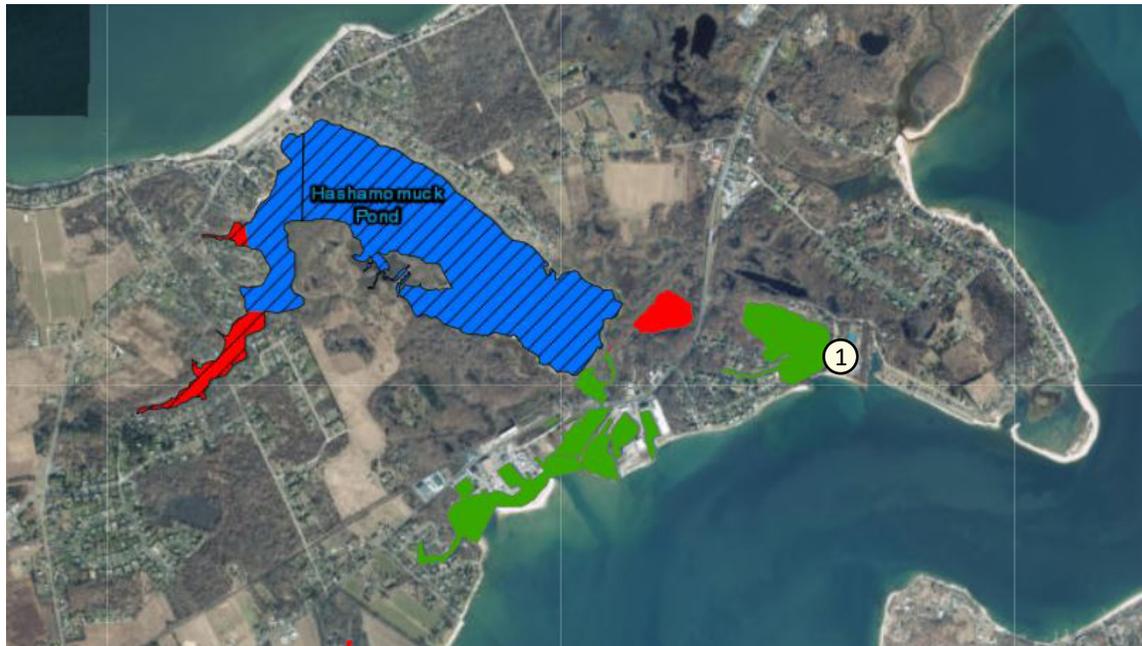
NOAA chart 12358



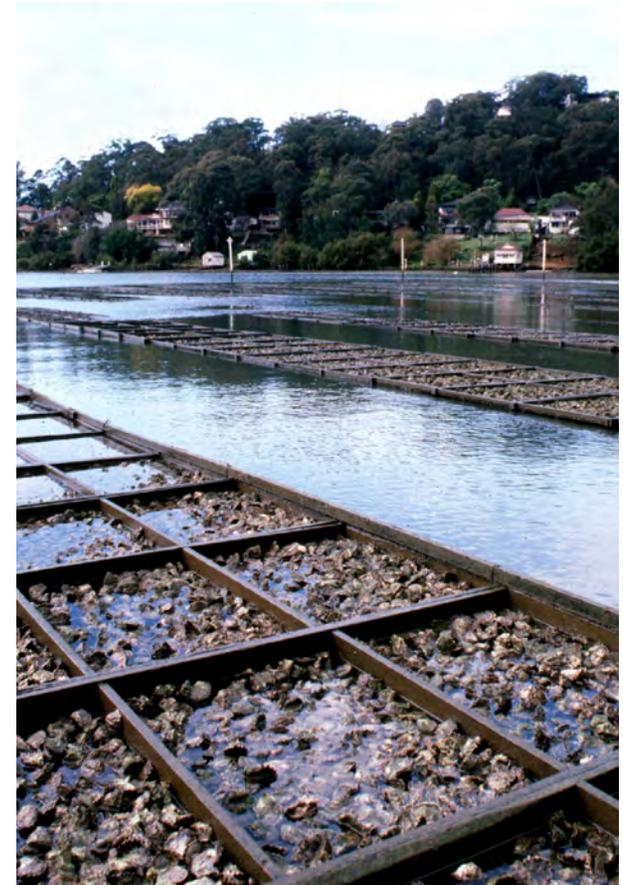
# INDUSTRIAL MARKET

Southold has small pockets of light industrial uses centered on maritime uses. The majority of the industrial usage in the town is allocated towards agricultural uses. The development site is rather isolated and removed from transportation, so for an industrial use (other than maritime) to be viable, the site would have to become more of a campus to accommodate all the amenities such campus would need. However, due to the low-density nature of the neighborhood, such industrial campus would be unwelcome, thus limiting the industrial usage to the one that is already existing on site and allowed per the zoning code.

