



Rick Porter

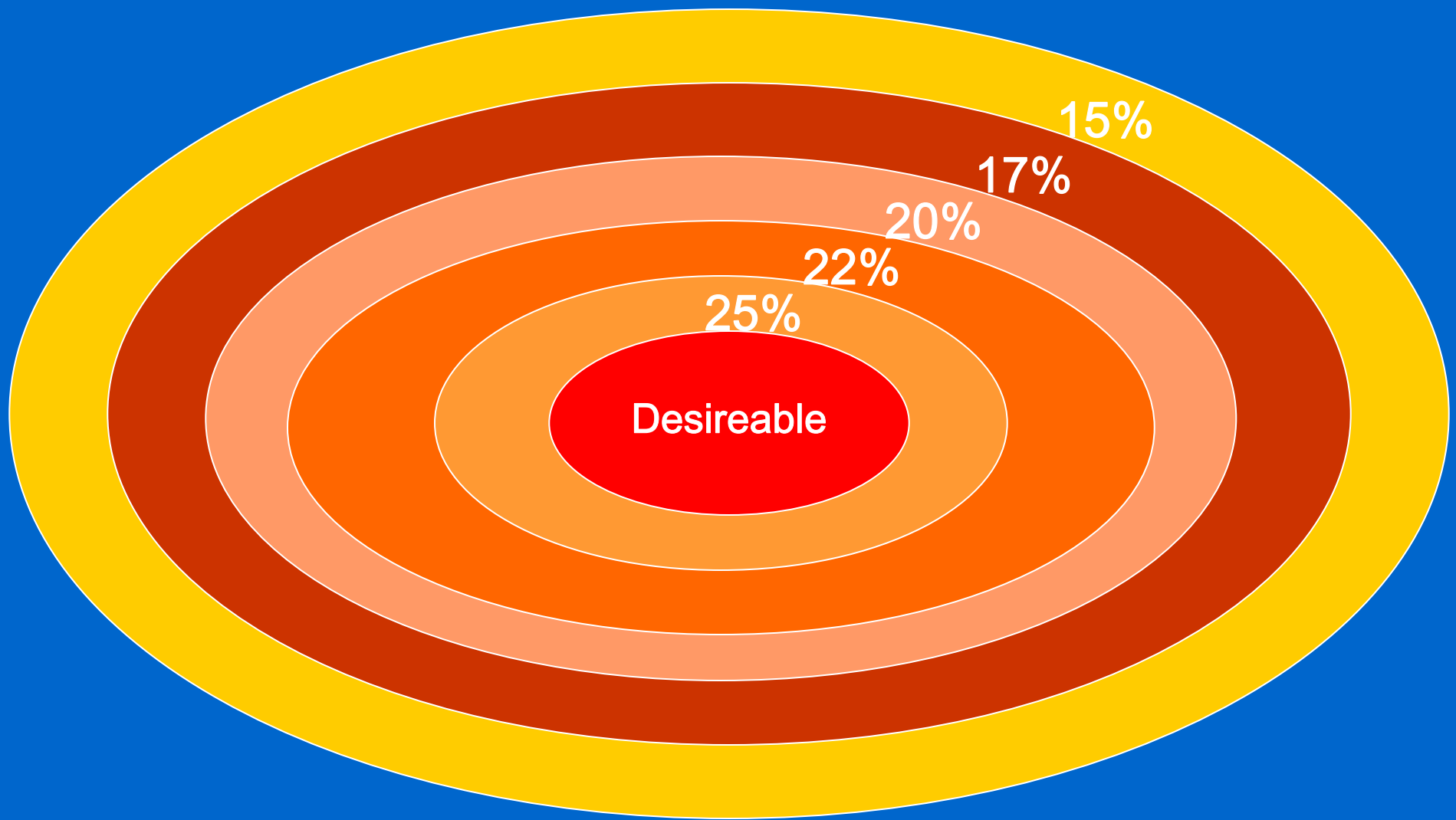
Building A Community Everyone Can Afford

March 3, 2006



# Factors Affecting Home Prices

- Location
- Land cost
- Development cost
- Construction cost
- Financing cost
- Post closing cost



