



THE MONTROSE



Strategic Mixed-Use Development in the Granary District

Total Project Cost	Apartments	Avg. Apt SF	Leasable SF	IRR
\$70,875,104	208	752.5	156,468	17.50%
Exit Value	Parking Stalls	Total Retail SF	Equity Multiple	Cap on Cost
\$98,801,671	208	8,712	2.21	6.02%

CBRE

J·FISHER
COMPANIES

SLCRDA

WOW



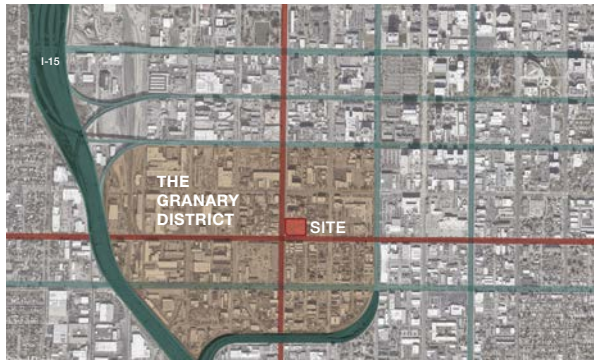
CIRQUE
STUDIO

"In today's residential market - immediate access to the major downtown collectors with onsite plazas, rooftop amenities, repurposed buildings, and Granary adjacency sets this project apart."

- Jake Wood, J. Fisher Capital in Salt Lake City, UT

DISTRICT ANALYSIS

The Montrose & Kilter block are redefining mid-town Salt Lake City. This new exciting innovation district is the future for the life in the Granary District. Situated amongst booming redevelopment to the north, west, and south, the corner of 800s. and 300w. is a site not to be overlooked. Elevating grounding character in this area anchors the local culture and street life this area is wanting, but may miss the opportunity to achieve. Public and semi-public rooftop amenities encourages multidimensional engagement on this site.



Site District



Main Transportation Network

VALUES

INNOVATION

A south-facing building responding to local bioclimatic conditions, The Montrose is energy efficient. Bringing tenets of passive architecture to this area, the anticipated costs & carbon footprint are significantly reduced. These benefits are admired by the target market & investment financials.

COMMUNITY

With large redevelopment investment surging in this district, there is a growing need for community spaces. Inspired by the local character, this site offers a mid-tier bar & restaurant experience, flexible venue space for live music and rotating food trucks, and immense amenities at the street-level and up on the rooftops.

ROOTS

Capturing the remaining strands of character in this area is imperative for successful adoption by the community. The future of this district is contingent on deep, genuine connection to the sense of place. Without this secret ingredient, the district will not be everlasting.

SUSTAINABILITY

Conscientious of people and place, The Montrose & Kilter block accepts the role in sustainable development and environmental remediation. With a primed site, Cirque Studio aims to thoughtfully incorporate green practices such as electric charging, carbon offset, and bioclimatic architecture.

RETREAT DAWN TO DUSK

From the various rooftop levels, residents & visitors can oversee the life of The Montrose & Kilter block as well as the street life of the Granary District.



LIFE IN THE PLAZA

From 800s, The Kilter establishes a vibrant engagement space serviced by food, drink, creativity, and neighborly commercial.



THE MONTROSE

Featuring exceptional rooftop amenities, this multi-family development offers spaces to connect, improve, and engage with the growing community.

ROOFTOP MECCA

Curating leisurely community engagement to serve the district & the city at large. From sunrise yoga to evening cocktails in the rooftop of The Montrose & Kilter responds to district needs & has something for everyone.

ELEVATED AVENUE

The namesake, Montrose Avenue, has been elevated to the deck of the 2nd level providing a protected, semi-public space.

VIBRANT ART CENTER

Inviting local artists to take ownership of this space, the Kilter block features high-end wall murals. Imbuing value into this neighborhood by leaning into the creative arts of all mediums.

RETAIL AT THE KILTER

An active space for live music, food, and boutiques, The Kilter leans into its auto shop history leveraging the existing character and harmonizing between old & new.

