

ELYSIUM

A DAVIE PARADISE



A - TEAM

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1.25 ACRE SITE ANALYSIS

6650 Nova Drive

Davie Florida

2018 Development Challenge

CONTENTS

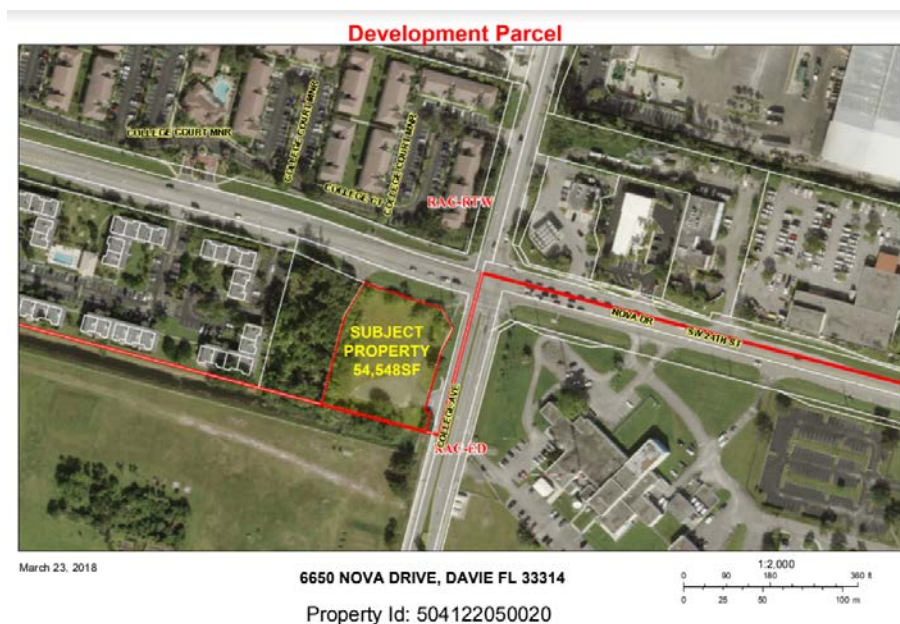
	Page
1. Introduction	2
2. Regulatory Analysis	4
3. Site Planning	11
4. Market Analysis	19
5. Financials	32
6. Conclusion – Executive Summary	37
7. Team Bio's	38
8. Memo/Report Citations	40

Introduction

The subject property address is 6650 Nova Drive, located in the Town of Davie Florida. It is situated in the south and west part of Broward County, almost in the epicenter, in a Hub of four college intuitions. Broward College, Nova Southeastern University, University of Florida Research and Educational along with Florida Atlantic University South Campus are all within walking distance of site. The site has a mostly rectangular shape with 200 frontage feet along the North side of Nova Dr. and 260 frontage feet along the East Side College Ave.

The current owner purchased the previous Farm Store location in March of 2006 for \$950,000(1). According to historical photos on BCPA the site had a structure until 2007 it was removed to start remediation. As early as 1995 the site was identified by DEP as contaminated and by July 2010 was cleared by the Environmental Assessment Remediation or FDEP(2).

The seller/owner has the property listed on loopnet for sale: “Description 18 Townhouse Project for Sale. Already permitted and ready to build. 12 Townhouses of 3 Bedrooms and 2.5 Bathrooms and 6 Townhouses of 2 Bedrooms and 2.5 Bathrooms. In the heart of Davie, FL. Close to Broward College and Nova University. Great project for renting and/or sale after construction” (3).



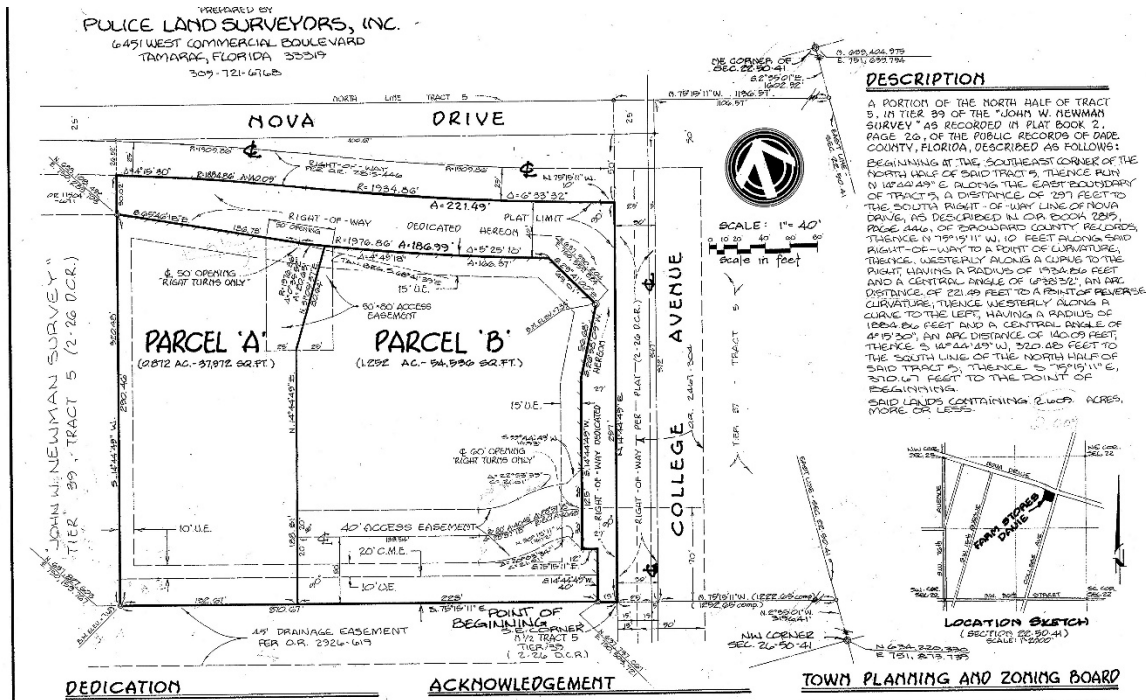
http://bcweb-adapters.bcpa.net/bcpawebmap_ex/bcpawebmap.aspx?FOLIO=504122050020

Land area: the following table summarizes the subjects land area.

Land Area Summary		
Parcel	Sf	Acres
50-41-22-05-0020	54,548	1.25

Source: Broward County Property Appraise

Current Conditions of Site Plat:



<https://officialrecords.broward.org/AccessWeb/Details/> Plat Book 139 Page 37

Easements:

Plat has been recorded as July 19th 1989 which has certain access easement of (40') feet that would have to be vacated to allow final construction of the proposed 80 units. Application has been submitted, but easement vacation has not yet approved and completed by county. If this 40' easement is not vacated it is possible that it could be left as a grassy pervious area for water management complement. However, this is a major known constraint that will have to be addressed prior to closing. The seller has provided an application for delegation but no recorded change can be found. According to Donna West from HSQ, "the county will often not consider a plat vacation until a new plan has been submitted for approval".

Restrictions:

Parcel B has a current restricted to a maximum of 2400 square feet with no restaurant. This too will have to be vacated or delegated in order to develop the site. According to a specialist: "To amend the note on the plat, applications will need to be processed through Davie and Broward County (including the school board). They will be reviewed for increased and/or decreased impacts, zoning consistency, concurrency, etc". Donna C. West, PSM Director of Surveying HSQ GROUP, INC.