It is important to note that Brick Cove Marina is located in a zone where the shellfish can be harvested with seasonal restrictions. This will lead to a seasonality in revenue that will mimic the hotel revenue stream - with highs and lows depending on the time of year.



① Location of Brick Cove Marina



## Water Bodies with Shellfish Restrictions or Impairments

- Seasonally Certified - Administrative
- Seasonally Certified - Water Quality
- Uncertified - Administrative
- Uncertified - Water Quality
- Fresh Water



**FINANCIAL ANALYSIS**



## SITE ACQUISITION

Brick Cove Marina is on the market for \$8.8 MM, and after closing costs the cost will be close to \$9.0 MM.

Brick Cove Marina is a 12.49 acre site consisting of 8.29 acres on land and 4.2 acres under water. That translates to a total site area of 544,065 SF. With a purchase price of \$8.8 MM at area of 544,065 SF, the land is valued at \$16.17 per square foot.

The most comparable vacant piece of land for sale in the area and on the waterfront sold for \$299,000 and is located on 905 Bay Shore Road in Greenport, NY 11944. The land has an area of 0.39 acres, or 16,988 SF, which translates to a sale price of \$17.6 per square foot. The comparable site is nearly half the size of Brick Cove Marina in area and does not have any of the existing infrastructure that Brick Cove does.

If we consider the existing in-place value that Brick Cove Marina offers with its existing boat slips (which are next to impossible to build new in this area) as well as the existing NOI of \$639,216 that the site generates, the list price for the site is alarmingly low. There is a huge potential for value creation on the site and the risk of development is offset by the low purchase price.

### Site Acquisition

Acquisition Cost		\$ 8,800,000.00
Closing Costs	2%	\$ 176,000.00
<b>Total Acquisition</b>		<b>\$ 8,976,000.00</b>

### In Place Facility

Marina Boat Slips		138
Monthly Rent	\$ 700.00	\$ 96,600.00
Annual Rent		\$ 1,159,200.00
In-place Occupancy		98%
In-place Revenue		\$ 1,136,016.00
Monthly Expenses	\$ 300.00	\$ 41,400.00
Annual Expenses		\$ 496,800.00
In-place NOI		\$ 639,216.00
Implied Entry Cap Rate		7.26%



# DEVELOPMENT BUDGET

The proposed development will consist of building (3) new structures: hotel building, new oyster farm facility and (2) anaerobic digester tanks. In addition to the new structures, the site will be redeveloped with new landscaping, new surface parking and dry boat storage.

Per analysis done in RS Means, the total hard costs for the proposed development will amount to \$7.9 MM. Soft costs at 20% of hard costs are being assumed due to the extensive scope of work that includes: obtaining zoning variances, completing an environmental impact assessment, city planning review, site design, building design, and other due diligence. The success of this project will hinge on putting together the right consultant team that has the right expertise to navigate through this challenging site.

Note: Please refer to Appendix for full construction cost break-down.

<b>Total Cost Summary</b>		<b>SF</b>	<b>Cost PSF</b>	<b>Total Cost</b>	<b>% of Total</b>	
Total Hard Costs		95,000	\$ 83.75	\$7,956,165.35	83.33%	
Total Soft Costs		20% of hard costs		\$ 16.75	\$1,591,233.07	16.67%
Total Development Cost			\$ 100.50	\$9,547,398.42	100.00%	



# BACK OF ENVELOPE

Below is a summary of the back of the envelope financial feasibility for the proposed development:

### Total Land SF 544,065

Land SF	361,112
Water SF	182,953

Land Cost (PSF) \$ 16.17

### Total Built SF 95,000

Hotel	35,000
Oyster Farm	60,000

Construction Cost (PSF) \$ 83.75

Cap Rate 9.50%

### Hotel

Number of Keys	40
Average Unit Size	744
Revenue Per Key	\$ 245.00
OpEx Per Key	\$ 137.49

### Oyster Farm

Rent (PSF)	\$ 12.00
Expenses (PSF)	\$ 4.20

### Marina

No Slips	138
Rent	\$ 700.00
Expenses	\$ 300.00

### Development

Land Price	\$ 16.17
Land SF	544,065
Total Land Cost	\$ 8,800,000.00

Construction Cost	\$ 83.75
Building Size	95,000
Total Building Cost	\$ 7,956,165.35

Total Project Costs \$ 16,756,165.35

### Investment Return Hurdle

Cap Rate	9.50%
Total Project Cost	\$ 16,756,165.35
NOI	\$ 1,591,835.71 <--Min. NOI needed

### Break-Even Operations

<i>Revenues</i>	
Hotel	\$ 3,488,800.00
Oyster Farm	\$ 720,000.00
Marina	\$ 96,600.00
Total Revenue	\$ 4,305,400.00

<i>Expenses</i>	
Hotel	\$ 1,957,857.60
Oyster Farm	\$ 252,000.00
Marina	\$ 41,400.00
Total Expenses	\$ 2,251,257.60

