

**Truckee Tahoe Airport District**  
**Clear Capital Lease Feasibility - Development Cost Estimate**  
**02/11/15**

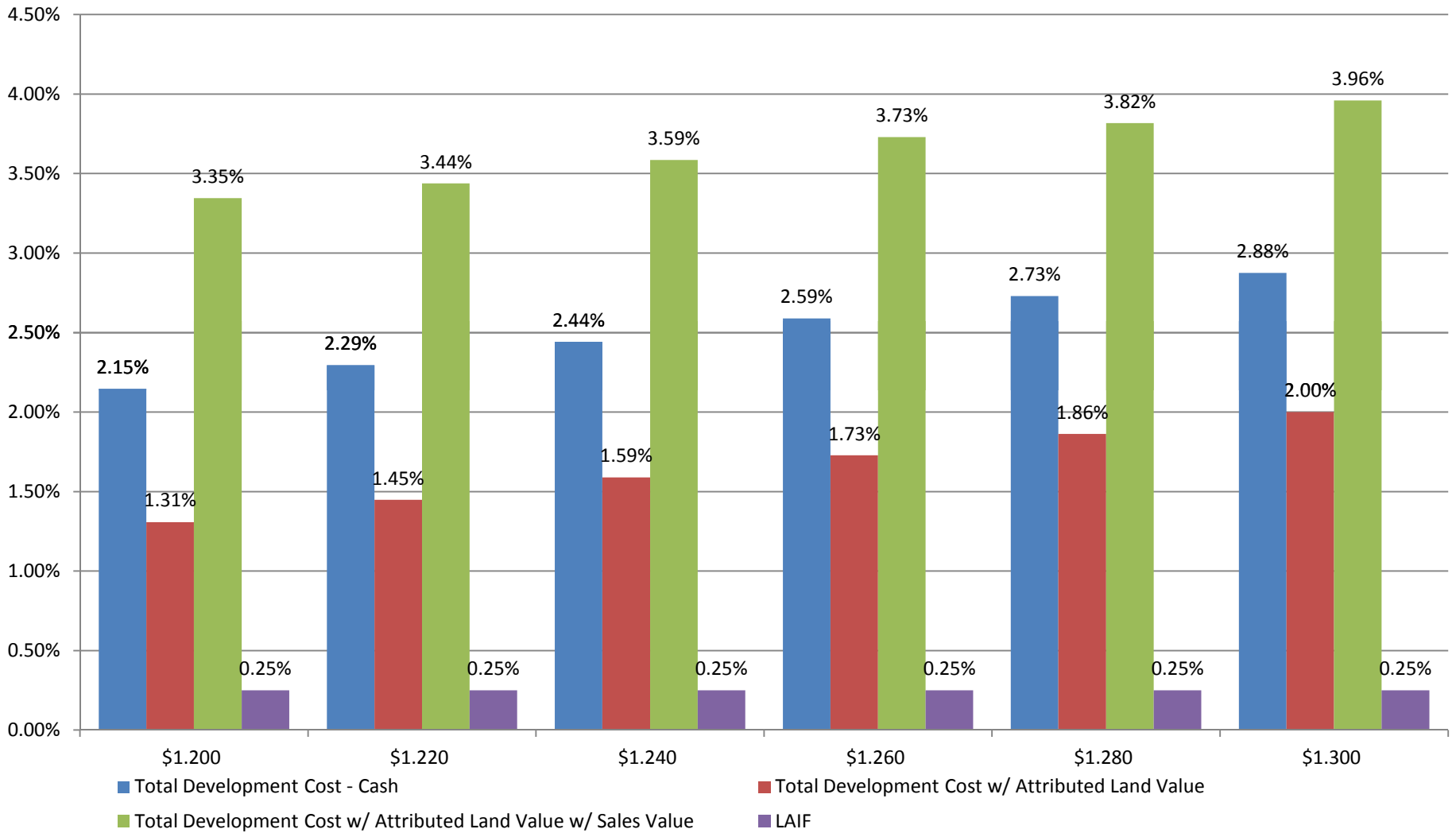
			<u>before Contingency</u>	<u>Contingency</u>	<u>with Contingency</u>
<b><u>Direct Hard Cost</u></b>	<u>Cost/Sq.Ft.</u>	<u>Gross Sq. Ft.</u>			
Construction Cost - Core & Shell	172	10,840	1,863,000	186,300	2,049,300
Construction Cost - Basic T.I.s	25	10,840	275,000	-	275,000
Total Direct Hard Cost	197	10,840	2,138,000	186,300	2,324,300
<b><u>Soft Cost</u></b>	<u>% of Hard Cost</u>	<u>Hard Cost</u>			
Softcost & Permits	21.00%	2,138,000	449,000	44,900	493,900
Mitigation & Impact Fees	5.00%	2,138,000	107,000	10,700	117,700
Total Soft Cost			556,000	55,600	611,600
<b><u>Sitework</u></b>					
Parking Lot and On-Site Utilities			375,000	37,500	412,500
Landscape Allowance			100,000	10,000	110,000
Total Sitework			475,000	47,500	522,500
Total Direct Cost			3,169,000	289,400	3,458,400
<b><u>TTAD Project Allocations</u></b>	<u>Project Share</u>	<u>Estimated Cost</u>			
Underground of Utilities Allocation (if any)	0.00%	100,000	-	-	-
Streetscape Allocation (if any)	0.00%	100,000	-	-	-
Long-Term Parking Allocation (if any)	0.00%	800,000	-	-	-
Total TTAD Project Allocations			-	-	-
Total Development Cost - Cash			3,169,000	289,400	3,458,400
<b><u>Total Development Cost w/ Attributed Land Value</u></b>					
Total Development Cost - Cash					3,458,400
Attributed Land Value					450,000
Total Development Cost w/ Attributed Land Value					3,908,400