Comprehensive Plan

According to Policy 13-4 Affordable housing, including housing targeting SFEC (South Florida Educational Center) students and employees, shall be encouraged within the RAC(7). Policy 13-11 Within the RAC-RTW, RAC-RTE and RAC-ED zoning districts, the land development regulations shall continue to encourage midrise transit-oriented development and bonus height/stories as an incentive for development that furthers Town objectives(8). Additionally, in objectives there are incentives for affordable housing, increased tree caliber, green building as well as open space.

Land use regulations:

Town of Davie has regulations that can affect the development on the subject site, you can find the uses that are permitted for the subject site on the following table. After analyzing allowed permitted uses in the Town of Davie Code Of Ordinances, we decided on affordable multifamily would be the Highest and Best Use for this property. Additionally there are also reduction for parking requirements for affordable housing in addition to density bonus. We also found that additional bicycle accommodations for residence added another layer of reduction on parking which enabled us to design additional units. One other element was mentioned over and over in Comp plan and zoning, was the mixed use element when at all possible to create walkability. Below are selected code tables and excerpts of the zoning code to allow our choice of development to be attainable.

Housing and Residential Density

Allow and encourage a variety of housing types and price points through varying maximum densities, creative dwelling configurations, mixing of uses, incentives, and accessory dwellings. To the extent that comprehensive plan density and RAC future land use plan category provisions permit, the number of dwelling units that can be constructed on a lot shall be governed by building and site design, and **not a maximum density calculation**(9).

TABLE 12-438.7(C) Table of Permitted Uses						
Permitted Uses	Transit-	RAC-RTW	RAC-ED	RAC-TC	RAC-ND2	RAC-ND4
RESIDENTIAL						
Dwelling, Single-Family Detached, Semi-Detached	N	N	N	N	P	P
Dwelling, Accessory to detached single-family residential	N	N	N	N	P (5)	P(5)
Dwelling, Single-Family Attached/Townhouse	N	P	P	P	P	P
Dwelling, Duplex	N	N	N	P	P(2)	P
Dwelling, Multiple-Family	-1	P	P	P	-2	P

Table 12-438.9(E). Intensity of use standards						
Minimum and maximum intensities of use	Transit-	RAC-TC	RAC-RTW	RAC-ED and RAC-RTE	RAC-ND4	RAC-ND2
Minimum number of stories	2	2	1	1	SFR: 1	1
<u>Maximum number of stories/height in feet (without incentives). Subject to rules of transition, section 12-438.12 (5)</u>	3/45	4/55	6/75	6/75	3/45	2/35
<u>Maximum number of stories/height in feet (with maximum incentives). Subject to rules of transition (see section 12-438.12) (5)</u>	4/55	5/65	10/115	10/115	4/55	2/35

https://library.municode.com/fl/davie/codes/code_of_ordinances?nodeId=PTIICOOR_CH12LADECO_ARTXIIISPPLARDI_DIV11REACCEDI_S12-438.12RUTR

As you can see from table above without incentives RAC-RTW maximum height it 6 stories or 75’.

Minimum dwelling unit floor area	Efficiency: 500 s.f. One-bedroom: 750 s.f. Two-bedroom: 900 s.f. Three-bedroom: 1,000 s.f. Detached SFR: 1,000 s.f.
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https://library.municode.com/fl/davie/codes/code_of_ordinances?nodeId=PTIICOOR_CH12LADECO_ARTXIIISPPLARDI_DIV11REACCEDI_S12-438.9INUSST

Zoning Regulation Parking Bonuses / Incentives:

According to the Town of Davie Code Of Ordinances the subject site can obtain some parking and density incentives and bonuses via waiver in order to add more units to the development project. Below is actual data from code on parking.

https://library.municode.com/fl/davie/codes/code_of_ordinances?nodeId=PTIICOOR_CH12LADECO_ARTXIIISPPLARDI_DIV11REACCEDI_S12-438.17OREPARE

- (H) *Parking reductions.* The calculated automobile parking requirements resulting from the above parking standards and those in Article VII, as applicable, may be reduced by applying the parking discounts of this subsection, outlined in Table 12-438.17(H), below, and explained in detail following the table. The table shows the cumulative parking reduction that is permissible with any combination of reductions.
- (1) Reduction for bicycle parking and lockers. Equal to one-half (0.5) of the ratio of required bicycle spaces provided with bike lockers divided by required auto parking spaces but not exceeding ten (10) percent of required parking.
 - (3) Reduction for Transit-Oriented Development of five (5) percent anticipated by modal split.

- (4) Reduction for workforce housing units. A reduction shall be applied based upon data correlating car ownership with income level or housing cost.
- (6) Reduction for "park-once synergy of uses." This is a grouping of like businesses that locate together to take advantage of the economies of scale, such as home furnishing, antiques and accessories stores that benefit from comparison shopping for specialized, often substantial items. Required parking for such uses shall be provided in the amount of the full parking requirement of the largest establishment of the grouping. No other reductions shall apply in unison with this parking formula.
- (l) *Shared parking.* (1) *Intent.* The intent of shared parking is to permit a reduction in the total number of required parking spaces when a parcel is occupied by two (2) or more uses which typically do not experience peak parking demands. At the same time, providing the area where the sharing occurs is not heavily impacted by a parking shortage and provided that a shared parking agreement between property owners is recorded in the public records subsequent to town approval

[Table 12-438.17\(G\)](#)

Building Use	Parking Requirements
Office	2.5 spaces per 1,000 SF
Retail	3 spaces per 1,000 SF
Restaurants	1 space per 75 SF for dining + 1/350 SF non dining
Hotel	1 space per 1,000 SF
Residential; efficiency	1.5 spaces per dwelling unit
Residential; 1-bedroom	1.5 spaces per dwelling unit
Residential; 2—3 bedroom	2.0 spaces per dwelling unit

https://library.municode.com/fl/davie/codes/code_of_ordinances?nodeId=PTIICOOR_CH12LADECO_ARTXIIISPLARDI_DIV11REACCEDI_S12438_17OREPARE

ELYSIUM PARKING CALCULATIONS

	Parking	Spaces	Total
Parking	1.5 PER UNIT	68	102
Bonus	-25.00%		76.5
Retail Space	3 per 1000 SQ	6	82.5
Handicap Spaces	4 every 100 parking spaces	4	87

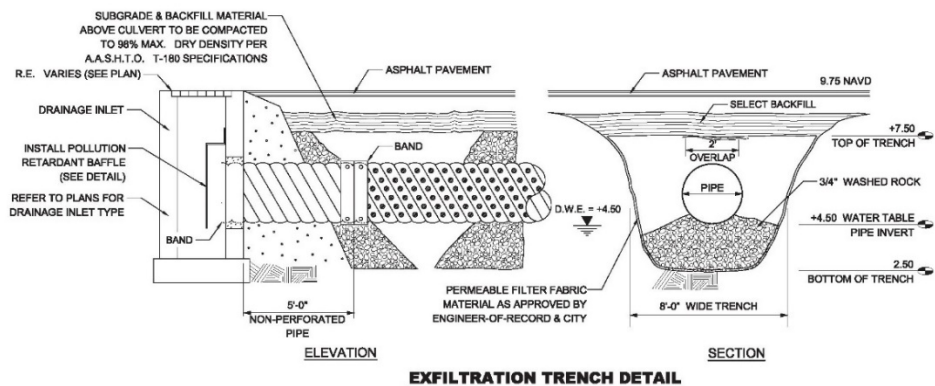
One parking bonus is for enabling and promoting bike use. ELYSIUM will not only provide bike parking, but it will have bike sharing with all bikes being maintained by leasing company.