**NOI \$ 2,054,142.40** <--NOI generated by development



## SOURCES & USES

### Uses

Acquisition		\$	8,800,000.00	43%
Closing Costs	2%	\$	176,000.00	1%
Hard Costs			\$7,956,165.35	39%
Soft Costs			\$1,591,233.07	8%
Origination Fee	1%	\$	142,763.62	1%
Acquisition Fee	2%	\$	176,000.00	1%
Interest Reserve		\$	1,552,641.12	8%
<b>Total Uses</b>		<b>\$</b>	<b>20,394,803.16</b>	<b>100%</b>

### Sources

Equity		\$	6,118,440.95	30%
Debt		\$	14,276,362.21	70%
<b>Total Sources</b>		<b>\$</b>	<b>20,394,803.16</b>	<b>100%</b>

The scale of the buildings is relatively small, but the site work is extensive and there is a potentially lengthy approval process ahead of the development. For these reasons the construction loan is set at 36 months and at a rate of L+600. Because there are parts of the site that can be worked on prior to receiving a zoning variance, we believe that the site can be delivered with a 24 month construction period.

After the construction period, the construction loan will be refinanced with a permanent loan at a rate of 7% and a hold period of 7 years.

### Financing Assumptions

#### Construction Loan

LTC	70.0%
Term (months)	36
Amortization	I/O
Rate	1mL+600
Index	0.99%
Spread	6.00%
Total Rate	6.99%
Origination Fee	1.00%
Loan Amount	\$ 14,276,362.21

#### Permanent Loan - Sizing at Stabilization

LTV	75%	\$22,395,982.69
DY	10%	\$ 22,456,042.80
DSCR	1.35	\$ 1,663,410.58
		\$17,879,238.80
Max Loan Amount		\$17,879,238.80
Rate	7.00%	
Origination Fee	1.00%	
Amort	20	
Term	10	
PMT		\$138,617.55
		\$ 1,663,410.58
Loan Repayment		\$ (7,928,712.49)



## PARTNERSHIP STRUCTURE

	Hurdle	GP	LP	GP Promote	Promote %
Tier I (up to Hurdle I)	8%	10%	90%		
Tier II (from Hurdle I up to Hurdle II)	12%	10%	72.00%	18.00%	20%
Tier III (from Hurdle II up to Hurdle III)	15%	10%	63.00%	27.00%	30%
Tier IV (anything above Tier III)		10%	54.00%	36.00%	40%

The above summarizes the proposed investor deal structure. MK Development will invest 10% of the equity, and the rest will be provided by the Limited Partner.

The total equity requirement for the project is \$6.1 MM, of which MK Development will contribute \$611,840, representing a 10% share, and LP equity partner will contribute \$5.5 MM, representing a 90% share in the investment.

All partners will receive distributions pari-passu up to a preferred return of 8%.

- MK Development receives 20% promote over preferred return
- MK Development receives 30% promote over 15% return hurdle
- MK Development receives 40% promote thereafter

### Return Summary

<i>At Sale</i>		<i>At Refinance</i>	
Unlevered IRR	12.04%	Unlevered IRR	13.22%
Unlevered EM	2.70X	Unlevered EM	3.66X
Levered IRR	22.40%	Levered IRR	16.52%
Levered EM	2.16X	Levered EM	3.01X
LP Return	19%	LP Return	15%
GP Return	41%	GP Return	29%