**Truckee Tahoe Airport District**  
**Clear Capital Lease Feasibility - Return Summary**  
**02/11/15**

	<b>Scenario</b>					
Lease Rate/Square Foot	\$1.200	\$1.220	\$1.240	\$1.260	\$1.280	\$1.300
<b><u>Cash Flow Returns w/o TTAD Allocations</u></b>						
10 Year Lease	(2,139,000)	(2,112,000)	(2,086,000)	(2,058,000)	(2,032,000)	(2,004,000)
20 Year Lease	(432,000)	(366,000)	(305,000)	(244,000)	(183,000)	(117,000)
30 Year Cash Flow w/ no assumed sale	1,342,000	1,444,000	1,549,000	1,656,000	1,759,000	1,866,000
<b><u>Cash Flow Break Even (Years)</u></b>						
Total Development Cost - Cash	24	23	23	23	22	22
<b><u>Internal Rate of Return (IRR %)</u></b>						
Total Development Cost - Cash	2.15%	2.29%	2.44%	2.59%	2.73%	2.88%
Total Development Cost w/ Attributed Land Value	1.31%	1.45%	1.59%	1.73%	1.86%	2.00%
Total Development Cost w/ Attributed Land Value w/ Sales Value	3.35%	3.44%	3.59%	3.73%	3.82%	3.96%
<b><u>Initial Lease Rate</u></b>						
Monthly	13,008	13,225	13,442	13,658	13,875	14,092
Annual	156,096	158,700	161,304	163,896	166,500	169,104
<b><u>Total Development Cost w/ Attributed Land Value</u></b>						
Total Development Cost - Cash						3,458,400
Attributed Land Value						450,000
Total Development Cost w/ Attributed Land Value						<u>3,908,400</u>