<http://cyclehop.com/>



Drainage Analysis:

No particular drainage problems were observed or disclosed at the time of the field inspection. The seller did not offer any water management plans for site. This report assumes that surface water collection both on-site and in easement/swales included in subject property is adequate. Storm Water Management may be if vested as is, utilizing the existing canal or may need to be designed as exfiltration system under parking to comply with regulations. Exfiltration along with perimeter water retention swale in accordance to SFWMD as well as Central Broward Water Control District will have to be determined if adequate prior to moving forward with site according to a civil engineer Jay C. Evans, PE, PSM, CGC President PILLAR CONSULTANTS, INC. He also conveyed “that he just permitted a commercial site on University drive just south of Griffin Road that utilized underground vault storage. This allowed us to get rid of the pond and develop **100%** of the site.” Samples below of both Exfiltration and Vault systems”.



Underground Storage Vault for Water Management

<https://oldcastleprecast.com/region/southeast-florida/>

Environmental Hazards:

An environmental assessment report was not provided for review, and during our inspection, we did not observe any obvious signs of contaminations on or near the subject. Monitoring Wells has been cleared DEP NO. 069102585 but must be removed prior to site development, shown on plat. However, prior to purchase the Phase II report will have to be updated by EPAC Environmental Services, Inc. or another firm.

Environmental Assessment:

No environmental assessment was provided by the seller for investigation to identify the potential for either US Army Corps of Engineers, state jurisdictional wetlands by Florida Department of Environmental Protection, SFWMD or Broward ERP(10). Also needed will be a determination of any presence of listed (endangered/threatened) species inhabiting site that are regulated by US Fish and Wildlife and Florida Fish and Wildlife Conservation Commission (11.)

Forestry / Trees:

Any Trees on site would be relocated and preserved on site to minimize any cost do to mitigation or removal. An arborist will be called into make tree depth analysis on entire site and make recommendations prior to permitting on work with the Forestry/Arborist for Town of Davie.

Ground Stability:

A soil report was not provided for our review. Based on our inspection of the subject and observation of development on nearby sites, there are no apparent ground stability problems. We assume that the subject's soil bearing capacity is sufficient to support the prior existing improvements. Further GEO technical testing will have to done prior to final acquisition of site to confirm.

Utilities:

Utilities have been visually confirmed to site, but not actually located yet by city departments or has capacity been verified. FPL lines are visible but no contact has been made yet for confirmation of volume.

Setback Requirements:

Table 12-438.10(C). Table of site development standards		
	Comments	RAC-RTW and RAC-TC
Front and corner street building placement (expressed as BTL or minimum setback)	Subject to compliance with minimum site distance triangle requirements of section 12-205(A)(6) and section 12-109	0 ft
Minimum percentage of building frontage that must coincide with the BTL	This standard determines how much of a building facade can be located to the rear of the BTL	5 ft for sloop 65%
Maximum distance that a facade can extend behind the BTL. This shall not apply to courtyards, plazas and paseos	This standard determines the allowable depth of alcoves and other variations in the horizontal plane of the facade	5 ft
Minimum percentage of lot width occupied by building	Not intended to preclude driveway access for rear parking when necessary, nor use of paseos, which are encouraged for access to rear parking and interior block plazas. Driveway easements are regulated under section 12-438.17(B)	90%
Minimum first floor height from floor to ceiling	Intended to allow for nonresidential use on the first floor	12 ft
Minimum interior side building setback	This standard works together with the minimum % lot width occupied by building. For example, if the minimum side setback is "0" but the building must occupy 100% of lot width, then the "0" side setback becomes mandatory, not a minimum	0 ft
Minimum rear setback with rear alley (or rear street designated to serve the same		5 ft

SITE ANALYSIS

An initial site visit was carried out on 03.24.2018 to identify characteristics and elements which could influence this development. To achieve an understanding of the complexities and sensitivities of the site a detailed analysis has been made. This analysis reviews the site at a scale of regional and local context. The location is described within its immediate surroundings. The local characteristics include:

- Location
- Public Transportation
- Walkability
- Surroundings Typologies | Building Uses
- Physical Barriers
- Zoning summary
- Visual
- Site Preliminary Planning

Local Context:

The subject site consists in 1.25AC and is located at 6650 Nova Drive, Davie, Florida and is zoned RAC-RTW. Close to the site are educational and residential buildings and a consolidated commercial area.



Public Transportation:

There are three bus routes that serves the site surrounding and there are bus stops located on the next corner of the site with a suitable walk distance. The diagram below shows (yellow dots) the local of all bus stops and it clearly demonstrates a high number of services within 15 minutes walking distance of the site.

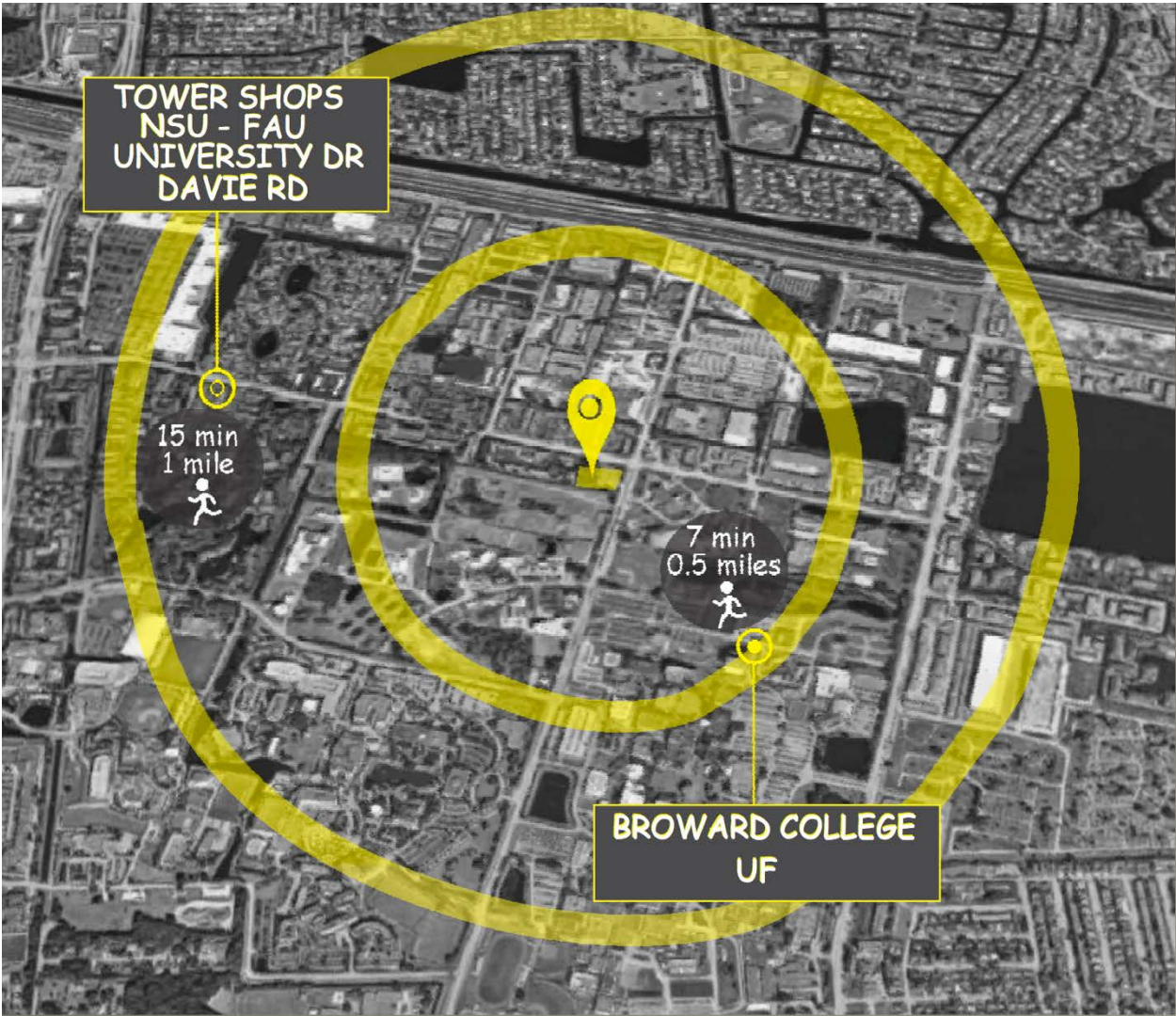
Bike and pedestrian pathways are also noticed on the site surrounding and according to the Town of Davie there are some new bike and pedestrian pathways proposed for 2018.