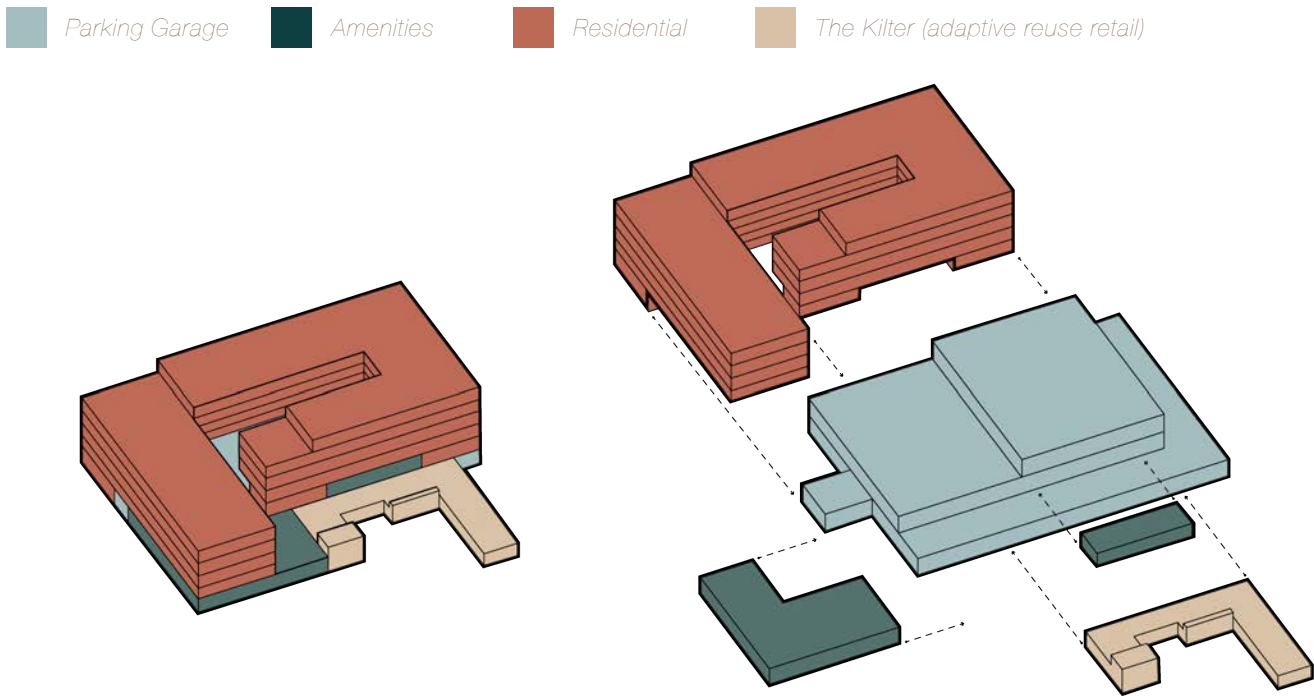
MODERN FLEX SPACE

Providing indoor and outdoor productivity areas, this responsive development plan creates areas for residents & visitors to thrive.

PARKING STRATEGY

Embedded within The Montrose, the parking podium adds tidy convenience to this mixed-use site. With 2.5 levels, this portion of the build can seamlessly transition to accommodate future needs of the site, moving from parking to retail, amenity, or venue space as market demands and vehicular dependencies anticipatedly shift.

THE MONTROSE METHOD



ROOFTOP ATTRACTIONS

- + Lounge & bar patio
- + Private yoga garden
- + Rock climbing wall
- + Hot tub sauna
- + Venue overlook
- + Furnished Indoor Lounge

BUILDING AMENITIES

- + Fitness center
- + Secure mail lockers
- + Modern Lobby
- + Recycling & Composting
- + Ski & bike storage
- + Smart home technology

EXTERIOR DECORUMS

- + Venue courtyard
- + Covered parking
- + Electric car chargers
- + Vibrant mural art
- + Private balconies
- + Translucent garage facades

THE MARKET VISION

Featuring exceptional rooftop amenities, this mixed-use multi-family development offers spaces to connect, improve, and engage with the growing community.

- The namesake, Montrose Ave, has been elevated, providing a protected, semi-public space for residents & visitors to roam and connect.
- An active space for live music, rustic food & beverage, and neighborhood boutiques, the Kilter leans into its auto shop roots while redefining its future.
- Podium parking provides convenient access for residents while also creating innovative outdoor amenity spaces.
- With a range of public, semi-public, and private outdoor spaces, The Montrose & Kilter block exhibits an attuned understanding of human habitat and what makes their consumers thrive.

DEVELOPMENT CRITERIA

LEGALLY PERMISSIBLE

The Montrose is legally permissible under current entitlements. The site is zoned under Salt Lake City's FB-UN2 designation. Development regulations are based on building type, with the overall scale, form and orientation of buildings as the primary focus. Salt Lake City's zoning code specifically calls for a 65 foot height limitation for our parcel at the corner of 300w. and 800s.

PHYSICALLY POSSIBLE

Multiple redevelopment sites are located near The Montrose, such as the thoughtful density plan LOCI has proposed just to the west. These new projects tie into our programming and increase the overall value of our site. This symbiosis infuses vitality back into this district, truly leaning into the highest and best use of this site for this area.

