



**Updated:** Seaport Village Management Proposal Financial Summaries

January 31, 2018

**Key Assumptions:**

- Information is presented in an annual format, differentiating between "Upfront" costs and costs for full "Years 1, 2, 3" of new management services
- Values below were derived using the same illustrative assumptions as previous presentations for projected revenue, operating expenses and potential leasing commissions
- The "Revised PPM" proposal assumes elimination of all leasing commissions for services relating to lease renewals and new leasing
- The "Revised PPM" proposal includes construction management services within the management fee scope, consistent with the "Original PPM" proposal

**District Costs: Estimated Annual Fees & Commissions Summary**

Original PPM	Upfront	Year 1	Year 2	Year 3
Commissions	\$707,921	--	--	--
Transition Fee	\$150,000	--	--	--
Management Fee <sup>(1)</sup>	\$0	\$462,249	\$476,008	\$490,187
Incentive Fee	\$0	\$0	\$0	\$127,072

**Total Estimated District Costs (rounded): \$2,413,400**

*(1)The Original PPM proposal included a minimum monthly management fee of \$25,000*

Revised PPM	Upfront	Year 1	Year 2	Year 3
Commissions	\$0	--	--	--
Transition Fee	\$0	--	--	--
Management Fee <sup>(2)(3)</sup>	\$60,000	\$224,521	\$231,204	\$238,091
Incentive Fee	\$0	\$0	\$0	\$0

**Total Estimated District Costs (rounded): \$753,800**

*(2)The Revised PPM proposal includes a minimum monthly management fee of \$10,000*

*(3)The "Upfront" Management Fee assumes a payment of the minimum monthly fee for a period of six months, commencing April 1, 2018*

**District Revenue Potential Summary**

Original PPM	Totals
Projected Net Operating Income (Years 1-3):	\$29,869,227
Less: Leasing Commissions:	(\$707,921)
Less: Transition Fee:	(\$150,000)
Less: Incentive Fee (Year 3)	(\$127,072)

**District Net Revenue Potential (rounded) \$28,884,200**

Revised PPM	Totals
Projected Net Operating Income (Years 1-3):	\$30,543,900
Less: Leasing Commissions:	\$0
Less: Transition Fee:	\$0
Less: Incentive Fee (Year 3)	\$0

**District Net Revenue Potential (rounded) \$30,543,900**