The easy access to the site by public transportation is a strength to our project to attract the target market.



Walkability:

The proximity of the site with educational and commercial centers is a positive aspect of this site. A walkable environment is often attractive because it is lively and sociable and it also provides opportunities for those who can't use cars because of age, income, or disability.



Surrounding Typologies | Building Uses:

The surrounding built form includes mainly low-rise two to five stories buildings. The neighborhood is mainly educational and residential, with a number of supporting uses that include retail and health.



Physical Barriers | Constraints:

Monitoring Wells has been cleared DEP NO. 069102585 but must be removed prior to site development, shown on plat.

All trees on site would be relocated and preserved on site to minimize any cost do to mitigation or removal.

Access easement of 40 feet that would have to be vacated.

Utilities have been confirmed to site, but not actually located yet by city departments.

The site is generally level the topography does not result any particular development limitation.



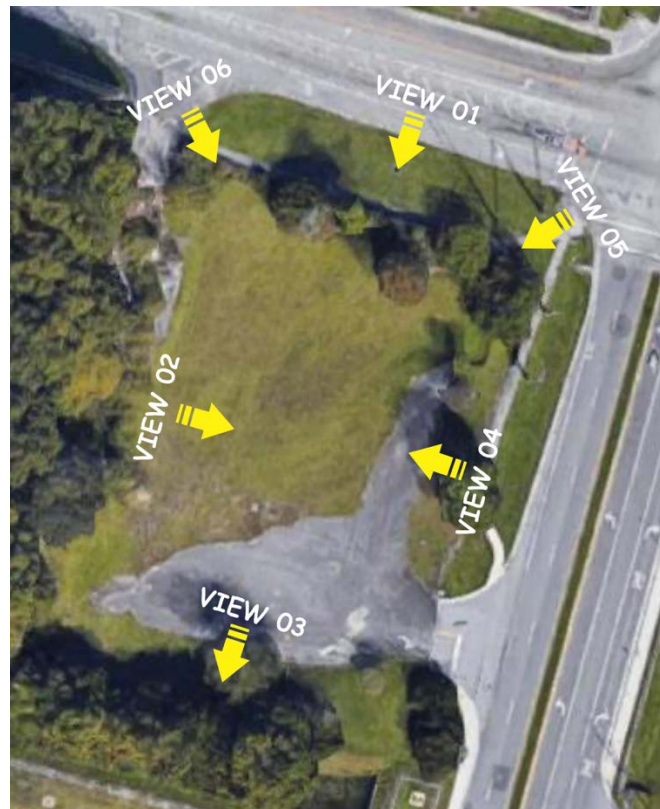
Zoning Summary:

- Density = 85% - with incentives 95%
- Min. Open Space = 15% - with incentives 5%
- Height: Maximum 6 stories – 75ft.
With incentives 10 stories – 115ft.
- Parking – for residential uses, a minimum of 1.5 parking space per dwelling unit with 1 bedroom is required and 2 parking space per dwelling unit with 2 bedrooms.
– for retail use, a minimum of 3 parking spaces per 1000sf
- Building setbacks: front – 5ft.
Side – 0ft. | street side – 0ft.
Rear – 5ft.

Visuals:

An analysis of the site to identify views and key elements, to consider the relations within and around the site, to select viewpoints from which the impact of visual receptors can be assessed and to establish appropriate limitations for the site. The site location at a corner is a strong characteristic, and influence in the relationship of the site with the surrounding (existing buildings, vegetation, open spaces).

There are public and private views into the site, but the character of most of their views is very much influenced by the extent of tree cover.





View 01



View 02



View 03



View 04



View 05



View 06

Site Preliminary Planning:

The site planning preliminary study was made based on the regulatory and site analysis and with the parking constraints.



Regulatory and Site Analysis Conclusion

Our regulatory investigation and site Analysis into 6650 Nova Dr., Davie, FL are completed along with preliminary findings. With these findings the Our Team has decided to go with a low income / affordable multi-family development consisting of 68 unit's. The product type will be efficiencies, 1 and 2 bedrooms depending ultimately on the parking constraints. According to the current zoning RAC-RTW, our **plan would require no zoning changes and would comply with the city's Comprehensive plan** to provide this type of residential development. Additionally, in both the Comprehensive Plan as well as Zoning Regulations, the city encourages affordable housing with bonuses offered in density along with parking. Jay C. Evans, PE, PSM, CGC President PILLAR CONSULTANTS, INC "I don't think there will be any issue getting 50 – 90 units on 1.28 acres, especially if we go up 4 floors above Parking".

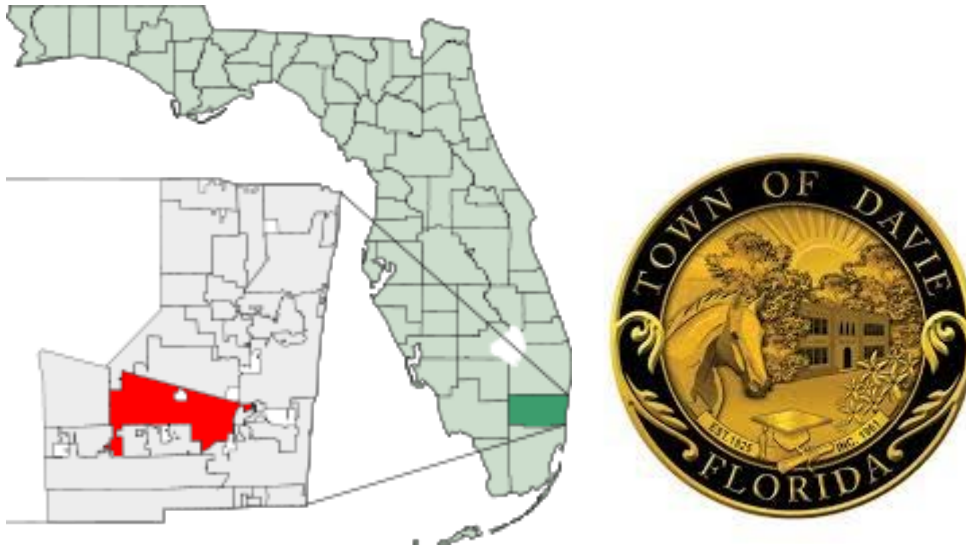
MARKET ANALYSIS

The purpose of this Market Analysis is to examine the market prospects for an ownership of an affordable housing development on a 1.25-acre parcel of land located at 6650 nova Dr. in the Town of Davie, Broward County, Florida

This study will result in conclusions regarding appropriate development parameters for an affordable housing development at the subject site, including a mix of unit types, square footages sizes, appropriate amenities and interior unit features, and the current price potential.