# Gross Profit

Project	Sales Price	Land Costs	Direct Costs	Gross Margin	Soft Costs	Profit
27	\$253,000	\$50,000	\$135,984	\$67,016	\$15,403	\$51,612
		19.76%	53.74%	26.48%	6.08%	20.40%
28	\$142,180	\$30,000	\$75,064	\$37,116	\$19,974	\$17,142
		21.10%	52.79%	26.10%	14.04%	12.05%
30	\$252,095	\$59,000	\$126,457	\$66,638	\$20,084	\$46,554
		23.40%	50.16%	26.43%	7.96%	18.46%

## Subdivision Activity And Profile Summary

### Project # 30

Sorted By Total Subdivision Annual Closings

Map	Subdivision	Lot Size	Price Range	Qtr Starts	Ann Starts	Qtr Clos	Ann Clos	Occ.	Tot.Inv	VDL	Future	Total
48	Townsend Creek	5,500-8,250	\$180-\$295	13	96	22	113	235	23	4	8	270
3	ShakeRag Farms	6,050-9,450	\$182-\$250	0	44	2	85	234	1	0	0	235
39	Village Grove	4,275-18,500	\$233-\$428	19	81	15	85	104	37	51	100	292
58	Town Center/Shadowbrook	4,400-4,800	\$235-\$277	1	37	8	65	71	14	0	0	85
24	TH/Suwanee Station	1,000-2,975	\$165-\$197	19	58	13	49	115	34	121	40	310
2	Blackstone	13,125-16,800	\$281-\$330	0	20	0	42	284	0	10	0	294
10	Edinburgh	13,500-27,500	\$500-\$899	14	46	10	42	121	45	111	19	296
18	River Club	18,000-39,000	\$1000-\$4635	12	44	5	41	68	62	103	106	339
59	TH/Town Center,Shadowbrook	1,200-2,400	\$196-\$225	21	96	19	40	40	67	9	0	116
40	TH/Village Grove	1,000	\$212-\$416	22	44	10	38	46	46	12	53	157
27	Ashleigh Walk	10,400-11,200	\$363-\$480	11	33	10	28	35	20	20	0	75
73	TH/Suwanee Terrace,Arbors	1,200	\$164-\$166	11	23	0	28	57	32	0	0	89
16	Baxley Point	3,800-11,900	\$254-\$323	19	68	11	27	27	41	87	0	155
26	Suwanee Station	5,500	\$193-\$247	16	25	4	26	54	18	13	50	135
53	Ashbury	12,750	\$230-\$249	0	2	0	23	96	0	0	0	96
66	Park Pointe	12,000	\$249-\$334	7	52	6	21	21	31	22	0	74
14	Rivermoore Park	11,050-26,000	\$358-\$600	0	3	0	20	459	0	2	0	461
81	Suwanee Terrace	6,000	\$240-\$242	6	36	10	18	18	18	5	0	41
42	Stonecypher	4,000	\$220-\$245	6	16	3	15	19	9	17	0	45
50	McGinnis Ferry/Wildwood	15,000	\$578-\$720	2	10	2	13	37	14	6	0	57
33	TH/Old Suwanee	2,000	\$206-\$265	0	0	1	7	7	10	0	0	17
61	Summerfield	5,400	\$208-\$213	4	15	5	5	5	10	17	0	32
44	Barrington	19,000-24,000	\$385-\$550	0	0	0	1	102	0	0	0	102
54	Tench Place	11,600	\$370-\$380	0	0	0	1	5	0	0	0	5
55	Abingdale	15,750	\$153-\$154	0	0	0	0	18	0	0	0	18
38	Ascot	11,050-11,900	\$220-\$290	0	0	0	0	179	0	0	0	179
82	Avonlea Crossing	8,400-16,500	\$130-\$254	0	0	0	0	276	0	0	0	276
49	Bayswater Common	25,344-26,400	\$135-\$157	0	0	0	0	89	0	0	0	89
52	Belmore Estates	33,800	\$400-\$650	0	1	0	0	22	1	1	0	24
19	Bridgegate/Highlands	20,398-27,100	\$209-\$265	0	0	0	0	97	0	0	0	97
41	Brighton Park	5,850	\$257-\$320	20	20	0	0	0	20	40	120	180
29	Brushy Creek	11,900-17,500	\$130-\$159	0	0	0	0	109	0	0	0	109
84	Buckingham Park	9,750-11,200	\$178-\$234	0	0	0	0	87	0	0	0	87
76	Buford Hwy	NA	\$0-\$0	0	0	0	0	0	0	0	50	50
87	Canterbury Place	9,100-9,450	\$159-\$187	0	0	0	0	105	0	0	0	105
5	Canterbury Woods	8,125-9,375	\$198-\$258	0	0	0	0	123	0	0	0	123
12	Chattahoochee Run	11,550-34,650	\$470-\$490	0	0	0	0	212	0	0	0	212
15	Crofton	12,000-17,250	\$217-\$290	0	0	0	0	108	0	0	0	108
25	Deer Valley	8,448-11,880	\$130-\$170	0	0	0	0	245	0	0	0	245
11	Edinburgh/Commons,The	11,200	\$252-\$321	0	0	0	0	55	0	0	0	55
13	Edinburgh/Highlands,The	12,750-15,000	\$304-\$390	0	0	0	0	111	0	0	0	111
1	Fairgreen	20,000-26,250	\$227-\$247	1	1	0	0	63	1	5	0	69
31	Grandview/Enclave	10,800-14,400	\$192-\$262	0	0	0	0	197	0	0	0	197