# FINANCIAL OVERVIEW

## DCF SALE

Year	0	1	2	3	4	5	6	7	8
Year Date	2021	2022	2023	2024	2025	2026	2027	2028	2029
Stabilized Year					1	2	3	4	5
Marina Revenue	\$ 1,159,200.00	\$ 1,159,200.00	\$ 1,159,200.00	\$ 1,159,200.00	\$ 1,159,200.00	\$ 1,159,200.00	\$ 1,159,200.00	\$ 1,159,200.00	\$ 1,159,200.00
Hotel Revenue					\$ 3,547,800.00	\$ 3,601,017.00	\$ 3,655,032.26	\$ 3,709,857.74	\$ 3,765,505.60
Oyster Farm Revenue					\$ 612,000.00	\$ 612,000.00	\$ 612,000.00	\$ 612,000.00	\$ 612,000.00
<b>Total PGI</b>	<b>\$ 1,159,200.00</b>	<b>\$ 1,159,200.00</b>	<b>\$ 1,159,200.00</b>	<b>\$ 1,159,200.00</b>	<b>\$ 5,319,000.00</b>	<b>\$ 5,372,217.00</b>	<b>\$ 5,426,232.26</b>	<b>\$ 5,481,057.74</b>	<b>\$ 5,536,705.60</b>
Marina Revenue - Vacancy	\$ 1,136,016.00	\$ 1,136,016.00	\$ 1,136,016.00	\$ 1,136,016.00	\$ 1,136,016.00	\$ 1,136,016.00	\$ 1,136,016.00	\$ 1,136,016.00	\$ 1,136,016.00
Hotel Revenue - Vacancy					\$ 2,589,894.00	\$ 2,628,742.41	\$ 2,668,173.55	\$ 2,708,196.15	\$ 2,748,819.09
Oyster Farm Revenue - Vacancy					\$ 612,000.00	\$ 612,000.00	\$ 612,000.00	\$ 612,000.00	\$ 612,000.00
<b>Total EGI</b>	<b>\$ 1,136,016.00</b>	<b>\$ 1,136,016.00</b>	<b>\$ 1,136,016.00</b>	<b>\$ 1,136,016.00</b>	<b>\$ 4,337,910.00</b>	<b>\$ 4,376,758.41</b>	<b>\$ 4,416,189.55</b>	<b>\$ 4,456,212.15</b>	<b>\$ 4,496,835.09</b>
Marina OpEx	\$ 496,800.00	\$ 496,800.00	\$ 496,800.00	\$ 496,800.00	\$ 496,800.00	\$ 496,800.00	\$ 496,800.00	\$ 496,800.00	\$ 496,800.00
Hotel OpEx					\$ 1,465,368.42	\$ 1,494,675.79	\$ 1,524,569.30	\$ 1,555,060.69	\$ 1,586,161.90
Oyster Farm OpEx					\$ 232,560.00	\$ 232,560.00	\$ 232,560.00	\$ 232,560.00	\$ 232,560.00
Recoverable OpEx					\$ 232,560.00	\$ 232,560.00	\$ 232,560.00	\$ 232,560.00	\$ 232,560.00
Management Fee (Marina)	\$ 34,080.48	\$ 34,080.48	\$ 34,080.48	\$ 34,080.48	\$ 34,080.48	\$ 34,080.48	\$ 34,080.48	\$ 34,080.48	\$ 34,080.48
Management Fee (Hotel)	\$ -	\$ -	\$ -	\$ -	\$ 77,696.82	\$ 78,862.27	\$ 80,045.21	\$ 81,245.88	\$ 82,464.57
Management Fee (Oyster Farm)	\$ -	\$ -	\$ -	\$ -	\$ 18,360.00	\$ 18,360.00	\$ 18,360.00	\$ 18,360.00	\$ 18,360.00
Total OpEx	\$ 530,880.48	\$ 530,880.48	\$ 530,880.48	\$ 530,880.48	\$ 2,092,305.72	\$ 2,122,778.54	\$ 2,153,854.99	\$ 2,185,547.05	\$ 2,217,866.96
<b>NOI (Operating)</b>	<b>\$ 605,135.52</b>	<b>\$ 605,135.52</b>	<b>\$ 605,135.52</b>	<b>\$ 605,135.52</b>	<b>\$ 2,245,604.28</b>	<b>\$ 2,253,979.87</b>	<b>\$ 2,262,334.56</b>	<b>\$ 2,270,665.09</b>	<b>\$ 2,278,968.13</b>
Acquisition Cost	\$ 8,976,000.00								
Development Cost	\$ 1,127,123.42	\$ 4,773,699.21	\$ 3,978,082.68	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reversionary Sale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,989,138.26
Sales Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 479,782.77
<b>Cash Flow Before Debt Service</b>	<b>\$ (9,497,987.90)</b>	<b>\$ (4,168,563.69)</b>	<b>\$ (3,372,947.16)</b>	<b>\$ 605,135.52</b>	<b>\$ 2,245,604.28</b>	<b>\$ 2,253,979.87</b>	<b>\$ 2,262,334.56</b>	<b>\$ 2,270,665.09</b>	<b>\$ 2,278,968.13</b>
Profit	\$ 16,107,576.07								
PV	\$ 10,393,024.15								
NPV	\$ 895,036.24								
Unlevered IRR	12.04%								
Equity Multiple	2.70X								
Loan Proceeds	\$ 3,808,682.48	\$ 4,773,699.21	\$ 3,978,082.68	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,707,956.51
Principal Payment									
Balloon Payment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,682,196.03
<b>Cash Flow After Debt Service</b>	<b>\$ (5,689,305.43)</b>	<b>\$ 605,135.52</b>	<b>\$ 605,135.52</b>	<b>\$ 605,135.52</b>	<b>\$ 2,245,604.28</b>	<b>\$ 2,253,979.87</b>	<b>\$ 2,262,334.56</b>	<b>\$ 2,270,665.09</b>	<b>\$ 2,278,968.13</b>
Levered IRR	17.94%								
Equity Multiple	1.77X								
Yield on Cost	-43.89%	-35.51%	6.37%	23.64%	23.73%	23.82%	271.43%	0.00%	
Cash on Cash	10.64%	10.64%	10.64%	39.47%	39.62%	39.76%	77.16%	0.00%	
Return on Equity	-73.27%	-59.29%	10.64%	39.47%	39.62%	39.76%	453.13%	0.00%	