MAXIMALLY PRODUCTIVE

The Montrose project is maximally productive, as it achieves a density of 107 units per acre, and builds up to its maximum permissible height of 65 feet. It also takes advantage of the existing infrastructure to provide a unique indoor and outdoor retail experience. Transit access is close and convenient due to the project's orientation on 300w. and proximity to the 200w. 900s. light rail Trax station.

FINANCIALLY FEASIBLE

The Montrose presents a unique opportunity to generate attractive returns for its equity partners. With a 17.5% project-level IRR and a 16.2% investor IRR, the project offers compelling returns in an otherwise challenging environment.

FEASIBILITY

DEVELOPMENT COSTS

Land	\$ 12,344,904	\$ 59,350.50	per unit
Multifamily Vertical Hard Costs	\$ 37,748,941	\$ 181,485.29	per unit
Retail Vertical Hard Costs	\$ 1,049,160	\$ 5,044.04	per unit
Retail TIs	\$ 224,820	\$ 1,080.87	per unit
Site Development	\$ 725,000	\$ 3,485.58	per unit
Landscaping	\$ 150,000	\$ 721.15	per unit
Parking	\$ 5,616,000	\$ 27,000.00	per unit
Amenities	\$ 500,000	\$ 2,403.85	per unit
Hard Costs	\$ 46,013,921	\$ 221,220.77	per unit

Architecture	\$ 920,278	\$ 4,424.42	per unit
Engineering	\$ 460,139	\$ 2,212.21	per unit
Environmental	\$ 10,000	\$ 48.08	per unit
Geotech	\$ 10,000	\$ 48.08	per unit
Permits & Impact Fees	\$ 1,768,000	\$ 8,500.00	per unit
Taxes	\$ 50,000	\$ 240.38	per unit
Legal	\$ 50,000	\$ 240.38	per unit
Insurance	\$ 1,150,000	\$ 5,528.85	per unit
FF&E	\$ 100,000	\$ 480.77	per unit
Temp Utilities	\$ 20,000	\$ 96.15	per unit
Marketing	\$ 50,000	\$ 240.38	per unit
Testing & Inspections	\$ 20,000	\$ 96.15	per unit
Entitlements	\$ 25,000	\$ 120.19	per unit
GC Fee	\$ 2,300,696	\$ 11,061.04	per unit
Soft Costs	\$ 6,934,114	\$ 33,337.09	per unit

Market Study	\$ 10,000	\$ 48.08	per unit
Appraisal	\$ 10,000	\$ 48.08	per unit
Origination Fee	\$ 606,049	\$ 2,913.70	per unit
Lender's Legal	\$ 25,000	\$ 120.19	per unit
Financing Costs	\$ 651,049	\$ 3,130.04	per unit

Develop Fee	\$ 2,143,963	\$ 10,307.52	per unit
Contingency	\$ 2,787,152	\$ 13,399.77	per unit
Total Development	\$ 70,875,104	\$ 340,745.69	per unit

RENT COMPARABLES



Post District Residences
510 S. 300 W.
Salt Lake City, UT

Studio	\$3.19 psf
1 Bed	\$2.68 psf
2 Bed	\$2.65 psf



The Charli
828 Richards St
Salt Lake City, UT

Studio	\$3.22 psf
1 Bed	\$2.50 psf



6th and Main
611 S. Main St
Salt Lake City, UT

Studio	\$3.22 psf
1 Bed	\$2.86 psf
2 Bed	\$2.49 psf

BUSINESS PLAN

Construction Start Date
June 2023

Cost per Multi-family Unit
\$340,746

Y2 Stabilized NOI
\$4,436,767

Construction Duration
24 months

Average Rent per SF
\$2.65

Total Project Cost per SF
\$385

Construction End Date
February 2025

Average Apartment Rent
\$1,995

Total Project Cost
\$70,875,104

CONSTRUCTION FINANCING

Loan under LTC method	\$60,245,000
DSCR Capacity	\$42,302,396
Loan	\$42,300,000

Loan-to-Cost (LTC)	Interest Rate
85%	7.50%

Amortization	Term
30	3

PERMANENT FINANCING

Loan-to-Value (LTV)	75%
Minimum DSCR	1.25
LTV Capacity	\$73,946,123
DSCR Capacity	\$55,099,213
Loan	\$55,100,000
Interest	5.00%
Term	5
Amortization	30
Interest Only	5

