

LWCBID - NewCo [West Colfax Facility Corp.] WECO Build-out Pro Forma v4.0

	2021	2022	2023	2024	2025
AVAILABLE FUNDS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Carry-over Funds	10,500	6,040	12,161	13,121	36,186
Proj./Budgeted Funds	550,500	275,433	187,007	195,652	199,384
Total	561,000	281,473	199,168	208,773	235,570
EXPENSES					
FirstBank Loan P & I	67,260	80,712	80,712	80,712	80,712
Related Closing Costs	7,500	-	-	-	-
Construction/Build-out	450,000	150,000	50,000	-	-
Utilities (pwr-wtr-wifi)	10,100	13,000	20,300	22,330	24,563
Future Bldg Imprvmnts	-	-	-	30,000	30,000
CAM/Repairs/Supplies	5,000	8,100	14,910	16,401	18,041
Prof. Services/Legal/Acct	5,000	6,000	6,900	7,935	9,125
Insurances	4,100	5,500	6,325	7,274	8,365
Property Taxes	-	-	-	-	-
Prop. Mgmt.	6,000	6,000	6,900	7,935	9,125
TOTAL EXPENSES	554,960	269,312	186,047	172,587	179,931
NET OPERATING INCOME	6,040	12,161	13,121	36,186	55,639

EXPENSE ASSUMPTIONS:

- FB Loan P&I* - based on 20-yr AM @ 4.0% - 1st payment due in March in YEAR 1 (\$6,726 P&I)
- Related Closing Costs* - one-time closing costs and bank fees
- Const./Build-out* - based on the predicability of funds; \$250,000+ available on day 1
- construction budget is \$498,175, but 10%+ more is budgeted for contingencies
- plus, contractor has an additional 8% contingency in budget
- Utilities* - escalates 10% year-over-year starting after YEAR 3
- Building Improvements* - based on anticipation of future improvements to building
- CAM/Repairs/Supplies* - escalates 10% starting after YEAR 3
- Prof. Services/Legal* - escalates 15% year-over-year starting after YEAR 2
- Insurances* - escalates 15% year-over-year starting after YEAR 2
- Property Taxes* - as a nonprofit corporation, NewCo will not pay property taxes
- Prop. Mgmt.* - escalates 15% year-over-year starting after YEAR 2

AVAILABLE FUNDS ASSUMPTIONS:

- See Source Funds* for breakdown
- Lease occupancy rates are* Year 1 - 0%
- very conservative; we anticipate* Year 2 - 45% (2nd half of the year)
- near-full occupancy in Year 3* Year 3 - 60%
- but budgeted the occupancy* Year 4 - 75%
- rates shown here* Year 5 - 85%
- Note: Rent escalate 2.5% per year after YEAR 2*
- Does NOT include: Revenue for Event Space; could be estimated at \$10,000+ annually after YEAR 2*
- Revenue for Co-working; could be estimated at \$6,000+ annually after YEAR 2*

LEASING PROJECTIONS

RENT CALCULATIONS

	TENANTS	projected tenant s.f	starting annual rate	starting base rent	CAM related fees	total annual rent	tenant monthly rent	proj. lease term
4%	LWCBID	500	10.00	5,000	877	5,877	490	5
22%	40W	2,500	10.00	25,000	4,386	29,386	2,449	5
10%	WCCA	1,100	10.00	11,000	1,930	12,930	1,077	5
5%	C-Lab	600	10.00	6,000	1,053	7,053	588	5
5%	Ideate	600	10.00	6,000	1,053	7,053	588	3
17%	L-Arts	1,900	10.00	19,000	3,333	22,333	1,861	3
11%	RH-Art	1,200	10.00	12,000	2,105	14,105	1,175	3
4%	Studio 1	500	10.00	5,000	877	5,877	490	2
4%	Studio 2	500	10.00	5,000	877	5,877	490	2
-	Co-working	-	-	-	-	-	-	-
-	Space Rental	-	-	-	-	-	-	-
18%	Common	2,000	-	-	-	-	-	-
100%	TOTALS	11,400	-	94,000	16,491	110,491	9,208	

Est. Annual Cost: \$20,000 Snow removal/cleaning/trash/water
Rent escalate 2.5% a year after YEAR 2

RENT ROLL (REVENUE WITH CAM)

		2nd Half			
	2021	2022	2023	2024	2025
LWCBID	-	2,645	5,877	6,024	6,175
40W	-	13,224	29,386	30,121	30,874
WCCA	-	5,818	12,930	13,253	13,584
C-Lab	-	3,174	7,053	7,229	7,410
Ideate	-	3,174	7,053	7,229	7,410
L-Arts	-	10,050	22,333	22,892	23,464
RH-Art	-	6,347	14,105	14,458	14,819
Studio 1	-	2,645	5,877	6,024	6,175
Studio 2	-	2,645	5,877	6,024	6,175
Co-working	-	-	-	-	-
Event Space	-	-	-	-	-
Annual Totals		49,721	110,491	113,254	116,085
Occupancy	0%	45%	60%	75%	85%
Amount Projected:		49,721	66,295	84,940	98,672