# FINANCIAL OVERVIEW

## DCF REFINANCE

Year	0	1	2	3	4	5	6	7	8	9
Year Date	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Stabilized Year					1	2	3	4	5	6
Marina Revenue	\$ 1,159,200.00	\$ 1,159,200.00	\$ 1,159,200.00	\$ 1,159,200.00	\$ 1,159,200.00	\$ 1,159,200.00	\$ 1,159,200.00	\$ 1,159,200.00	\$ 1,159,200.00	\$ 1,159,200.00
Hotel Revenue					\$ 3,547,800.00	\$ 3,601,017.00	\$ 3,655,032.26	\$ 3,709,857.74	\$ 3,765,505.60	\$ 3,821,988.19
Oyster Farm Revenue					\$ 612,000.00	\$ 612,000.00	\$ 612,000.00	\$ 612,000.00	\$ 612,000.00	\$ 612,000.00
<b>Total PGI</b>	<b>\$ 1,159,200.00</b>	<b>\$ 1,159,200.00</b>	<b>\$ 1,159,200.00</b>	<b>\$ 1,159,200.00</b>	<b>\$ 5,319,000.00</b>	<b>\$ 5,372,217.00</b>	<b>\$ 5,426,232.26</b>	<b>\$ 5,481,057.74</b>	<b>\$ 5,536,705.60</b>	<b>\$ 5,593,188.19</b>
Marina Revenue - Vacancy	\$ 1,136,016.00	\$ 1,136,016.00	\$ 1,136,016.00	\$ 1,136,016.00	\$ 1,136,016.00	\$ 1,136,016.00	\$ 1,136,016.00	\$ 1,136,016.00	\$ 1,136,016.00	\$ 1,136,016.00
Hotel Revenue - Vacancy					\$ 2,589,894.00	\$ 2,628,742.41	\$ 2,668,173.55	\$ 2,708,196.15	\$ 2,748,819.09	\$ 2,790,051.38
Oyster Farm Revenue - Vacancy					\$ 612,000.00	\$ 612,000.00	\$ 612,000.00	\$ 612,000.00	\$ 612,000.00	\$ 612,000.00
<b>Total EGI</b>	<b>\$ 1,136,016.00</b>	<b>\$ 1,136,016.00</b>	<b>\$ 1,136,016.00</b>	<b>\$ 1,136,016.00</b>	<b>\$ 4,337,910.00</b>	<b>\$ 4,376,758.41</b>	<b>\$ 4,416,189.55</b>	<b>\$ 4,456,212.15</b>	<b>\$ 4,496,835.09</b>	<b>\$ 4,538,067.38</b>
Marina OpEx	\$ 496,800.00	\$ 496,800.00	\$ 496,800.00	\$ 496,800.00	\$ 496,800.00	\$ 496,800.00	\$ 496,800.00	\$ 496,800.00	\$ 496,800.00	\$ 496,800.00
Hotel OpEx					\$ 1,465,368.42	\$ 1,494,675.79	\$ 1,524,569.30	\$ 1,555,060.69	\$ 1,586,161.90	\$ 1,617,885.14
Oyster Farm OpEx					\$ 232,560.00	\$ 232,560.00	\$ 232,560.00	\$ 232,560.00	\$ 232,560.00	\$ 232,560.00
Recoverable OpEx					\$ 232,560.00	\$ 232,560.00	\$ 232,560.00	\$ 232,560.00	\$ 232,560.00	\$ 232,560.00
Management Fee (Marina)	\$ 34,080.48	\$ 34,080.48	\$ 34,080.48	\$ 34,080.48	\$ 34,080.48	\$ 34,080.48	\$ 34,080.48	\$ 34,080.48	\$ 34,080.48	\$ 34,080.48
Management Fee (Hotel)	\$ -	\$ -	\$ -	\$ -	\$ 77,696.82	\$ 78,862.27	\$ 80,045.21	\$ 81,245.88	\$ 82,464.57	\$ 83,701.54
Management Fee (Oyster Farm)	\$ -	\$ -	\$ -	\$ -	\$ 18,360.00	\$ 18,360.00	\$ 18,360.00	\$ 18,360.00	\$ 18,360.00	\$ 18,360.00
Total OpEx	\$ 530,880.48	\$ 530,880.48	\$ 530,880.48	\$ 530,880.48	\$ 2,092,305.72	\$ 2,122,778.54	\$ 2,153,854.99	\$ 2,185,547.05	\$ 2,217,866.96	\$ 2,250,827.16
<b>NOI (Operating)</b>	<b>\$ 605,135.52</b>	<b>\$ 605,135.52</b>	<b>\$ 605,135.52</b>	<b>\$ 605,135.52</b>	<b>\$ 2,245,604.28</b>	<b>\$ 2,253,979.87</b>	<b>\$ 2,262,334.56</b>	<b>\$ 2,270,665.09</b>	<b>\$ 2,278,968.13</b>	<b>\$ 2,287,240.21</b>
Acquisition Cost	\$ 8,976,000.00									
Development Cost	\$ 1,127,123.42	\$ 4,773,699.21	\$ 3,978,082.68	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reversionary Sale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,693,471.99
Sales Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 573,869.44
<b>Cash Flow Before Debt Service</b>	<b>\$ (9,497,987.90)</b>	<b>\$ (4,168,563.69)</b>	<b>\$ (3,372,947.16)</b>	<b>\$ 605,135.52</b>	<b>\$ 2,245,604.28</b>	<b>\$ 2,253,979.87</b>	<b>\$ 2,262,334.56</b>	<b>\$ 2,270,665.09</b>	<b>\$ 2,278,968.13</b>	<b>\$ 30,406,842.76</b>
Profit	\$ 25,284,031.47									
PV	\$13,211,670.54									
NPV	\$ 3,713,682.64									
Unlevered IRR	13.22%									
Equity Multiple	3.66X									
Loan Proceeds	\$ 1,127,123.42	\$ 4,773,699.21	\$ 3,978,082.68	\$ 17,879,238.80						
Interest Payments				\$ (3,707,956.51)						
Principal Payment					\$ (1,663,410.58)	\$ (1,663,410.58)	\$ (1,663,410.58)	\$ (1,663,410.58)	\$ (1,663,410.58)	\$ (1,663,410.58)
Balloon Payment				\$ (17,682,196.03)						\$ (7,928,712.49)
<b>Cash Flow After Debt Service</b>	<b>\$ (8,370,864.48)</b>	<b>\$ 605,135.52</b>	<b>\$ 605,135.52</b>	<b>\$ (2,905,778.21)</b>	<b>\$ 582,193.70</b>	<b>\$ 590,569.29</b>	<b>\$ 598,923.98</b>	<b>\$ 607,254.52</b>	<b>\$ 615,557.56</b>	<b>\$ 20,814,719.70</b>
Levered IRR	11.42%									
Equity Multiple	2.45X									
Yield on Cost	-43.89%	-35.51%	6.37%	23.64%	23.73%	23.82%	23.91%	23.99%	320.14%	24.17%
Cash on Cash	7.23%	7.23%	-34.71%	6.96%	7.06%	7.15%	7.25%	7.35%	248.66%	7.55%
Return on Equity	-49.80%	-40.29%	7.23%	6.96%	7.06%	7.15%	7.25%	7.35%	343.37%	7.55%



