



Equity IRR														
<b>Equity investments</b>														
Private Equity fund's investment	(2,035,000)	0	0	0	0	0	0	0	0	0	0	0	0	(2,035,000)
Personal investment of Developer	(65,000)	0	0	0	0	0	0	0	0	0	0	0	0	0
Shortfall made up by Developer	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Investment of Developer Fee	(19,077)	(26,570)	(25,928)	(10,716)	(1,050)	(194)	(799)	(160)	(414)	(142)	(220)	(142)	(150,412)	
Operating cash flows to available to Equity (from above)	0	0	0	0	0	0	0	552,612	1,059,392	725,005	354,909	358,875		
Cash flows Available to Equity	(2,119,077)	(26,570)	(25,928)	(10,716)	(1,050)	(194)	(799)	552,452	1,058,977	724,863	354,689	358,733		
<b>Equity's cumulative IRR</b>	<b>16.9%</b>													
(using Excel's XIRR function)*								-54.8%	-14.8%	3.4%	10.6%	16.9%		
Quarterly hurdle for 11% IRR on total equity invested (net of cur	(2,177,352)	(2,264,530)	(2,353,445)	#####	#####	#####	#####	#####	#####	#####	(398,811)	(45,336)	322,016	
Does Carry apply (i.e., Have project revenues met the hurdle?)	No	No	No	No	No	No	No	No	No	No	No	No	Yes	
Equity return to which Carry applies	0	0	0	0	0	0	0	0	0	0	0	0	313,397	
<b>Return of Capital to Equity (ordered based on preference)</b>														
i) Private Equity (assume it recovers equity contribution first)	0	0	0	0	0	0	0	552,452	1,058,977	423,570	0	0	0	2,035,000
ii) Developer recovers equity contribution (w/ developer fee)	0	0	0	0	0	0	0	0	0	85,050	220	142	142	85,412
iii) Developer recovers 20% carry for excess of 1	0	0	0	0	0	0	0	0	0	0	0	0	62,679	
Residual Equity CF to be split based on economic ownership	0	0	0	0	0	0	0	0	0	216,243	354,469	295,911		
iv) Private equity gets economic ownership % of residual CF	0	0	0	0	0	0	0	0	0	201,394	330,094	275,545		
v) Developer gets economic ownership % of residual CF	0	0	0	0	0	0	0	0	0	14,850	24,375	20,366		
<b>Unallocated return (should be zero)</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Equity ownership (\$\$)</b>														
Private Equity fund	(2,035,000)	(2,035,000)	(2,035,000)	#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	#####
Developer	(84,077)	(110,647)	(136,575)	(147,291)	(148,340)	(148,534)	(149,333)	(149,493)	(149,907)	(150,050)	(150,270)	(150,412)		
Total	(2,119,077)	(2,145,647)	(2,171,575)	#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	
<b>Equity ownership (%)</b>														
Private Equity fund	96.0%	94.8%	93.7%	93.3%	93.2%	93.2%	93.2%	93.2%	93.1%	93.1%	93.1%	93.1%		
Developer	4.0%	5.2%	6.3%	6.7%	6.8%	6.8%	6.8%	6.8%	6.9%	6.9%	6.9%	6.9%		
* Assume that Developer's Fee is excluded from this calculation (i.e., this is conservative as it limits the carried return to the developer)														
<b>Developer's Return</b>														
Cash invested	(65,000)	0	0	0	0	0	0	0	0	0	0	0	0	
Return received														
Developer fee	38,154	53,141	51,855	21,432	2,099	388	1,598	319	829	285	440	285		
less fee re-invested (Sweat equity)	(19,077)	(26,570)	(25,928)	(10,716)	(1,050)	(194)	(799)	(160)	(414)	(142)	(220)	(142)		
Recovery of subordinated equity position	0	0	0	0	0	0	0	0	0	85,050	220	142		
Receipt of Carry	0	0	0	0	0	0	0	0	0	0	0	0	62,679	
Pro rata share of residual equity cash flows	0	0	0	0	0	0	0	0	0	14,850	24,375	20,366		
Developer's cash flows	(45,923)	26,570	25,928	10,716	1,050	194	799	160	414	100,041	24,815	83,330		
Developer's IRR (using Excel XIRR function)	<b>267.4%</b>													
p.54	Impact of economy --> Prices will be higher further out													
p. 55	What Debt coverage													
p.66	Revenue assumptions = credit worthiness of tenants + current leases + LT competitiveness													
79	Hard costs = S-Curve over time													
80	discount negative cash flows at low rate (2 yr US Treasury + 100 bps)													
81	discount positive CF - depends on quality tenants + other uncertainties (prepaid, etc.)													
	pre-leasing con = rents are locked in													
Other ??	Debt - how frequently compounds??													
	What are property taxes in Phil? When are they paid?													
	What form of entity? Ltd P'ship may be simplest assumption													
	What are property insurance rates?													