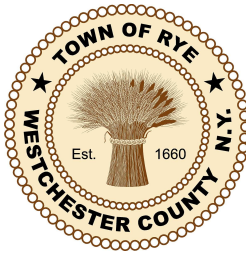



**TOWN OF RYE ASSESSOR
AS BUILT APPRAISAL – STATION LOFTS**

7/13/2023				
	Port Chester IDA			
	Value analysis of provided information regarding:			
		Project known as:	Station Lofts	
		Location:	67 New Broad St., Port Chester	
		S-B-L:	142.38-1-43	
		Opinion of Value as Complete & as Stabilized:	\$45,000,000	
				<i>(\$250k per Unit)</i>





TOWN OF RYE ASSESSOR AS BUILT APPRAISAL – STATION LOFTS

142.38-1-43	554801 Port Chester	Active	R/S: 1	School: Port Chester	
New Broad Development LLC	Roll Year: 2023 Curr Yr	Vacant comm		Land AV: 910,600	
67 New Broad St	Land Size: 1.44 acres	Non-Homestead		Total AV: 910,600	

- Parcel 142.38-1-43
 - Notes
 - History
 - Assessment
 - Spec Dist(s)
 - Notes
 - Description
 - Owner(s)
 - Images
 - Gis
 - Site (1) Com
 - Land(s)
 - Valuation
 - Notes
 - Sale11/28/18

Total 1 Land Types: To open, click the appropriate row (Right Click to Add)