# SENSITIVITY ANALYSIS

The sensitivity analysis demonstrates that there is enough margin for variability in the project and the development can still achieve desirable returns on the project level.

No. Keys	RevPar				
	128	138	148	158	168
17.94%					
25.00	-2.37%	2.41%	5.87%	8.65%	10.99%
30.00	4.52%	8.08%	10.95%	13.38%	15.51%
35.00	9.04%	12.17%	14.79%	17.07%	19.09%
40.00	12.53%	15.44%	17.94%	20.13%	22.10%
45.00	15.41%	18.20%	20.62%	22.77%	24.72%

Cap Rate	Hold Period (Sale)				
	5	6	7	8	9
17.94%					
8.00%	63.16%	52.69%	23.12%	14.68%	14.68%
8.50%	62.27%	52.02%	21.38%	14.68%	14.68%
9.00%	61.45%	51.40%	19.65%	14.68%	14.68%
9.50%	60.71%	50.85%	17.94%	14.68%	14.68%
10.00%	60.03%	50.33%	16.22%	14.68%	14.68%

Rental Rate (Oyster Farm)	Hold Period (Sale)				
	5.00	6.00	7.00	8.00	9.00
17.94%					
10.00	59.90%	50.16%	15.67%	13.82%	13.82%
11.00	60.31%	50.51%	16.84%	14.25%	14.25%
12.00	60.71%	50.85%	17.94%	14.68%	14.68%
13.00	61.11%	51.18%	18.97%	15.10%	15.10%
14.00	61.50%	51.52%	19.96%	15.51%	15.51%



# BRICK COVE MARINA

## MARKETING & CONSTRUCTION



MK DEVELOPMENT

# TIMELINE

MK Development is in contract to close and purchase the site by January 31st, 2021. We are estimating a 12 month pre-development phase that will include completion of full architectural plans, environmental analysis, zoning variance appeal and approvals. Following the 12 months of pre-development, the site will undergo 24 months of construction with an estimated completion date of January 31st, 2023.

We expect the lease-up period to last for another 24 months and the asset should reach stabilization my month 60, January 31st, 2026. Following stabilization we are seeking to hold the cash flowing asset for another 2 years at which we will sell the asset and return capital to our investors.

