

APPENDIX C
FORMATS FOR FINANCIAL PROPOSAL

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Phase II submission requirements

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<p><u>Note:</u> The Offeror will find instructions for the completion of these forms in the RFP Main Document.</p>
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A. DETAILED SOURCES AND USES OF FUNDS - GOVERNMENT FACILITIES

Sources of Funds

AF Property Values		\$ _____
- El Segundo	\$ _____	
- Hawthorne	\$ _____	
- Sun Valley	\$ _____	
Local Government Financial Participation, if any		\$ _____
- El Segundo	\$ _____	
- Hawthorne	\$ _____	
- Other	\$ _____	
Other (Please specify.)	\$ _____	
TOTAL SOURCES OF FUNDS		\$ _____

Uses of Funds – Basic Project (560KSF Facility)*

Facilities	\$ _____
Parking Structure (if required)	\$ _____
Util./Roads/Phasing	\$ _____
Ball field	\$ _____
Pre-Eng. Bldg.	\$ _____
<u>Other Development Costs</u>	\$ _____
TOTAL DEVELOPMENT COSTS (USES OF FUNDS), BASIC PROJECT	\$ _____

*Use same format if proposal includes other options

B. * DELETIVE PRICING OPTIONS

**The Offeror may propose additional deletive items in addition to those shown here. Offeror may add additional entries as necessary.*

Deletive Item	<u>AMOUNT</u>
1. Value Engineer Communication Pre-Wiring	\$ _____
2. Softball Field	\$ _____
3. Pre-Engineering Metal Warehouse	\$ _____
4. Raised Floor in Work Area	\$ _____
5. Swap 18,000SF SCIF space with standard office space	\$ _____
6. Value Engineer Building System (HVAC, Elevators, Landscaping)	\$ _____
7. Systems Furniture	\$ _____
8. Communication Switch	\$ _____
9. Exterior Communications Plant	\$ _____
10. LAAFB Gas Station – Demolish and Replace	\$ _____
11. LAAFB Gas Station – Demolish	\$ _____
12. Bldg 240 - Demolish	\$ _____

Additive Item	<u>AMOUNT</u>
ABG Phase I – Office Space	\$ _____
ABG Phase II – Office Space and Warehouse	\$ _____
Additional Item Proposed by Offeror	\$ _____
Additional Item Proposed by Offeror	\$ _____
Additional Item Proposed by Offeror	\$ _____

C. SUMMARY OF TOTAL SMC DEVELOPMENT COSTS

Basic Project 560K SF Facility)

Hard Costs	<u>AMOUNT</u>	<u>Dollars Per</u> <u>SQ. FT</u>
Infrastructure Costs	\$ _____	\$ _____
Demolition Costs	\$ _____	\$ _____
Construction Costs	\$ _____	\$ _____
Landscaping	\$ _____	\$ _____
Contingency	\$ _____	\$ _____
 Total Hard Costs	 \$ _____	 \$ _____
 Soft Costs	 <u>AMOUNT</u>	 <u>Dollars Per</u> <u>SQ. FT</u>
Construction Period Interest	\$ _____	\$ _____
Architectural/Engineering	\$ _____	\$ _____
Design Fees	\$ _____	\$ _____
Legal and Accounting	\$ _____	\$ _____
Insurance	\$ _____	\$ _____
Consultant Fees	\$ _____	\$ _____
Development Fees	\$ _____	\$ _____
Financing Transaction Fees	\$ _____	\$ _____
Commissions	\$ _____	\$ _____
Reserves	\$ _____	\$ _____
Contingency	\$ _____	\$ _____
 Total Soft Costs	 \$ _____	 \$ _____
 <u>TOTAL DEVELOPMENT COSTS</u>	 \$ _____	 \$ _____

D. SUMMARY - LIFE CYCLE COSTS ASSUMPTIONS

Building Component	Estimated Life	Unit Cost/Base Year
Carpeting	_____ (years)	\$ _____
Floor Covering	_____ (years)	\$ _____
Roofing	_____ (years)	\$ _____
HVAC System	_____ (years)	\$ _____
Water Heater	_____ (years)	\$ _____
Exterior Painting	_____ (years)	\$ _____
Utility & Structural System	_____ (years)	\$ _____
Landscaping	_____ (years)	\$ _____
Recreational Areas	_____ (years)	\$ _____
Other: (Please list)	_____ (years)	\$ _____

E. DEVELOPMENT BUDGET PARAMETERS - Private Developments By Type of Project and By Phase

	<u>Area A</u>	<u>Lawndale</u>	<u>Other Site(s)</u>
Land Area (SF)	_____ SF	_____ SF	_____ SF
Proposed New Construction (SF)	_____ SF	_____ SF	_____ SF
Floor Area Ratio	_____	_____	_____
<u>Hard Costs</u>			
<i>Sitework Costs 1/ (\$ psf of land area)</i>	\$ _____/SF	\$ _____/SF	\$ _____/SF
<i>Structure Costs 2/ (\$ per building SF)</i>	\$ _____/SF	\$ _____/SF	\$ _____/SF
SUBTOTAL- HARD COSTS	\$ _____/SF	\$ _____/SF	\$ _____/SF
<u>Soft Costs</u> 3/	(____% of hard costs)	(____% of hard costs)	(____% of hard costs)
TOTAL DEVELOPMENT COSTS (\$ per building SF)	\$ _____/SF	\$ _____/SF	\$ _____/SF

