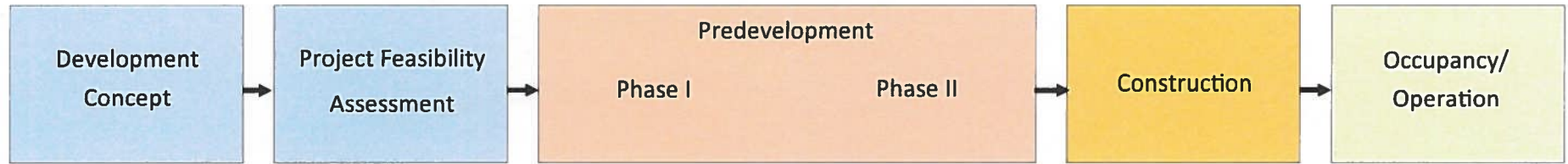


Real Estate Development Process



Identify:

- * Target audience
- * Building use
- * Building type
- * Regulatory requirements
- * Community support

Define:

- * Preliminary design
- * Rough cost estimates
- * Potential funding/financing sources

Assess:

- * Physical conditions
- * Environmental conditions
- * Market demand
- * Availability of financing/funding

Define:

- * Development team
- * Regulatory actions required

Refine:

- * Design & costs
- * Sources & uses of funds

Develop Preliminary:

- * Working drawings & specifications
- * Development & operating budgets

Complete:

- * Financing applications

Secure:

- * Land use & zoning approvals

Identify:

- * Contractor & subcontractors
- * Property manager

Complete:

- * Working drawings & specifications
- * Development & operating budgets

Secure:

- * Financing commitments
- * Building permit

Finalize:

- * Contractor & subcontractors
- * Property manager
- * Commercial leases

Complete:

- * Demolition
- * Remediation
- * Building construction
- * Site improvements

Begin:

- * Marketing of residential

By end of construction:

- * Prepare for permanent financing closing
- * Insure that project has met all requirements of financing (e.g. tax credits, subsidy)

Secure:

- * Certificate of Occupancy

Complete:

- * Tenant selection (residential)
- * Occupancy (residential & commercial)

What is the concept for this development?

What are the financial goals?

What is the capacity of the site/building?

Is there community and investor support?

Is this development physically and financially feasible?

Will it attract adequate financing?

Does development team have capacity?

Possible to market & operate?

* If the project feasibility assessment shows that the project can succeed, the developer/owner may choose to move to the predevelopment phase.

* The first part of predevelopment is to advance the design and financing plan to apply for financing.

* The second part is to finalize all commitments so that the project can proceed to construction