Land type	Acres	Front	Depth	SQFT	Soil Rating
Primary	1.44	95.00	645.00	62,672	

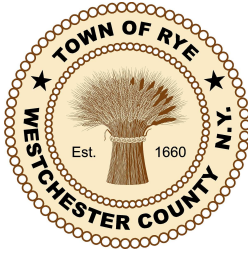
RPS Version 4

Note- Site1 (Max 255 Char)
Steep grade down to RR tracks

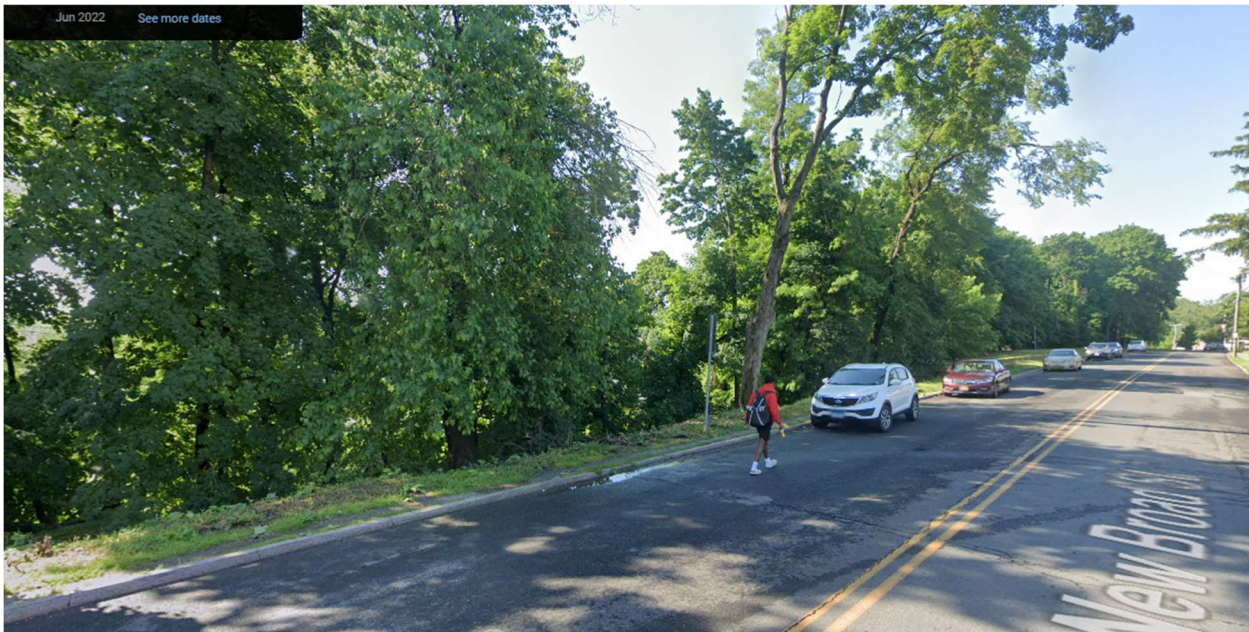
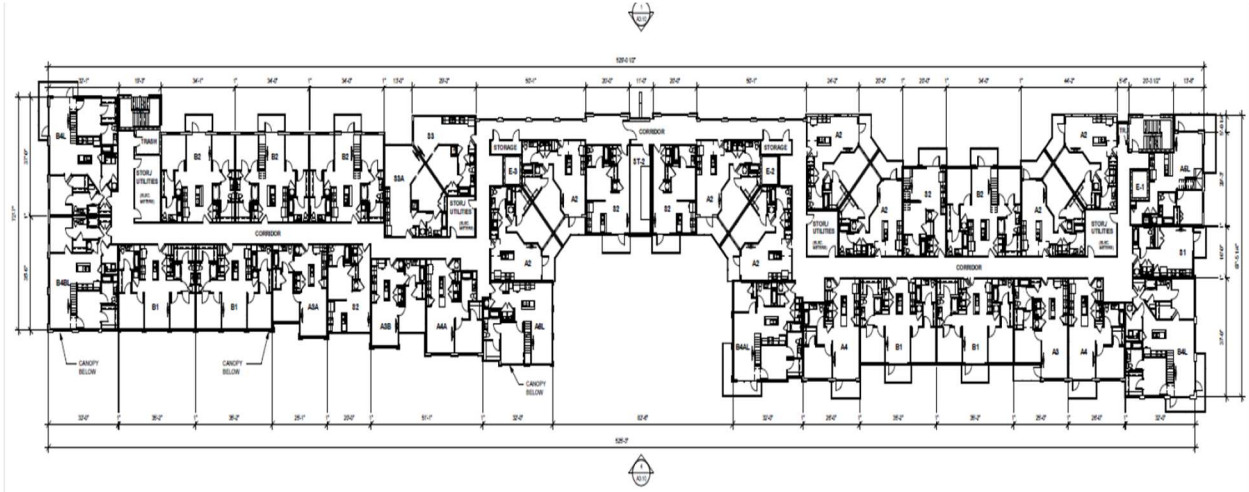
Site No: 1

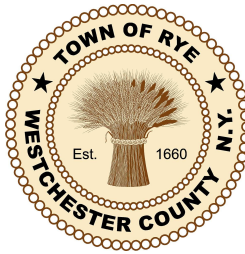
Land Type: 01 Primary	Depth Factor: <input type="text"/>
Front: 95.00	Infl Pct: 50
Depth: 645.00	Infl Code1: 8 Other
Acres: 1.44	Infl Code2: <input type="text"/>
Sqft: 62,672	Infl Code3: <input type="text"/>
Soil Rating: <input type="text"/>	Land Value: 910,630
Waterfront Type: <input type="text"/>	Unit Price: 632,381.944





TOWN OF RYE ASSESSOR AS BUILT APPRAISAL – STATION LOFTS



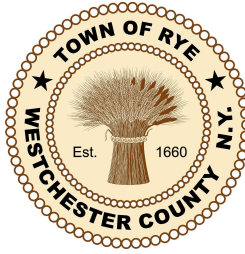


**TOWN OF RYE ASSESSOR
AS BUILT APPRAISAL – STATION LOFTS**

PROJECT SUMMARY - The Station Lofts at Port Chester (Port Chester, NY)

PROJECT INFORMATION	
Street Address	67 New Broad Street
City, State	Port Chester, NY
Submarket	Westchester County North
Gross Land Area (SF Acre)	SF Acres
Density (Units/Acre)	Na
Number of Residential Units	180
Net SF	153,008 NSF
Average Unit Size	850.0 NSF
Res. Base/Market Rent	\$2,992/Unit \$3.52/NSF
Res. Rent (+Premiums)	\$2,992/Unit \$3.52/NSF
Unit Mix (Studio 1BR 2BR 3BR)	19% 47% 34% 0%
Parking Spaces	224 Spaces
Parking Spaces Per Unit	1.2/Unit
Stab. Occup.(Units Overall)	95.00% 95.00%
Project Economic Occupancy	94.11%
Untrended NOI	\$5,501,692
Stabilized NOI	\$6,067,868
Average Res.. Base Rent Per Bed	\$2,234
Absorption	19.00 Units/mo.

