

# Southwestern Investment Group

## *Historical Project Summaries*

### Rubloff/SW Willow Run, LLC

#### Summary

Located at the northeast corner of 128th and Zuni in Westminister, Colorado, the 16.9 acre parcel was purchased by SWIG in October 1999 for the purposes of developing a grocery-anchored retail center. The purchase price was \$2.49 million (approximately \$147,500 per acre). SWIG partnered with a private equity firm to develop a Safeway, pads and inline space, and sold the property to a California company in 2002. The total projected proceeds from property sales (net of sale costs) were approximately \$13,398,000.



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#### Financial Summary

##### Project P&L

The value-add from SWIG's identification, purchase and development of the parcel generated an overall profit of \$1.69 million. SWIG was effectively able to recognize raw land in the path of growth, develop and sell the parcel completely within 3 years of closing.

Acquisition and Entitlement		Sales and Profit	
\$ 2,492,004	Land acquisition cost	\$ 703,000	Sale of lot 3, 2/28/2001
<u>11,271,000</u>	Development costs	775,000	Sale of lot 2, 11/28/2001
\$ 13,763,004	Total cost	12,200,000	Final sale 12/17/2002
(11,250,000)	Construction loan	(280,311)	Costs of sales
<u>(1,973,140)</u>	Debt from 3rd party	(11,167,199)	Less debt and interest
\$ 539,864	Capital invested	(539,864)	Less Equity
		<u>\$ 1,690,626</u>	

##### Cash Flows and Returns

The project resulted in a total 58% levered equity IRR and a 38% IRR to external investors. The cash flows of the project are summarized below. The project was funded with \$539,864 in equity capital by SWIG and external investors.

	Total					External Equity				
	Equity Contributions	Loans from Members	Distributions, Interest, etc.	Net (provided)/received	Cumulative	Equity Contributions	Loans from Members	Distributions, Interest, etc.	Net (provided)/received	Cumulative
1999	(109,864)	(400,000)	-	(509,864)	(509,864)	(88,864)	(400,000)	-	(488,864)	(488,864)
2000	-	-	-	-	(509,864)	-	-	-	-	(488,864)
2001	-	-	-	-	(509,864)	-	-	-	-	(488,864)
2002	109,864	400,000	1,313,411	1,823,274	1,313,411	88,864	400,000	692,499	1,181,363	692,499
2003	-	-	390,456	390,456	1,703,866	-	-	195,228	195,228	887,727
2004	-	-	(13,240)	(13,240)	1,690,626	-	-	(6,754)	(6,754)	880,972
			IRR	57.91%				IRR	38.19%	



RUBLOFF/SW WILLOW RUN, LLC  
NEC 128<sup>TH</sup> AVENUE AND ZUNI STREET  
WESTMINSTER, COLORADO



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NORTH ZUNI STREET



1 SITE PLAN  
WILLOW RUN SHOPPING CENTER