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# Project 30





## Subdivision Activity And Profile Summary

### Project # 28

Sorted By Total Subdivision Annual Closings

Map	Subdivision	Lot Size	Price Range	Qtr Starts	Ann Starts	Qtr Clos	Ann Clos	Occ.	Tot.Inv	VDL	Future	Total
16	Mulberry Park	5,750-6,900	\$146-\$173	16	66	13	83	271	17	179	50	517
21	Falls of Braselton, The	7,000-11,700	\$210-\$362	39	105	25	77	93	71	164	85	413
9	Chateau Elan	15,400-80,000	\$389-\$1500	4	54	6	55	432	56	72	25	585
83	Traditions of Braselton	10,850-32,300	\$237-\$690	19	104	14	52	52	94	578	601	1,325
17	TH/Mulberry Park	2,000	\$124-\$134	0	32	14	51	119	0	0	0	119
23	Liberty Estates	8,500	\$175-\$221	11	40	13	48	52	20	34	0	106
78	Southampton Falls	35,000	\$240-\$295	2	36	14	48	75	17	0	0	92
38	White Horse	24,750	\$184-\$226	9	47	14	46	64	15	51	0	130
85	Whitaker Downs	33,125-50,625	\$255-\$323	3	27	5	31	119	15	22	0	156
13	Chateau Elan/Village	7,000-10,075	\$289-\$515	2	29	4	25	103	21	30	0	154
47	Vineyard Gate	6,000	\$136-\$156	10	32	7	25	25	16	43	94	178
49	Hunting Hills	32,000	\$303-\$380	5	28	6	19	24	16	11	0	51
26	Coosawilla	23,100	\$190-\$222	15	28	1	16	37	22	3	0	62
46	Hoschton/Village	9,750	\$268-\$316	4	17	5	15	22	13	55	0	90
66	Legendary Meadows	32,200	\$245-\$330	1	25	3	15	15	27	20	0	62
60	Fairview Station	42,400	\$238-\$283	3	16	2	14	70	12	1	0	83
36	Thornhill	45,900	\$259-\$260	0	6	1	14	27	1	0	0	28
51	Arbor Pointe	29,900-61,500	\$193-\$194	0	0	0	13	31	0	0	0	31
73	Cambridge Farms	33,000	\$207-\$294	4	20	3	13	13	19	24	0	56
14	Mulberry Park/Riverbend	6,500-9,350	\$200-\$260	14	20	3	13	39	22	105	0	166
69	River Plantations	65,000	\$264-\$310	2	4	0	12	84	4	10	0	98
76	Antrim Glen	89,300-117,000	\$325-\$490	3	7	2	11	71	6	34	0	111
79	Chadwick Farms	35,000-47,600	\$310-\$337	0	0	1	11	63	1	0	0	64
77	Boone's Creek	33,125	\$180-\$230	0	7	1	8	12	4	0	0	16
44	Remington Park	33,000	\$165-\$210	0	1	0	7	101	0	5	0	106
15	Savannah Oaks	31,800	\$214-\$222	1	7	2	7	78	6	11	0	95
5	Chestnut Mountain/Ridge	41,300	\$278-\$344	1	1	0	4	36	1	0	0	37
35	Lexington Mill	43,200	\$489-\$490	0	1	2	4	64	3	4	0	71
80	Berry's Landing	35,000	\$152-\$180	0	0	0	3	34	0	0	0	34
29	Georgian Acres	39,000	\$213-\$262	11	33	2	3	3	30	179	0	212
24	Lakes, The	46,400	\$490-\$650	0	10	0	3	3	11	9	0	23
43	Evanwood	57,500	\$170-\$185	0	3	1	2	31	1	0	0	32
7	Golden Ridge	27,000	\$200-\$215	0	4	0	2	40	5	6	0	51
74	Overlook Estates	117,300	\$0-\$0	2	4	2	2	2	2	2	0	6
86	Traditions/Fairways	12,800	\$237-\$369	0	5	1	2	2	3	24	0	29
84	Traditions/Links	8,400-9,450	\$251-\$263	0	8	1	2	2	6	61	0	69
70	Indian Creek Manor	65,000	\$165-\$186	0	0	0	1	29	0	2	0	31
72	Kiley's Korner	70,000	\$131-\$144	0	0	0	1	42	0	0	0	42
58	Legacy Oaks	22,000	\$125-\$170	0	0	0	1	46	0	0	0	46
75	Apalachee Oakc	NA	\$0-\$0	0	0	0	0	0	0	0	142	142
65	Arbelle Pethel Est.	398,000	\$0-\$0	0	0	0	0	0	0	0	6	6
40	Bell Estates	50,250	\$0-\$0	0	0	0	0	16	0	0	0	16
42	Belmont Estates	NA	\$0-\$0	0	0	0	0	0	0	0	79	79