Location Characteristics:

The Town of Davie area is one of the fastest growing areas of Broward County since 2010 with a population growing rate average of 1.7% since 2010 (Population 2010: 91,123 to 99,440 in 2017) according to United States Census Bureau due to its central location with regard to access to major transportation routes, nearby major shopping and excellent access to employment opportunities both in Broward county and Miami Dade County.



Source: Town of Davie Official Website

Interstate 595 a major east west route extending throughout Broward County and providing access to interstate 75 to the west, can be accessed within 3.5 miles drive to the north via university drive. Interstate 75, north south route extending throughout Broward County also entering across the state of Florida's west coast, can also be accessed via Sheridan street or Griffin road within 8 miles drive to the west of the subject site or 9.0 miles drive to the northwest, respectively.

Convenience shopping, including supermarkets, are available within a short distance from the subject site. Major retail facilities are located within relatively close driving distance of the subject development.

Town Statistics

Population	99,440
Square Miles	35.59
Operating Millage Rate	5.0799
Voter-Approved Debt Service Millage Rate	0.6163
Property Tax Base	\$8,385,020,801

Source: Town of Davie <https://www.davie-fl.gov/374/Economic-Development>

Major Employers

Employers will find a diverse, educated, and enthusiastic workforce in Davie. 30% of residents of The Town of Davie have obtained a Bachelor’s degree according to United States Census Bureau.

The Town of Davie, is home to many major employers with expanding job opportunities.

- Broward College
- Florida Atlantic University - Broward
- McFatter Technical Center
- Nova Southeastern University
- University of Florida
- Fedex
- American Express



Affordable Housing

According to Broward County, the generally accepted definition of affordability is for a household to pay no more than 30 percent of its annual income on housing. Families who pay more than 30 percent of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care.

An estimated 12 million renter and homeowner households now pay more than 50 percent of their annual incomes for housing, and a family with one full-time worker earning the minimum wage cannot afford the local fair-market rent for a two-bedroom apartment anywhere in the United States. The lack of affordable housing is a significant hardship for low-income households preventing them from meeting their other basic needs, such as nutrition and healthcare, or saving for their future and that of their families according to Hud.

In a study released this month by the National Low-Income Housing Coalition, the Miami-Fort Lauderdale-West Palm Beach area ranked tenth from the bottom in the supply of affordable housing for extremely low-income residents.

Broward County has a huge affordable housing crisis, housing is the most critical issue facing a lot of residents.

Nationwide, the average rent is \$1,406 per month. However, every city in Miami-Dade, Broward and Palm Beach Counties exceeds that average except one: Lauderdale, where Zillow.com says the average rent for all homes is \$1,378.

There are 6 low income housing apartment complexes which contain 636 affordable apartments for rent in Davie, Florida. Many of these rental apartments are income-based housing with about 310 apartments that set rent based on your income. Often referred to as "HUD apartments", there are 100 Project-Based Section 8 subsidized apartments in Davie. There are 426 other low-income apartments that don't have rental assistance but are still considered to be affordable housing for low income families.

Davie, FL Affordable Housing Snapshot

Total Affordable Apartment Properties	6
Total Low Income Apartments	636
Total Rent Assisted Apartments	310
Percentage of Housing Units Occupied By Renters	28.28%
Average Renter Household Size	2.69
Total Population	97,372
Housing Units	33,707
Average Household Size	2.85
Median Household Income	\$59,680 ±\$2,520

Source: www.AffordableHousingOnline.com (2016)

Affordable Housing Properties in Town of Davie:

Stirling Road Apartments	Circle L Apartments	Griffin Gardens	Federations Gardens	Summerlake
6601 SW 41st St	4100 NW 77 Ave	4881 Griffin Rd	5701 SW 82nd Ave	5941 Summerlake Dr

Source: <https://affordablehousingonline.com/housing-search/Florida/Davie>

Davie, FL Rental Market Trends

Highlights

The average rent for an apartment in Davie is \$1,647, a 1% decrease compared to the previous year, when the average rent was \$1,667.

Studio apartments in Davie rent for \$1,258 a month, while 1-bedroom apartments ask on average \$1,404 a month; the average rent for a 2-bedroom apartment is \$1,709.

Average Rent in Davie, FL (last Updated April 2018)

	All rentals	Studio	1 Bed	2 Beds	3 Beds
Average Rent	\$1,647	\$1,258	\$1,404	\$1,709	\$2,055
Y-o-Y Change	-1%	-6%	-2%	-1%	0%
Average Apartment Size	1,091 sq. ft.	686 sq. ft.	834 sq. ft.	1,150 sq. ft.	1,362 sq. ft.

Source: <https://www.rentcafe.com/average-rent-market-trends/us/fl/davie/>

The average size for a Davie apartment is 1,091 square feet, but this number varies greatly depending on apartment type. A studio averages 686 sq. ft., while a one-bedroom apartment offers a more generous square footage: 834. 2-bedroom apartments in Davie have an average size of 1,150 sq. ft.

Plantation, FL Rental Market Trends

Highlights

The average rent for an apartment in Davie is \$1,496, a 1% decrease compared to the previous year, when the average rent was \$1,510.

Studio apartments in Davie rent for \$1,195 a month, while 1-bedroom apartments ask on average \$1,261 a month; the average rent for a 2-bedroom apartment is \$1,566.

Average Rent in Plantation, FL (last Updated April 2018)

	All rentals	Studio	1 Bed	2 Beds	3 Beds
Average Rent	\$1,496	\$1,195	\$1,261	\$1,566	\$1,989
Y-o-Y Change	1%	-1%	-1%	2%	2%
Average Apartment Size	1,053 sq. ft.	595 sq. ft.	806 sq. ft.	1,135 sq. ft.	1,361 sq. ft.

Source: <https://www.rentcafe.com/average-rent-market-trends/us/fl/plantation/>

The average size for a Plantation apartment is 1,053 square feet, but this number varies greatly depending on apartment type. A studio averages 595 sq. ft., while a one-bedroom apartment offers a more generous square footage: 806. 2-bedroom apartments in Plantation have an average size of 1,135 sq. ft.

Comparable Rental Properties.

There are nine competitive properties near the subject site in the Town of Davie Market that are designed as some residential rental properties, but these are not necessary affordable housing.



Rental Property	Bedrooms	Price
Gardens at nova	2	\$1,600
Centro At Davie	1	\$1,314
Cameron Cove	1	\$1,339
Toscano Place	1	\$1,603
Palm Trace	1	\$1,277
Parc 3400	1	\$1,639
33 West	1	\$1,551
2946 S. University	1	\$1,250

Competitive Landscape: Affordable housing Market

Elysium brings a completely new offering to the Town of Davie, while competitive based on proximity are not representative of the product that this development will bring to the market.

Elysium is going to be a new modern designed building with spacious units and rents below average rent prices in town of Davie and Plantation to satisfy the affordable housing deficiencies.

Elysium units rent prices will be based on the maximum rent rate allowed by Broward County Board of Commissions for Affordable housing applications, the rent rates are based on the number of bedrooms and not by sq. ft this is the reason why we used all the comparable prices by bedroom.

Maximum Rent Limits Adjusted to Unit Size: These figures represent the most recent maximum gross chargeable rents which must include an allowance for utilities.