1/ Sitework Costs include Testing, Demolition/Removal, Clearing/Cut & Fill, Stormwater, Sanitary Sewers, Water, Electricity, Paving, Landscaping, Signage, Contingencies and Other Costs

2/ Structure Costs include Base Building Costs, Parking Structure (if any), Contingencies, and other costs

3/ Soft Costs include Survey Costs, Real Estate Taxes, Impact Fees, Permits, Tap/Connect Fees, Insurance, Bonds, Design Fees, Developer Overhead, Developer Fees, Legal and Accounting Fees, Financing Fees, Construction Interest, Marketing Costs, Administrative Costs, Contingencies and other costs

F. NET OPERATING INCOME STATEMENT - Private Developments by Type of Project and by Location

	<u>Area A</u>	<u>Lawndale</u>	<u>Other Site(s)</u>
<u>Operating Revenues</u>			
Aggregate Rents <i>(disaggregate rents for each use, location)</i>	\$ _____	\$ _____	\$ _____
<u>Plus: Other income</u>	\$ _____	\$ _____	\$ _____
Aggregate Gross Income	\$ _____	\$ _____	\$ _____
<u>Less: Vacancy</u>	_____ %	_____ %	_____ %
Effective Gross Income	\$ _____	\$ _____	\$ _____
<u>Operating Expenses</u> ^{1/}	\$ _____	\$ _____	\$ _____
<u>Less: Reimbursed Operating Expenses</u>	_____ % of EGI	_____ % of EGI	_____ % of EGI
Unreimbursement Operating Expenses	\$ _____	\$ _____	\$ _____
Net Operating Income	\$ _____	\$ _____	\$ _____
<u>Gross Building Area</u>	_____ SF	_____ SF	_____ SF
Total Net Operating Income	\$ _____	\$ _____	\$ _____

1/ Operating Expenses Include: Common Area Maintenance, Insurance, Real Estate Taxes, Utilities, Capital Reserves; and, Management, Marketing and Leasing Fees.

G. PROJECT CASH FLOW STATEMENT - Private Developments by Phase

	<u>NPV</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>Etc.</u> <u>through</u> <u>2022</u>
TOTAL NOI (\$)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<u>Less: Annual Debt Service (\$)</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Before Tax Cash Flow (\$)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<u>Less: Pre-Tax Equity Returns (\$)</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
IRR (%)	_____ %				
Net CF (residual land value) (\$)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Discount Rate (%)	_____ %				
Net Present Value (\$)	\$ _____				

Permanent Debt Financing - by Phase

Loan to Value Ratio (%)	_____ %
Mortgage Amount (\$)	\$ _____
Interest Rate (%)	_____ %
Amortization Period (months)	_____
Payment (\$)	\$ _____

H. LIFE CYCLE COSTS ANALYSIS *(Offeror shall provide lifecycle costs and NPVs for Base Bid and Deletive Options listed in the above sections. Offeror shall add items to this chart as necessary)*

	NPV @ %	2002	2003	2004	2005
Item #1	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Item #2	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Item #3	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Item #4	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Item #5	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Item #6	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Item #7	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Item #8	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Item #9	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Item #10	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

LIFE CYCLE COSTS ANALYSIS – (Continued)

	2006	2007	2008	2009	ETC. Through 2032
Item #1	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Item #2	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Item #3	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Item #4	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Item #5	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Item #6	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Item #7	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Item #8	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Item #9	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Item #10	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

J. PROJECT GUARANTOR ACKNOWLEDGEMENT

(Prepared on Project Guarantor's Letterhead)

("Offeror") has submitted herewith a Proposal in response to the United States Air Force ("Air Force") Request for Proposals to exchange up to 57 acres of Los Angeles Air Force Base ("LAAFB") real property for approximately 560,000 square feet of quality office space ("Project"). The most advantageous Offeror will enter into a Service Contract to cause the Project to meet certain performance standards, and to comply with all applicable permits, licenses, approvals and other Applicable Law, and to provide related and ancillary services, all as defined and described in the Request for Proposals, and covered by the Proposal submitted by the Offeror in response thereto, which Proposal is made a part hereof.

The Project Guarantor has reviewed the Offeror 's Proposal that will form the basis of the Service Contract. The Project Guarantor hereby certifies that it will unconditionally guarantee the performance of all of the obligations of the Proposer Team set forth in the Proposal in the event the Offeror is selected for final negotiations and execution of the Service Contract.

Name of Project Guarantor

Name of Authorized Signatory

Signature

Title