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# Project 28



## Subdivision Activity And Profile Summary

### Project # 27

Sorted By Total Subdivision Annual Closings

Map	Subdivision	Lot Size	Price Range	Qtr Starts	Ann Starts	Qtr Clos	Ann Clos	Occ.	Tot.Inv	VDL	Future	Total
10	Victoria Station	5,000	\$112-\$138	7	46	5	41	43	31	44	0	118
32	Covington/South Links	12,750-27,000	\$223-\$326	10	31	6	38	91	16	3	0	110
18	Stone Ridge	12,075	\$122-\$152	2	33	5	36	44	13	73	0	130
30	Covington Place	6,900-27,300	\$247-\$400	5	43	2	30	158	36	74	65	333
11	Browns Bridge Crossing	14,500	\$140-\$190	20	42	9	27	27	29	7	0	63
25	Jefferson Village	5,500	\$110-\$115	5	12	1	19	34	13	11	0	58
21	Clark's Grove	4,000-5,500	\$310-\$425	2	15	3	11	29	14	5	40	88
14	Longstreet/Creekside	11,250	\$118-\$127	4	13	3	11	13	10	8	4	35
16	Sterling Lakes	11,900-29,750	\$137-\$160	0	13	5	9	88	27	22	0	137
29	Corrydell/Cottage Links	6,250	\$195-\$235	4	16	3	5	5	14	42	0	61
28	Covington/Links	10,400-15,000	\$255-\$300	0	3	1	4	82	5	2	0	89
3	Sydneys Landing	21,250	\$170-\$180	0	5	3	4	4	5	7	0	16
27	Primrose	15,000	\$265-\$300	0	3	2	3	15	7	9	0	31
9	Arbor Oaks	NA	\$165-\$200	0	0	1	2	2	1	7	0	10
20	TH/Clark's Grove	2,500-2,850	\$159-\$300	3	5	0	2	5	5	1	0	11
31	Woods of Dearing	19,000-26,000	\$124-\$150	0	0	1	2	181	1	0	0	182
26	East Haven	6,300	\$750-\$795	3	3	1	1	1	5	30	0	36
2	East Trelawney	15,300	\$124-\$125	0	0	0	1	50	0	0	0	50
24	Oxford/Edge of	24,300	\$146-\$147	0	0	0	1	4	3	2	0	9
4	Crowell/Creekside	6,500	\$0-\$0	0	0	0	0	0	0	39	0	39
23	Indian Creek@Pinecrest	15,000	\$0-\$0	0	2	0	0	0	2	6	0	8
13	Kenzi Place	12,000	\$91-\$96	0	0	0	0	13	0	0	0	13
12	Lakeview Estates	10,500	\$87-\$88	0	0	0	0	13	0	0	0	13
19	Mill Stone	NA	\$0-\$0	0	0	0	0	0	0	35	0	35
5	Nansbrook	NA	\$140-\$141	0	0	0	0	0	0	40	0	40
34	Neely Farms	NA	\$0-\$0	0	0	0	0	0	0	0	100	100
1	Oakwood Manor	9,375	\$182-\$194	40	43	0	0	0	43	53	226	322
8	River Hill	11,900	\$0-\$0	0	0	0	0	0	0	38	36	74
6	Riverstone Estates	NA	\$220-\$320	0	0	0	0	0	0	100	0	100
33	Rockingham@Eagle Dr	NA	\$0-\$0	0	0	0	0	0	0	90	0	90
7	TH/Benton Woods	NA	\$0-\$0	0	0	0	0	0	0	0	174	174
17	Walkers Bend	3,850	\$100-\$105	0	20	0	0	0	20	194	0	214
22	Wentworth Place	12,000	\$165-\$185	0	0	0	0	24	0	0	0	24
15	Whitehorse	NA	\$0-\$0	0	0	0	0	0	0	0	567	567
35	Wildwood	NA	\$180-\$251	0	0	0	0	0	0	80	0	80
<b>Selection Totals</b>				<b>105</b>	<b>348</b>	<b>51</b>	<b>247</b>	<b>926</b>	<b>300</b>	<b>1,022</b>	<b>1,212</b>	<b>3,460</b>