Income Category	Percent of Median Income	Efficiency	One bedroom	Two Bedroom	Three Bedroom	Four Bedroom
Very Low (0-50%)	50%	\$667	\$715	\$857	\$990	\$1,105
Low (51-80%)	80%	\$1,067	\$1,143	\$1,372	\$1,585	\$1,768
Moderate (81-120%)	120%	\$1,602	\$1,716	\$2,058	\$2,377	\$2,652

*Source: Florida Housing Finance Corporation
Effective 4/14/17

Target Market:

Demographic and geodemographic data obtained from provide the framework for categorization of households, not only by life stage and demographic characteristics, but also by lifestyle preferences and socio-economic factors.

Younger Singles and couples: largely one and two-person households with the head of household typically aged between 20 and 40, comprised now mainly of the millennial generation, who were born between 1977 and 1996 and have medium low income. There are approximately 5958 total house units located in this area within 5 minutes of the subject site, almost 59 % or 3516 of these units are rented and the 41 % is owned Esri demographic and Income Profile. We expect that we will have a successful preleasing stage before the end of the construction of the building because affordable housing is needed in the area and there are no affordable units available at that base rent for 1 and 2-bedroom units in the specific area.



Demographic and Income Profile

6650 Nova Dr, Fort Lauderdale, Florida, 33317
 Drive Time Band: 0 - 5 minute radius

Prepared by Esri
 Latitude: 26.08758
 Longitude: -80.23661

Summary	Census 2010	2017	2022
Population	13,704	15,538	16,590
Households	5,257	5,958	6,349
Families	2,917	3,269	3,469
Average Household Size	2.45	2.47	2.48
Owner Occupied Housing Units	2,617	2,483	2,585
Renter Occupied Housing Units	2,640	3,475	3,764
Median Age	30.5	32.4	33.0
Trends: 2017 - 2022 Annual Rate	Area	State	National
Population	1.32%	1.36%	0.83%
Households	1.28%	1.30%	0.79%
Families	1.19%	1.25%	0.71%
Owner HHs	0.81%	1.19%	0.72%
Median Household Income	3.06%	2.13%	2.12%

Source: Esri

Nearly 54.9 percent or 3271 households of the estimated 5958 living within 5 minutes of the subject site Located at the Town of Davie are in market target group with median incomes below \$43957, the median Income of households of the Town of Davie for this area is \$58,111 according to Esri demographic and Income Profile.

Households by Income	2017		2022	
	Number	Percent	Number	Percent
<\$15,000	1,081	18.1%	1,092	17.2%
\$15,000 - \$24,999	650	10.9%	610	9.6%
\$25,000 - \$34,999	654	11.0%	590	9.3%
\$35,000 - \$49,999	885	14.9%	808	12.7%
\$50,000 - \$74,999	1,066	17.9%	1,135	17.9%
\$75,000 - \$99,999	738	12.4%	973	15.3%
\$100,000 - \$149,999	644	10.8%	832	13.1%
\$150,000 - \$199,999	145	2.4%	184	2.9%
\$200,000+	95	1.6%	125	2.0%
Median Household Income	\$43,957		\$51,106	
Average Household Income	\$58,111		\$66,796	
Per Capita Income	\$24,857		\$28,072	

Source: Esri

Retail Space

There is a Retail Space of 1800 sq. ft. located on the ground floor of the building, is suited for a restaurant or cafeteria, can be leased on a base rent between 23-25 \$ per sq. ft./year. The average asking rental rate per sq. ft./year for Retail Commercial properties in Davie, FL as of Jun 16 was \$24.44. This represents an increase of 0.8% compared to the prior 3 months, with an increase of +1.4% year-over-year according to LoopNet.

Elysium at 6650 Nova Dr.

Elysium is going to be a new designed modern building of 5 stories located and Nova Dr. offering 68 units of affordable housing for The Town of Davie, Florida, there will be two models and seven types of units one bedroom and the other one of two bedrooms, it also has a restaurant space on the ground floor and some bike racks. Each unit has their own parking space.

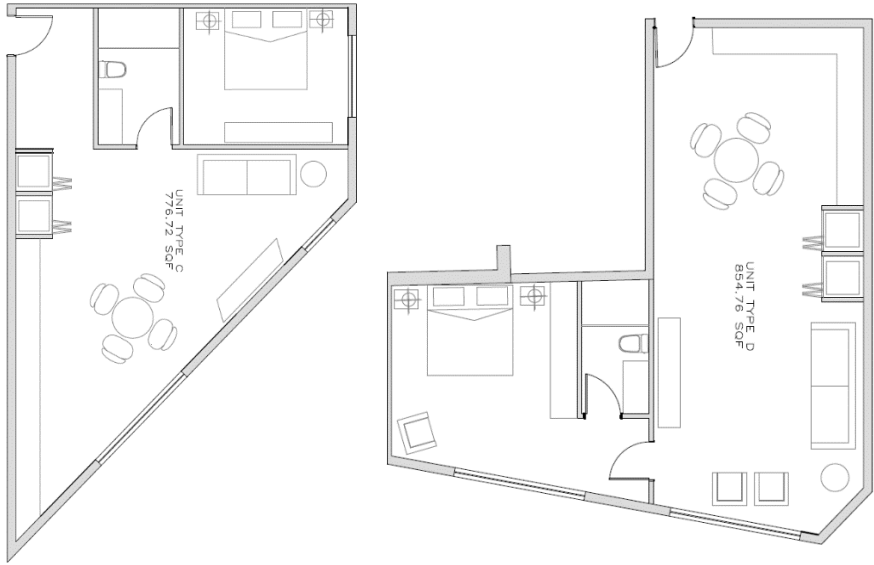


Preliminary Site 6650 Nova Dr, Davie FL

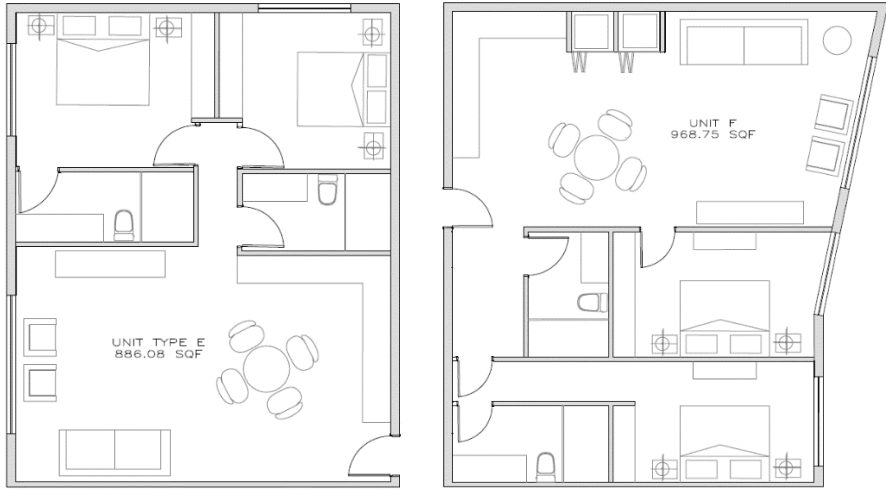
Units



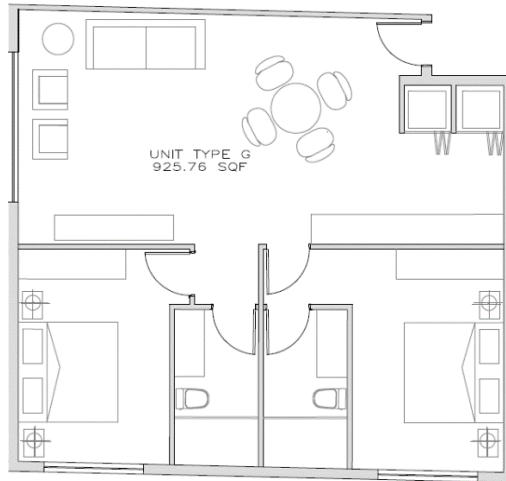
Unit A and Unit B



Unit C and D



Unit E and F



Unit G



Floor Plan Level 2 to level 5 (17 units each floor).