EXIT ASSUMPTIONS

Exit Cap Rate	Spread
5.00%	1.02%
Cap on Cast	Cost of Sales
6.02%	1.5%

SOURCES & USES

Debt	\$ 42,300,000
Equity	\$ 28,575,104
Total Source	\$ 70,875,104

DEAL ECONOMY

CASH FLOW DURING OPERATIONS		YEAR 1		YEAR 2		YEAR 3		YEAR 4		YEAR 5	
Gross Potential Rental Revenue											
Gross Potential Rent	\$	5,204,057	\$	5,412,219	\$	5,601,647	\$	5,797,705	\$	6,000,624	
Lease-up Vacancy	\$	(2,081,623)	\$	-	\$	-	\$	-	\$	-	
Stabilized Vacancy	\$	-	\$	(216,489)	\$	(224,066)	\$	(231,908)	\$	(240,025)	
Concessions	\$	(156,122)	\$	(13,531)	\$	(14,004)	\$	(14,494)	\$	(15,002)	
Total Net Rental Income	\$	2,966,313	\$	5,182,200	\$	5,363,577	\$	5,551,302	\$	5,745,598	
Other Income											
Parking Income	\$	172,973	\$	287,827	\$	297,901	\$	308,327	\$	319,119	
RUBS Utility Income	\$	31,450	\$	52,332	\$	54,164	\$	56,059	\$	58,022	
Application & Other fees	\$	47,174	\$	78,498	\$	81,246	\$	84,089	\$	87,032	
Internet/Media Income	\$	47,174	\$	78,498	\$	81,246	\$	84,098	\$	87,032	
Pet fee	\$	31,450	\$	52,332	\$	54,164	\$	56,059	\$	58,022	
Adaptive Reuse Rents (NNN)	\$	245,503	\$	255,324	\$	264,260	\$	273,509	\$	283,082	
Effective Gross Income	\$	3,542,037	\$	5,987,011	\$	6,196,556	\$	6,413,436	\$	6,637,906	
Operating Expenses											
Repairs & Maintenance	\$	171,392	\$	176,534	\$	181,830	\$	187,285	\$	192,903	
Contract Services	\$	128,544	\$	132,400	\$	136,372	\$	140,463	\$	144,677	
Marketing	\$	64,272	\$	66,200	\$	68,186	\$	70,232	\$	72,339	
Payroll	\$	192,816	\$	198,600	\$	204,558	\$	210,695	\$	217,016	
General & Administration	\$	42,848	\$	44,133	\$	45,457	\$	46,821	\$	48,226	
Property Taxes	\$	407,056	\$	419,268	\$	431,846	\$	444,801	\$	458,145	
Insurance	\$	192,816	\$	198,600	\$	204,558	\$	210,695	\$	217,016	
Utilities	\$	19,282	\$	19,866	\$	20,456	\$	21,070	\$	21,702	
Management Fee	\$	141,681	\$	239,480	\$	247,862	\$	256,537	\$	265,516	
Capital Reserves	\$	53,560	\$	55,167	\$	56,822	\$	58,526	\$	60,282	
Total Operating Expenses	\$	1,414,267	\$	1,550,244	\$	1,597,948	\$	1,647,126	\$	1,697,823	
Net Operating Income	\$	2,127,770	\$	4,436,767	\$	4,598,608	\$	4,766,310	\$	4,940,084	
Annual Debt Service	\$	(2,755,000)	\$	(2,755,000)	\$	(2,755,000)	\$	(2,755,000)	\$	(2,755,000)	
DSCR		0.77		1.61		1.67		1.73		1.79	
Net Cash Flow	\$	(627,230)	\$	1,681,767	\$	1,843,608	\$	2,011,310	\$	2,185,084	
Reversion (5% Exit Cap)										98,801,671	
Principal Balance	\$	-	\$	55,100,000	\$	55,100,000	\$	55,100,000	\$	55,100,000	
Net Reversion Proceeds									\$	43,701,671	
Cash on Cash		7.83%		16.32%		16.92%		17.53%		18.17%	
Equity Multiple										2.21	
Unlevered IRR										10.92%	
Levered IRR										17.50%	
Key Operating Metrics											
Multifamily Income	\$	5,204,057	\$	5,412,219	\$	5,601,647	\$	5,797,705	\$	6,000,624	
Growth Rate		5.0%		4.0%		3.5%		3.5%		3.5%	
Retail Income	\$	245,503	\$	255,324	\$	264,260	\$	273,509	\$	283,082	
Growth Rate		5.0%		4.0%		3.5%		3.5%		3.5%	
Operating Margin		60.1%		74.1%		74.2%		74.3%		74.4%	
Opex Percentage		39.9%		25.9%		25.8%		25.7%		25.6%	
Growth Rate		3.0%		3.0%						3.0%	