Unit Type	# of Units	SF/Unit
Studio	34	578
One Bedroom	85	788
Two Bedroom	61	1,133
Totals or Weighted Averages	180	850



TOWN OF RYE ASSESSOR AS BUILT APPRAISAL – STATION LOFTS

Current Estimated Expenses and Net Operating Income:

	\$ / Month	\$ / Year	\$ / Unit / Yr	/ NSF/Mo.
Management Fee	\$17,116	\$205,386	\$1,141	\$0.112
Payroll	\$29,250	\$351,000	\$1,950	\$0.191
Marketing	\$6,000	\$72,000	\$400	\$0.039
G&A	\$9,750	\$117,000	\$650	\$0.064
Net Utilities	\$10,500	\$126,000	\$700	\$0.069
R&M (incl. Rec. Amenities)	\$7,500	\$90,000	\$500	\$0.049
Make Ready	\$4,500	\$54,000	\$300	\$0.029
Contract Services	\$10,725	\$128,700	\$715	\$0.070
Real Estate Taxes	\$3,203	\$38,434	\$214	\$0.021
Insurance	\$9,750	\$117,000	\$650	\$0.064
Replacement Reserve	\$3,750	\$45,000	\$250	\$0.025
Total Expenses	\$112,043	\$1,344,521	\$7,469.56	\$0.732
Net Operating Income	\$458,474	\$5,501,692	\$30,564.96	\$2.996

The Station Lofts at Port Chester - Port Chester, NY Estimated Total Development Cost

Yield Calculation	Project Total	Per Unit	Per NSF
Total Capital Budget	\$98,611,312	\$547,841	\$644.48
Debt Amount (65.00%)	\$64,097,353	\$356,096	\$418.92
Equity Amount (35.00%)	\$34,513,959	\$191,744	\$225.57
Stabilized Yield (Untrended) = 5.58%			
Stabilized Yield (Trended) = 6.15%			
Construction Costs:	Project Total	Per Unit	Per NSF
Hard Cost	\$50,153,683	\$278,632	\$327.78
Subtotal Total Construction Hard Costs	\$50,153,683	\$278,632	\$327.78
Total Construction Hard Costs	\$50,153,683	\$278,632	\$327.78
Construction Soft Costs:	Project Total	Per Unit	Per NSF
General Conditions	4,012,295	\$22,291	\$26.22
Liability Insurance	1,504,610	\$8,359	\$9.83
Builders Risk	777,382	\$4,319	\$5.08
SubBonds/SDI	601,844	\$3,344	\$3.93
General Contractor Bond	426,306	\$2,368	\$2.79
Contractors Overhead & Fee - 4%	2,006,147	\$11,145	\$13.11
Contractors Contingency - 2.0%	1,003,074	\$5,573	\$6.56
GC Precon Fee	150,000	\$833	\$0.98
Owner's Contingency - 3% of GC Amount	1,821,760	\$10,121	\$11.91
Technology	90,000	\$500	\$0.59
Escalations - 8%	4,858,027	\$26,989	\$31.75
MTA Inspector	850,000	\$4,722	\$5.56
Water Capacity Contribution	900,000	\$5,000	\$5.88
Total Construction Soft Costs	\$19,001,445	\$105,564	\$124.19
Total Construction Costs	\$69,155,128	\$384,195	\$451.97

