

Active Residential Development



Comparables point to real estate market support for mixed income residential with commercial and targeting young professionals working in Boston

Development Project	Developer	Location	Program	opening	Pricing			Rental \$/sf/years (market rates)	Parking	Special note	Target market	
					Sales	sales \$/sf	Rental					
Cordovan (Former Board of Trade Building) by	Beacons Communities	16 Walnut Street	146 1 and 2 bedroom rental units and 15 live/work units	2007	NAP	NAP	Affordable \$720 to \$880 and marketrate \$1000 to \$1450/month	\$	12.00	184 spaces-- including some only long term rental of city spaces	40% affordable at 60% AMI loft look, upscale finishes	young professionals
98 Essex Street	Lotus Realty	104 Essex Street	61 condos 243 residential rental 1 and 2 bedroom	in construction	\$200K and up	\$ 200	NAP	NAP	NAP	51 spaces		young professionals
Locke and Essex_Hamel Leather Factory	Forest City Residential	113 Essex Street	at 20% affordable at 80%	opening 2009	NAP	NAP	1670/month for 1 bedroom market	\$	20	307 and additional 10 on site	State tax exempt financing program 80/20 affordable	young professionals
Riverside Place	Franci Development	66 Washington Street	53 2 and 3 bedroom condos	Early 2007	\$200K to \$350k	NAV	NAP	NAP	NAP	80 on site		
Locust	Beacon Communities	25 Locust Street	live/work 57aparemnts and 3 commercial units	Early 2007	NAP	NAP	NAV	NAV	NAV	NAV	NAV	NAV
Hayes Building	NAV	14 Granite Street	commercial units	NAV	NAV	NAV	NAV	NAV	NAV	NAV	Mixed income	
Messenger Building	Market Messenger	93 Washington Street	4 town houses, 3 garden units and 1 commercial space		\$299k to \$324K	\$ 249	NAP	NAP	NAP	9 on site	all market rate--will use commercial space himself	young professionals and empty nesters next
Nicolas Block Condos.	Duane Skofield	22 Washington Street	11 residential and 3 commercial condos	opened 2006 not all sold	\$170k to \$270K	\$ 215	NAP	NAP	NAP	16 on site other leased	commercial was \$15/sf net later condo	young professionals
Datum					sales \$/sf			Rental				
High					\$ 249			\$ 20.04				
Low					\$ 149			\$ 12.00				

Supply & Demand

Demand

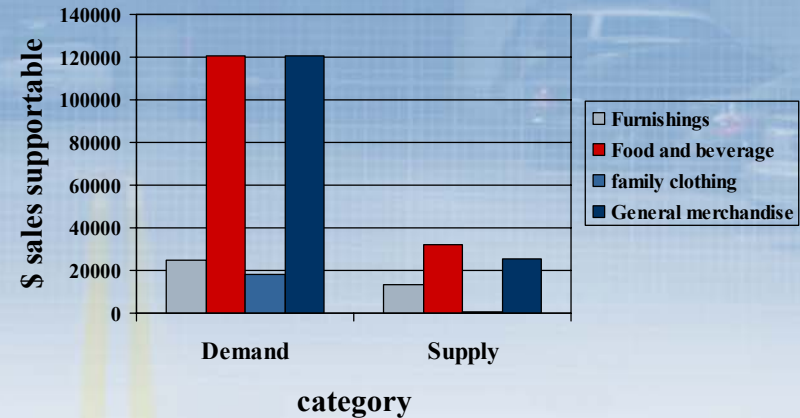
- Gap of over \$283Million in retail sales at \$400/sf translates to a unmet demand for over 700,000 sf of retail in Haverhill
- Retail poses great opportunities with many categories of retail showing more demand than existing supply including:
 - Food and beverage
 - Supermarkets
 - Furnishings and home appliance
 - Food specialty
 - Convenience stores
 - Clothing stores
 - General merchandise

Supply

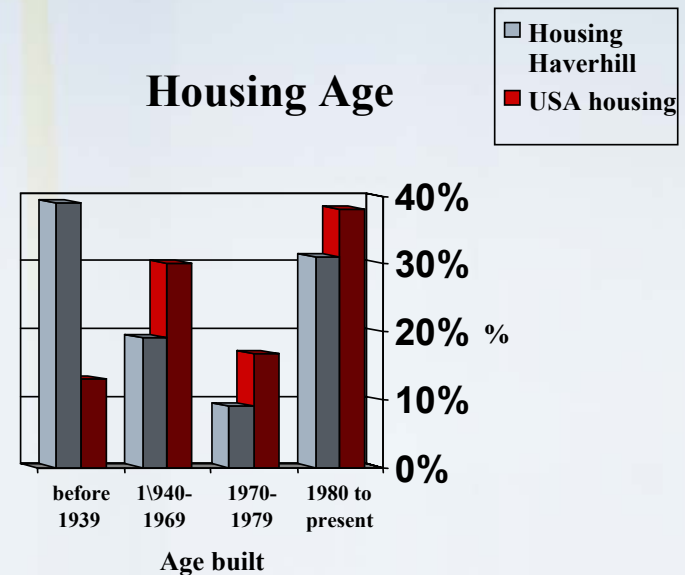
- Population of approximately 60,000 and a day population of just over 25,000 persons, 1/3rd of which are management and professional—need for new housing supply for single professionals