**Key Dates:**

- Acquisition: January 31st, 2021
- Construction Start: January 31st, 2022
- Construction Completion/ Refinance: January 31st, 2023
- Stabilization: January 31st, 2026
- Sale: 2028



Year	1				2				3				4				5				6				7										
Quarter	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4							
Acquisition																																			
<i>Pre-Development</i>																																			
Plans filed for Site Work																																			
Plans filed for Oyster Farm																																			
Plans filed for Hotel																																			
Zoning Variance for Hotel																																			
<i>Construction</i>																																			
Site Work																																			
Oyster Farm																																			
Hotel																																			
TCO																																			
Lease-up/Marketing																																			
Stabilization																																			
Project Sale/ Exit																																			



## STRATEGY



### **Marketing Strategy:**

MK Development will engage local brokers to market the site and will leverage the expertise of locals to maximize lease-up success.

The marketing effort will center on the local maritime culture. The oyster farm and anaerobic digester are set to be completed first at which point the public will be invited to site tours to see the facilities and operations.

As the hotel is completed, MK Development will organize a series of celebrations to draw people to the site.

The celebrations will be:

- Boat party – people will be invited to dock on site and spend the day enjoying the site with live music and food vendors
- Beach party – people will be invited to spend the day on the newly renovated beach
- Hotel event space community social – the local neighborhood will be invited to a cocktail event in the hotel main event space where they can tour the building, site and interact with their neighbors

These events will serve as a means to draw attention to the site. Positive reviews from these events will drive interest and raise occupancy numbers.



**BRICK COVE MARINA**

**RISK & MITIGANTS**



## RISK & MITIGANTS

**Risks:**

Seasonality may have a negative impact on occupancy and RevPAR

**Mitigant:**

The site will generate year-round revenues from the marina portion of the site. In addition, the hotel will provide event space that can be of interest to local educational facilities due to proximity to oyster farm and renewable energy generation.

**Risk:**

Need for zoning variance

**Mitigant:**

The zoning code provides clear provisions that any proposed hotel needing a variance needs to comply with. As long as the hotel meets zoning code and the environmental impact statement demonstrates that the hotel will not adversely impact the neighborhood, the project should move forward without hesitation.

**Risk:**

Community Disapproval

**Mitigant:**

The local community is concerned with maintaining the local character of the town and is concerned that a hotel would disturb the peace. The hotel is small with only 40 keys and it is located on the portion of the site that is farthest from the nearest residence. In addition, planting will be placed on site to strategically create sound barriers. The hotel will be accompanied by the creation of an oyster farm and anaerobic digester that will provide community benefits – food and energy production. The benefits of the site plan outweigh the potential noise and traffic complaint. MK Development will actively engage the community and work with local officials to ensure the development is an asset to the surrounding area.



**BRICK COVE MARINA**



**MK DEVELOPMENT**

**BRICK COVE MARINA**

**APPENDIX**



**MK DEVELOPMENT**

# DETAIL METRICS

## Hotel Assumptions

Property Information	
GSF	35,000
RSF	29,750
Efficiency Ratio	85%
Property Assumptions	
Rooms	40
Average Room Size	744
Average Daily Rate	\$ 148.00
ADR Growth	1.50%
Average Occupancy	73.00%
Management Fee	4.50%
Days	365
Expense Growth	2.00%
Origination Fee	1.00%
Closing Coss	2.00%
Entry Cap Rate	9.50%
Exit Cap Rate	9.50%
Hold Period (years)	7
Sales Costs	2.00%

Revenue and Expense Assumptions P.O.R.	
Revenue Room	\$ 150.00
Revenue F&B	\$ 68.00
Revenue Other Operating Departments	\$ 27.00
<b>Total Revenues</b>	<b>\$ 245.00</b>
Expense Room	\$ 30.00
Expense F&B	\$ 40.80
Expense Other Operating Departments	\$ 12.69
<b>Total OpEx</b>	<b>\$ 83.49</b>
Undistributed Operating Expenses P.O.R.	
Administrative and General	\$ 20.52
Marketing	\$ 16.20
Property Operations and Maintenance	\$ 8.64
Utilities	\$ 5.94
Information and Telecommunications	\$ 2.70
<b>Total Undistributed OpEx</b>	<b>\$ 54.00</b>
<b>Total Expense %</b>	<b>56.12%</b>
Discount Rate	11.00%

## Oyster Farm Assumptions

Property Information	
GSF	60,000
RSF	51,000
Efficiency Ratio	85%
Property Assumptions	
Occupancy	100%
Renewal Probability	100%
Lease Expiry	
T.I.	\$ 10.00
LC	5.00%
Rental Rate PSF	\$ 12.00
Rent Growth	2.00%
OpEx (% of Revenue)	35.00%
Recoverable Expenses	100%
Origination Fee	1.00%
Management Fee	3.00%
Closing Coss	2.00%
Exit Cap Rate	9.50%
Hold Period (years)	7
Sales Costs	2.00%