# Truckee Tahoe Airport District Clear Capital Project Analysis - Return Comparison 2/11/2015

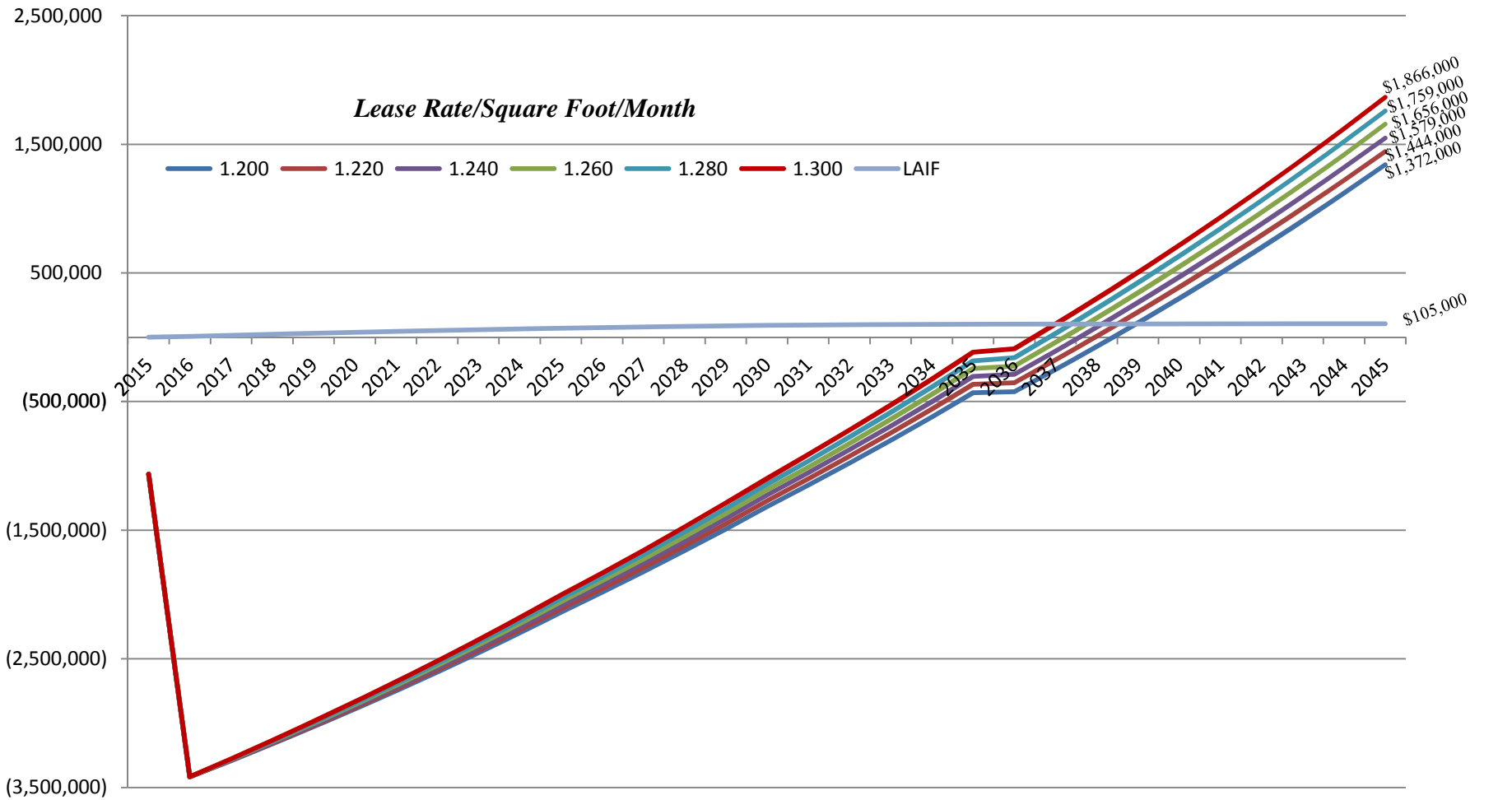
## Lease Rate - Return Comparison



LAIF - Assumes Funds invested in LAIF @ 0.25% rate

# Truckee Tahoe Airport District Clear Capital Project Analysis - Break Even Chart 2/11/2015

## Lease Rate - Break Even



All Scenarios above include initial investment of \$3,427,900, the return of the \$3,427,900 and the return thereon.  
 All Lease Rate Scenarios above assume that TTAD maintains ownership of the building after 30 years.  
 LAIF - Assumes Funds invested in LAIF @ 0.25% rate