Type	Area SQFT	Bedrooms
A	838.29	1
B	779.52	1
C	776.72	1
D	854.76	1
E	886.08	2
F	968.75	2
G	925.76	2

Marketing strategy

The marketing effort of Elysium will be guided by a comprehensive marketing and social media strategy along with the Broward county, that will include a high-quality website and a presence on all current social media platforms highlighting affordable housing and a work life balance lifestyle and the amenity of living in a walkable environment with ease commutes to major employments centers.

The to be developed marketing plan will include a full 6-8 months schedule for billboards, social media and general advertising that will clearly show that Elysium is a very desirable place to live.

ELYSIUM



Designed by Juliana Oedmann

Financial Analysis

Affordable housing developments are challenging because they are as costly to build as any other building while having to remain affordable to low-income tenants and attractive to investors. As a result, these goals can only be achieved through rigorous cost management. Our project is no exception to this rule, it will have to be modified or abandon if certain assumptions cannot be meet.

Timeline

If all goes well, we plan to close on the property beginning of July 2019 at the latest and complete the project within 18 months. We computed this timeline assumption using the Census Bureau's survey construction on the average construction rate (23)

We also plan to pre-lease the units during construction. The absorption rate of Davie being 20 units a month according to Mr. Peterson, Senior Vice president of the Fifth Third Bank (24), we should be able to pre-lease our 68 units within 4 months and be stabilized as soon as we start operating.

Revenue

Our project is a mixed-use development. It will include 68 apartments and one retail activity on the ground floor. We expect this activity to be a restaurant/café. 100 % of our units will be rented to low-income tenants; hence, our rental rates will be congruent with Broward County's maximum rent limits for affordable housing certification (25).

Description of unit	Apartments' rental Revenues (first year)					
	Number of units	size of unit	Rent/sqf	Rent per month per unit	Total sqf	Annual Rent
1 bedroom 1 bathroom (A)	8	838.29	1.36	1,143	6,706	109,728
1 bedroom, 1 bathroom (B)	28	779.52	1.47	1,143	21,827	384,048
1 bedroom, 1 bathroom (C)	4	776.72	1.47	1,143	3,107	54,864
1 bedroom, 1 bathroom (D)	4	854.76	1.34	1,143	3,419	54,864
2 bedrooms 2 baths (E)	12	886.08	1.55	1,372	10,633	197,568
2 bedrooms 2 bath (F)	4	968.75	1.42	1,372	1,943	65,856
2 bedrooms 2 bath (G)	8	925.76	1.48	1,372	2,033	131,712
	68	1,075	20.11	1,224	49,668	\$ 998,640

We plan our retail's revenue to be as follow:

Other Rental Income (first year)			
	Size	rent/sqf	revenue
Restaurant	1,800	26	46,800
			\$ 46,800

We determined our lease per square feet rate by comparing spaces with similar activity currently for lease in our neighborhood.

Retail/Cafe Rentals for Triple Net Leases								
Location	Distance from Elysium	Sqf (range)		Sqf	price/Sqf per year		Price/Sqf (year)	Total Revenue
		from	to		from	to		
3700 SW 64th Ave, Davie Fl 33314	1.2 miles			1,560			23	35,100
4601 SW 64th Ave, Davie Fl 33134	2 miles	1,216	11,000	1,800			30	54,000
1241-1463 S University Dr, Plantation Fl 33324	2.3 miles			1,200			36	43,200
1251-1267 Pine Island Road, Plantation Fl 33324	3.7 miles			1,221			20	24,420
214 S University Dr, Plantation Fl 33324	4 miles			1,300			26	33,800
377 N State Road 7, Plantation Fl 33317	6 miles			2,028	12	29	21	41,574
180 E Dania Beach Blvd, Dania Beach 33004	9 miles			2,010			23	46,230
3359 Sheridan Street, Hollywood Fl 33021	9 miles			1,601	27	33	30	48,030
2150 Wilton Dr, Wilton Manors, Fl 33005	11 miles			1,562			27	42,174
603 Ne 13th St, Fort Lauderdale Fl 33304	11 miles	1,000	5,993	1,800			25	45,000
1860 Polk St, Hollywood Fl 33020	11 miles			1,740			21	36,001
				17,822				\$ 449,529

Average yearly Income Per Sqf For Triple Net Leases in a 5 miles radius:	\$ 27
Average yearly Income Per Sqf For Triple Net Leases in a 10 miles radius:	\$ 26
Average yearly Income Per Sqf For Triple Net Leases in a 15 miles radius:	\$ 25

Source: www.loopnet.com

Thus, we expect our first year potential gross income to be \$1,045,440

Development Cost

To achieve our goal of affordable housing, we will have to negotiate the price of the land from \$2,500,000 to at least \$2,000,000 and rigorously manage our costs.

Land		\$ 2,000,000
Development soft cost		
Architectural & Engineering	157,454	
Civil engineering	25,000	
Tree mitigation and relocation, fill	15,000	
Fill and fences and silt	6,000	
Signage	1,000	
Davie- reviews	154,409	
Permit fee	150,000	
Impact fee	110,555	
Marketing fee	4,993	
Water and water sewer	10,000	
Survey	3,000	
Soil report and engineer testing	6,000	
FPI connection	30,000	
Legal fee	10,000	
Insurance	110,000	
Developer fee	236,181	
Property taxes	5,540	
Contingency	100,000	
Total Soft Cost		\$ 1,135,132
Development hard cost		\$11,809,050
Total Cost		\$14,944,182

We valued our costs using Broward County Housing Authority's data (26) and the Town of Davie 2017 buildings fees schedule (27) and impact fees (28).

Funding

We plan to finance our project through the following sources:

Fund Sources		
Equity (9% LIHTC)	11,830,982	79%
Land equity	2,000,000	13%
Other private equity	450,200	3%
Mortgage (5%, 30 years)	663,000	4%
	\$ 14,944,182	

If we do not obtain funds through the 9% Low-Income Housing Tax Credit Program, we would have to look for alternative options such as the 4% Low-Income Housing Tax Credit Program, the HOME Investment Partnership Program, the Federal Home Loan Bank Affordable Housing Program, the Community Development Block Grant Program (29), and tax-exempt private activity bonds, and/or increase our equity and debt. These options will force us to review our rental plan.