Total Cost Summary	SF	Cost PSF	Total Cost	% of Total
Total Hard Costs	95,000	\$ 83.75	\$7,956,165.35	83.33%
Total Soft Costs	20% of hard costs	\$ 16.75	\$1,591,233.07	16.67%
<b>Total Development Cost</b>		<b>\$ 100.50</b>	<b>\$9,547,398.42</b>	<b>100.00%</b>
<b>A. Substructure</b>		<b>\$ 1.61</b>	<b>152,831.56</b>	<b>1.60%</b>
Pile Caps		\$ 0.04	\$ 3,936.56	0.04%
Foundation dampproofing, bituminous		\$ 0.04	\$ 4,170.00	0.04%
Slab-on-grade		\$ 1.52	\$ 144,725.00	1.52%
<b>B. Shell</b>		<b>\$ 20.43</b>	<b>1,940,990.60</b>	<b>20.33%</b>
Roof, steel joists, beams		\$ 0.04	\$ 3,424.00	0.04%
Roofing, asphalt flood coat, gravel		\$ 1.25	\$ 118,475.00	1.24%
Skylight		\$ 9.13	\$ 867,200.00	9.08%
Door, aluminum and glass, narrow stile		\$ 7.83	\$ 744,000.00	7.79%
Windows, aluminum		\$ 1.24	\$ 118,196.40	1.24%
Wood siding		\$ 0.74	\$ 70,350.00	0.74%
Metal siding		\$ 0.20	\$ 19,345.00	0.20%
<b>C. Interiors</b>		<b>\$ 20.99</b>	<b>1,994,307.70</b>	<b>20.89%</b>
Gyp. Bd. Partitions		\$ 3.81	\$ 362,000.00	3.79%
Doors		\$ 0.25	\$ 23,321.70	0.24%
Stairs w/nosing		\$ 1.25	\$ 118,800.00	1.24%
Painting (walls)		\$ 2.46	\$ 234,000.00	2.45%
Painting (wood)		\$ 2.77	\$ 262,800.00	2.75%
Painting (cabinets)		\$ 1.93	\$ 183,600.00	1.92%
Paneling		\$ 2.50	\$ 237,200.00	2.48%
Oak Floors		\$ 3.88	\$ 369,000.00	3.86%
Gyp. Bd. Ceiling		\$ 0.01	\$ 1,086.00	0.01%
Resilient Base		\$ 2.13	\$ 202,500.00	2.12%
<b>D. Services</b>		<b>\$ 20.42</b>	<b>1,939,771.49</b>	<b>20.32%</b>
Water Closet		\$ 1.41	\$ 133,518.15	1.40%
Lavatory		\$ 0.91	\$ 86,811.75	0.91%
Kitchen Sink		\$ 0.05	\$ 4,515.08	0.05%
Service Sink		\$ 1.48	\$ 140,482.40	1.47%
Shower Stall		\$ 4.26	\$ 404,275.20	4.23%
Electric Water Heater		\$ 0.04	\$ 4,094.78	0.04%
Roof Drain		\$ 3.27	\$ 311,100.00	3.26%
Heating System		\$ 3.02	\$ 287,100.00	3.01%
Packaged chiller, air colled, with FCU		\$ 3.38	\$ 320,700.00	3.36%
Dry pipe sprinkler system		\$ 2.60	\$ 247,174.13	2.59%
<b>E. Equipment &amp; Furnishings</b>		<b>\$ 1.54</b>	<b>146,731.80</b>	<b>1.54%</b>
Lanudry Equipment		\$ 0.62	\$ 58,952.47	0.62%
Furnishings (hotel- standard & deluxe)		\$ 0.67	\$ 63,952.87	0.67%
Furnishings (restaurants)		\$ 0.25	\$ 23,826.47	0.25%
<b>F. Special Construction</b>		<b>\$ 2.28</b>	<b>216,315.70</b>	<b>2.27%</b>
Special construction - swimming pool enclosure		\$ 0.32	\$ 30,475.00	0.32%
Special construction - tanks steel, 100,000 ga		\$ 1.96	\$ 185,840.70	1.95%
60,000 SF 1-story light manufacturing building				
<b>G. Building Sitework</b>		<b>\$ 16.48</b>	<b>1,565,216.50</b>	<b>16.39%</b>
Roadways (2 lanes)		\$ 1.87	\$ 177,990.00	1.86%
Parking		\$ 0.06	\$ 5,465.00	0.06%
Plaza - brick pavers		\$ 1.98	\$ 187,729.20	1.97%
Water distribution piping		\$ 7.85	\$ 745,500.00	7.81%
Drainage and Sewage piping		\$ 1.68	\$ 159,408.70	1.67%
Site Lighting		\$ 0.91	\$ 86,737.08	0.91%
Site Improvements		\$ 2.13	\$ 202,386.52	2.12%

Data taken from RS Means