Data Source: Claratis's Demographics USA

Retail Gap Analysis



Housing Age



Parking & Downtown Development

- **Real Estate Demand**
 - Early indicators for demand indicate strong support for new rental housing and retail associated with housing
 - Mixed use residential in TOD format also supports downtown revitalization
- **Parking**
 - **New demand for spaces needs to be tied to increased ridership or new development**
 - Only 2% take public transportation to work (700 people total)
 - Large driving community, 40% have 2 cars and 80% drive to work
 - New development could support parking demand as well as public transportation demand
- **Findings**
 - **Private partnership support for TOD or parking development will coincide with:**
 - Choice of site in proximity to rail station
 - Total mix of development
 - Large increase in rail rider ship or future demand

Preliminary Economic Findings

- **Program**
 - 150 (phase I) to 300 units (5 to 10 years out) for rental residential targeting young professional commuter market
 - Commercial wrapping parking garage for 10K to 15K retail to support needs of commuters and residents
- **Downtown Economic Revitalization**
 - **Goals Met**
 - Augments residential population
 - Augments and supports new retail development
 - Assists with garage space justification
- **No Cost potential solution to the Haverhill municipality**
 - **Sale of development rights of TOD development to private sectors**
 - **Create municipal program for streamlined development approvals that is attractive to private sector**



500 Car Garage with Mixed-use Development Wrap

Evaluation Matrix

- **Site Selection Evaluation Matrix:**
 - Effective planning process tool
 - Site specific design considerations
 - Benefits and Impacts

Probable Project Costs

Note on the costs: These estimates were done to give a sense of the relative costs of building on the 3 sites.

1. Until Phase 2 Site Assessments are done, the environmental clean-up costs, which could be substantial, are unknown
2. The Base Costs do not include any special treatments of the skin of the structure to meet streetscape aesthetic values
3. Design Contingencies such as geotechnical conditions at the sites, utilities underground under the sites, utility services to the sites, changing Federal regulatory requirements at railway stations, etc. are not included in the Base Cost and could increase costs substantially
4. Cost per Sq. Ft. Land costs: Based on the parcel with highest cost per sq. ft. of Assessed Value--provided by City of Haverhill.
5. Costs do not reflect costs of additional program items including but not limited to retail amenities or residential development or sales of development rights. Potential sources of funds or revenue potential from any of the sites has not been included
6. Costs do not attempt to include forecasting or changes to costs that may be affected by causes know or unknown

Probable Project Costs

	450 Car Parking Facility @ \$15,000/space					\$	6,750,000	
	MVRTA Bus Operations Facility					\$	1,500,000	
	Base Project Probable Construction Cost					\$	8,250,000	
Site Specific Adjustments:								
Site #1	Base Cost					\$	8,250,000	
	Pedestrian connector to C.R. station @ 8% of base project cost					\$	660,000	
	Private property acquisition costs (100% of site) = 85,295s.f. @ \$12/s.f.					\$	1,023,540	
	Unknown environmental clean-up costs							
Site #1 - Estimate of Probable Project Cost							\$	9,933,540
Site #1 - Estimate of Probable Garage Only Cost							\$	8,433,540
Site #2	Base Cost					\$	8,250,000	
	Span over Moulton Way and trackway @ 20% of base project cost					\$	1,650,000	
	Outside ramp @ 5% of base project cost					\$	412,500	
	Private property acquisition costs (17% of site) - 18,477 s.f. @ \$12/s.f.					\$	221,724	
	Environmental clean-up federally funded					\$	-	
Site #2 - Estimate of Probable Project Cost							\$	10,534,224
Site #2 - Estimate of Probable Garage Only Cost							\$	9,034,224
Site #3	Base Cost					\$	8,250,000	
	Span over underground river @ 15% of base project cost					\$	1,237,500	
	Restricted site @ 5% of base project cost					\$	412,500	
	Private property acquisition costs (22% of site) - 11,475 s.f. @ \$12/ s.f.					\$	137,700	
	Unknown environmental clean-up costs							
Site #3 - Estimate of Probable Project Cost							\$	10,037,700
Site #3 - Estimate of Probable Garage Only Cost							\$	8,537,700



QUESTIONS?



H A V E R H I L L
I S T H E P I C T U R E O F P R O G R E S S