**TOWN OF RYE ASSESSOR
AS BUILT APPRAISAL – STATION LOFTS**

INCOME	Commercial Space	None described	Annual
<u>(Avg. size)</u>	(180 Apts.) Residential Space	<i>(Base Rent)</i>	
(578 sf) Studio	\$2,200	34	\$897,600
(788 sf) 1BR	\$2,800	85	\$2,856,000
(1,133 sf) 2BR	\$3,700	<u>61</u>	<u>\$2,708,400</u>
PGI - Mkt rate units	180		\$6,462,000
Mkt rate vacancy:	5%		(\$323,100)
EGI-Mkt			\$6,138,900
Affd Stud	\$1,203	0	\$0
Affd 1BR	\$1,416	0	\$0
Affd 2BR	\$1,733	<u>0</u>	<u>\$0</u>
PGI - Affd rate units	0		\$0
Affrd rate vacancy:	2%		<u>\$0</u>
EGI-Affrd			\$0
	OTHER Income		
priv.Parkg	\$143	174	\$298,584
pub.Parkg	\$100	50	\$60,000
Storage	\$100	45	\$54,000
Other misc	\$5	180	<u>\$10,800</u>
PGI- other income			\$423,384
Other income vac.:	5%		(\$21,169)
			<u>\$402,215</u>
EGI:			\$6,541,115

EXPENSES

Provided forecast expenses not at market or overlapping with payroll exp. Mkt Exp. Ratio is used.
(ie. Taxes are less than 1% vs tax rate 3.7%. Others differ from market)

Typical expense ratios for this type Mix-use Apartment property:

expense ratio (incl. tax):	55%
expense ratio (w/o taxes):	30%

NOI:	incl. tax expense:	\$2,943,502
	not incl. taxes:	\$4,578,780

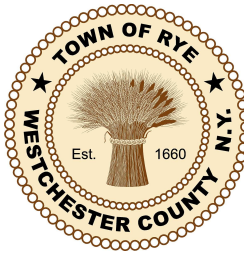
CAP RATES

Base Cap Rate (Ro)	6.50%
Tax Cap Rate	<u>3.70%</u>
Tax loaded Cap Rate:	10.20%

Indicated Values:

taxes included in expenses:	NOI incl tax exp./Base Cap Rate	Rounded
	\$2,943,502 6.50%	\$45,284,641 \$45,300,000
Capitalized taxes:	NOI w/o taxes/tax load Cap Rate	
	\$4,578,780 10.20%	\$44,890,004 \$44,900,000

	<u>Ro</u>	<u>Ratio of GBA</u>	<u>Weight %</u>
Cap Rate weighting: Residential	6.50%	90%	5.85000%
Commercial	8.50%	10%	<u>0.85000%</u> 6.70000%



TOWN OF RYE ASSESSOR AS BUILT APPRAISAL – STATION LOFTS

Station Lofts 67 New Broad St PC Assessor Notes

See attached spreadsheet with my analysis of estimated opinion of value “as complete” and “as Stabilized” for “Station Lofts” project at 67 New Broad St. in Port Chester.

As is typical on these project proposals, the income is at or near market, so we use these rental income #'s for the analysis, but the expenses are found to be incomplete with numerous expenses not at market rates.

For instance:

- Taxes: They estimate annual tax expense at \$35k which would be true if the project was worth just over \$1MM. Instead, without PILOT, the tax expense would be about \$1.67MM.
- Leasing: Not sure that a full time Leasing Agent should not be needed after stabilization.
- Reserves for Replacement is provided at 0.67%. It should be at least 2% for a Residential project to account for future expense of roof, mechanicals, etc, and shorter term replacement of all appliances and the like.
- Some others being unknown to their basis

We instead are using Expense Ratio of which I run through a) including tax expense with base cap rate used & b) excluding taxes and capitalizing them with a tax loaded cap rate for valuation. Both methods arrive at a similar value.

This, of course, is an estimate given the info we know and were provided as of now. The expense ratio if slightly lower would indicate a value closer to \$50MM. Argument can be made that with new construction, there would be less repairs, less utility expense from the “green” technology utilized in construction, etc. Another argument can be made that luxury apartment dwellings require higher expense for maintenance and extra features to meet demand of the luxury renter.