SOURCE OF FUNDS

	2021	2022	2023	2024	2025
Carry-over Funds	10,500	6,040	12,161	13,121	36,186
Budget by BID Annually	276,500	170,712	120,712	110,712	100,712
IGA/LRA Pledge proj. available Q2	100,000	-	-	-	-
40W Raise 1 - Available Now	50,000	-	-	-	-
40W Raise 2 - Available end of Q3	50,000	-	-	-	-
Support Grants	20,000	-	-	-	-
Tenants Funds	30,000	30,000	-	-	-
40W Raise 3	-	25,000	-	-	-
Pledged Reserves	24,000	-	-	-	-
Leasing/CAM Revenue	0	49,721	66,295	84,940	98,672
	561,000	281,473	199,168	208,773	235,570
	2021	2022	2023	2024	2025
	561,000	281,473	199,168	208,773	235,570

NOTES:

2021 BID Budget	276,500	<i>funds budgeted and available</i>
IGA/LRA	100,000	<i>LRA vote after closing; strong support from EcDev & Mayor</i>
40W Raise 1	50,000	<i>funds available</i>
40W Raise 2	50,000	<i>funds available by end of Q3-2021</i>
Support Grants	20,000	<i>funds available in Mar. 2021 (from existing IGA)</i>
Tenants Funds 1	30,000	<i>funds available (C-LAB)</i>
2021 Reserves	24,000	<i>funds available (budgeted reserves in BID budget)</i>
2022 BID Budget	170,712	<i>proposed budgeted funds for 2022</i>
40W Raise/Grant 3	25,000	<i>funds available by end of Q3-2022</i>
Tenants Funds 2	30,000	<i>funds available (C-LAB)</i>
2022 Leasing	49,721	<i>leasing revenue projections (45% occupancy)</i>
2023 BID Budget	120,712	<i>proposed budgeted funds for 2023</i>
2023 Leasing	66,295	<i>leasing revenue projections (60% occupancy)</i>
2024 BID Budget	110,712	<i>proposed budgeted funds for 2024</i>
2024 Leasing	84,940	<i>leasing revenue projections (75% occupancy)</i>
2025 BID Budget	100,712	<i>proposed budgeted funds for 2024</i>
2025 Leasing	98,672	<i>leasing revenue projections (85% occupancy)</i>
	\$1,407,976	

NOTE: *More grants are available and are NOT included in projections but will be pursued in 2021 and beyond.
Estimated grant wins: \$100,000 (but not projected)*

EXPENSES

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Utilities (pwr-wtr-wifi)	10,100	13,000	20,300	22,330	24,563
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Maint./Repairs/Supplies	5,000	8,100	14,910	16,401	18,041
Prof. Services/Legal/Acct	5,000	6,000	6,900	7,935	9,125
Insurances	4,100	5,500	6,325	7,274	8,365
Property Taxes	-	-	-	-	-
Prop. Mgmt.	6,000	6,000	6,900	7,935	9,125
ANNUAL SPEND	554,960	269,312	186,047	172,587	179,931

554,960 269,312 186,047 172,587 179,931

Loan Debt Service @ 4.00% 20-yr AM Annual Payments 80,712
 Estimated 2021 Loan Payments starting in March 6,726 67,260

NOTES:

FirstBank Loan P & I	<i>see notes directly above</i>
Related Closing Costs	<i>estimate of closing costs and bank fees (detail to come)</i>
Construction/Build-out	<i>based on timing of availability of funds const. budget is \$498,175; 10%+ more budgeted for contingencies in addition to this 10% contingency, GC aslo has a 8% cost buffer</i>
Utilities (pwr-wtr-wifi)	<i>based on historical usage of gallery and studios</i>
Future Bldg Imprvmts	<i>potential (optional) improvements to meeting spaces</i>
Maint./Repairs/Supplies	<i>based on experiece from other properties (gallery and studios)</i>
Prof. Services/Legal/Acct	<i>best guest based on operational history</i>
Insurances	<i>based on experiece from other properties (gallery and studios)</i>
Property Taxes	<i>Colorado Nonprofit Corp. exempt from property taxes</i>
Prop. Mgmt.	<i>fee based on BID or LAB providing property management</i>

PROJECT MILESTONES

PSA Signed	COMPLETE (update in progress)
Subdivision	COMPLETE
Preliminary Engineering and Design	COMPLETE
Construction Estimates	COMPLETE
Pre-application with the City	planned to file between 1/04/20 - 01/15/21
Closing	TBD (Est. Feb. 2021)

CONSTRUCTION SCHEDULE (Prelim)

	Target Date for Completion
Formal Application Review/Approval/ Permitting	5/30/2021
Site Work / Demo	7/31/2021
Exterior Bldg / Roofing	8/31/2021
Electrical / Plumbing	9/30/2021
Mechanical / HVAC	10/31/2021
Framing/Flooring/Fixtures	11/30/2021
Finishes/Punchlist	12/15/2021
Contingency Planning (Buffer)	12/15/2021 - 1/31/2022
Tenant Finish & Move-in	2/1/2022 through 6/30/2022

CONSTRUCTION BUDGET - USE OF FUNDS

Summary of Construction Budget to Stabilize the Building

Project: WECO

Revised and updated: 3 Dec. 2020