# Project 27



# COMPETITION

Project	Active Communities	> 3 Sales/ month	Percentage
30	36	10	27%
28	60	8	13%
27	30	3	10%



# Increased Cost vs. Sales Price

## Project 28

Sales Price	Land Costs	Direct Costs	Gross Margin	Soft Costs	Profit
\$142,180	\$30,000	\$75,064	\$37,116	\$19,974	\$17,142
	21.10%	52.79%	26.10%	14.04%	12.05%

Cost of Lot Increases by \$1.00

$$\$1.00 \times 100/21.1 = \$4.74$$

Cost of Construction Increases by \$1.00

$$\$1.00 \times 100/52.79 = \$1.89$$



- Infill townhome site of 5 acres
- Zoning currently allows 4 units/acre
- Rezone to allow 6 units/acre
  - Scenario 1:
    - 20 high-end townhomes
    - \$380K to \$420K price range
  - Scenario 2:
    - 10 townhomes \$180K - \$200K
    - 3 townhomes \$250K - \$270K
    - 17 townhomes \$380K - \$420K



	Scenario One	Scenario Two			
	<u>High End Townhomes</u>	<u>High End Townhomes</u>	<u>Mid Price</u>	<u>Workforce</u>	<u>Total Units</u>
Sales Price per lot	120000	120000	70000	40000	
Units	20	17	3	10	30
Revenue	\$ 2,400,000	\$ 2,040,000	\$ 210,000	\$ 400,000	\$ 2,650,000
Land Acquisition	1,150,000				1,150,000
Land Acquisition	310,000				310,000
Land Acquisition	30,000				30,000
Due Diligence	50,000				50,000
Development Per Unit	20,000				18,000
Total Development	400,000				540,000
Interest Carry	142,500				142,500
Total Cost	\$ 2,082,500				\$ 2,222,500
Total Profit	\$ 317,500				\$ 427,500
	13.2%				16.1%

# Hard Questions

- Do you want it?
  - Constituent acceptance
  - Property tax/service cost
- Will you allow it?
  - Regulatory infrastructure requirements
  - Mixed housing types
  - Public vs. private
- Is it sustainable?
  - Defined locations
  - Flexible size & standards
  - Regulatory incentives