Cash flow analysis

	Cash flows analysis									
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Potential gross income	\$ 1,045,440	\$ 1,076,803	\$ 1,109,107	\$ 1,142,381	\$ 1,176,652	\$ 1,211,951	\$ 1,248,310	\$ 1,285,759	\$ 1,324,332	\$ 1,364,062
VCL	(36,590)	(37,688)	(38,819)	(39,983)	(41,183)	(42,418)	(43,691)	(45,002)	(46,352)	(47,742)
Effective gross income	1,008,850	1,039,115	1,070,288	1,102,398	1,135,469	1,169,533	1,204,619	1,240,757	1,277,980	1,316,320
Total operating expenses	(252,213)	(259,779)	(267,572)	(275,599)	(283,867)	(292,383)	(301,155)	(310,189)	(319,945)	(329,080)
Property tax	(5,540)	(283,939)	(284,791)	(285,646)	(286,503)	(287,362)	(288,224)	(289,089)	(289,956)	(290,826)
Net operating income	751,098	495,397	517,925	541,153	565,099	589,788	615,240	641,479	668,079	696,414
Annual debt service	(\$42,722)	(\$42,722)	(\$42,722)	(\$42,722)	(\$42,722)	(\$42,722)	(\$42,722)	(\$42,722)	(\$42,722)	(\$42,722)
Before tax cash flow	708,375	452,674	475,203	498,430	522,377	547,065	572,518	598,757	625,357	653,691
Tax Payable/Tax Credit	1,230,535	1,287,031	1,282,190	1,277,196	1,272,045	1,182,714	1,261,252	1,255,600	1,249,771	1,243,758
After Tax Cash Flow	\$ 1,938,910	\$ 1,739,705	\$ 1,757,393	\$ 1,775,626	\$ 1,794,422	\$ 1,729,779	\$ 1,833,770	\$ 1,854,357	\$ 1,875,128	\$ 1,897,449

We assumed a 3.5% VCL and an annual 3% increase to value our gain and operating costs. Our VCL rate is 1.5 point above that Broward’s average VCL (30), but we think it is reachable considering the nature of our project.

We plan to sell the property at the end of the 10th year. Our selling price will be calculated using a 5% cap rate. We estimate that our closing cost will be 4% of the selling price

Return on asset, return on equity, and project’s internal rate of return

	Return on asset during operation									
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Before tax	4.74%	3.03%	3.18%	3.34%	3.50%	3.66%	3.83%	4.01%	4.19%	4.37%
After tax	12.97%	11.64%	11.76%	11.88%	12.01%	12.14%	12.27%	12.41%	12.55%	12.70%

	Return on equity during operation									
	2021	2022	2021	2022	2023	2024	2025	2026	2027	2028
Before tax	4.89%	3.12%	3.28%	3.44%	3.60%	3.77%	3.95%	4.13%	4.32%	4.51%
After tax	13.38%	12.00%	12.12%	12.25%	12.38%	12.51%	12.65%	12.79%	12.04%	13.09%

property sold at the end of the 10th year

BTIRR	2.85%
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ATTR	11.33%
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Conclusion

This is an opportunity to buy into an affordable housing development located at The Town of Davie that benefits from a unique set of attributes as it relates to site location, city incentives, and local market opportunity.

Our strategy is to simply design an affordable housing project, construct the straightforward and efficient five story building, bringing a product to the market that meets the needs for residential and commercial tenants in terms of affordable housing demands and quality of life, and make a profit.

Although, the demand for this kind of product is high, the financial showed us how challenging it is to develop this kind of project. Our project is feasible and profitable if we can benefit from public financing programs. However, we will have to rethink our position if it were not the case.

Elysium will be a successful project because there is a shortage of affordable housing units in the Broward County, South Florida. Elysium is going to offer 68 units of affordable housing units of 1 and 2 bedrooms to the area of Davie town.

Some factors can lead this project to be successful as well as replicable in other sites with the same characteristics are:

- Proposed solutions include waiving building fees and granting tax incentives for workforce housing projects, expedited permits.
- Allowing higher density for developers who cap rents; and building close to mass transit hubs so workers can save on transportation costs.
- Attract capital from social private equity funds.



TEAM MEMBER'S PROFILE

Juliana Oedmann, I was born and raised in Curitiba, Brazil. I have an undergraduate degree in Architecture and Urbanism from Universidade Positivo. From the first year, I did different internships with architectural firms and urban planning companies. These experiences showed me the practical side of the profession, and I could go far beyond the theory that university offers us in class.

With my diploma in hand, I continued working as an architect in the same company I used to be an intern I was responsible for prospecting and creating new architectural and interior design projects, business opportunities and developments. In 2014 I started in a new company, where I work as a Project Manager Architect and was responsible for creating and designing new projects and also worked directly with developers doing feasibility studies and preliminary projects to help on the selection of appropriate areas to create the the desired development.

This is my first semester in this program and I decided to join this program to learn more about Real Estate and Development and also to be prepared to face new challenges that can appear in my career.

Daniel Ponce, I was born and raised in Caracas Venezuela. I have an undergraduate degree in civil engineering from Universidad Metropolitana in Caracas. In 2014 I moved to Miami to work as a project manager in a small development company Redavi Group and also to manage some residential and commercial properties. Today i still work at the same company and now I'm responsible of the development of two stories and ten units rental buildings located at the little Havana Area at Miami.

I decided to join Terri Styles Masters in Real Estate Development program to learn more about Real Estate and Development and also to be prepared to face new challenges that can appear in my career.

Myriam Barber, I am from Switzerland. I have a bachelor in accounting and a MBA in business. I worked most of my professional life as an accountant for different CPAs catering to small firms. 10 years ago, I decided to take a chance by trading on the stock market. I did okay but after a while the pressure and level of stress became hard for me to carry and I realized I needed a change.

Today, I am at a crossroad and I enrolled in this real estate program to give myself a second chance at life.

Payman “Cash” Moughaddas, I was born in Tehran, Iran and migrated to USA in my early childhood years. Before making Florida our home, I studied in Trier, Germany till my green card was issued. My bachelor degree is in Supervision and Management with the minor in Arts. My first entrepreneurship experience started in the Iran in Heavy Equipment Industry, mainly turbochargers, for Caterpillar, Komatsu, and Cummins. I expanded our trading portfolio to water dispensers and water filtration systems such as reverse osmosis from South Korea which was luckily a huge success because of certain region that did not have purified or drinkable water at homes. I sold the two businesses and moved to Dubai in the early 2000’s. I have been in the real estate industry since and I was involved in numerous real estate transactions which accounted for over 100 million dollars in the span of 7-8 years. Our real estate office which was called “8th Wonder Real Estate”, managed 106 agents that worked full time and was known as one of the premier companies in our field till the bubble burst in 2008. During these periods, we also focused on the many demands from our neighboring countries and supply them from solar lights to white cements depending on the quantity and ability to provide the goods on a timely manner.

Today we are looking to shift our assets to Boca Raton, FL to invest in multifamily units and the surrounding northern cities for Industrial sector. We feel with the raise of interest rate, the demand for rentals will be higher and that is where we should focus. I am optimistic that with the degree that we will receive from Nova University, I can gain more knowledge and can make better decision to pursue my goals.

William (Woody) Hughes, graduate from FAU with a degree in both Marketing and Finance. I have been in the real estate business since '04 and worked for a boutique real investment firm that purchased undeveloped land, then entitled for future development in Residential, Commercial along Industrial Markets. In 2010 our firm sold a 120 acre parcel in Lee County to the Boston Red Sox and Lee County Government for their new spring training facility for \$25mm and competed against 16 other land owners to win the RFP.

In 2014 I worked with several NY hedge funds to buy five bank owned properties that represented over 2000 multi-family units as well as single family units or approximately 600 acres while the recession ended. While working with these firms, I performed and sharpened my skills producing proformas and generating forecasted IRR along with providing underwriting criteria to make purchases possible.

Today I work for Habitat for Humanity as the Director of Land Acquisitions and Development for Broward County. In this position I am blessed to be able to do acquisitions, planning, product development along with permitting. Recently I received permits to start Habitat’s largest build to date, 77 single family units in Pompano Beach after 3 years of entitlements.

My Goal is to learn/augment my current knowledge and look forward to completing my degree at the Terri Styles Masters in Real Estate Development.

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