



Orange Unified School District
Request for Proposal
Peralta Apartment Partners, LLC
June 7, 2012





Peralta Partners history with OUSD

- Turned a blighted financial liability into a positive revenue producing asset for OUSD
- 17 Year history with approximately 3 years remaining on lease
- Private Public Partnership with Proven Track Record.



Sample of Apartment Projects

Project Name	Units	Type	Value
Oakland Shadow Woods	299 units	2-story garden-style	\$103 m
Waterbridge	368 units	2-story garden-style	\$84 m
Tustin Apartments	71 units	2-story walk-up	\$13.5 m
Cross Creek	56 units	2-story garden-style	\$20 m
Sienna Hills	GM1 16 units	3-story garden-style	\$76 m
Monarch Terrace	92 units	2-story walk-up	\$11 m
Regency Tower	136 units	22-story tower	\$22 m
Cascade Apartments	292 units	2-story walk-up	\$65 m
Club Acacia	114 units	3-story elevated	\$16 m
Verano Terrace	136 units	2-story walk-up	\$17 m
Villa Del Este	20 units	3-story walk-up	\$13 m
Emerald Park	300 units	2-story walk-up	\$20 m
Overlook Apartments	304 units	2-story walk-up	\$22 m
Mountainback	124 units	2-story walk-up	\$19 m

Slide 3

GM1

not in orange

gmccafferty, 6/7/2012



Introduction of Team

- *Partnership*
 - Kent Hawkins – Apartment Developer / Builder
 - Jake Terrada – Terada Investments
 - Steve Sheldon – Land Use Entitlement
- *Consultant Team*
 - Architect: Jack Selman/RC Alley, Architects Orange
 - Landscape Architect: Bill Cathcart, Cathcart Begin
 - CEQA: Greg McCafferty, Environmental Advisors
 - Civil Engineer: David Luzzariga, BKF Engineers
 - Pat Fish, Tafco Management
 - Bob Olson, RD Olson



Overview of Proposal

- 99 Year Ground Lease
- High quality
- Family oriented amenities
- 455 Units at Medium Density
- Designed with sensitivity to neighbors





Overview of Rent

Payments to OUSD

(Each category is cumulative)

Year 2014 (two years)

Prepaid rent	4.0 million
Fees to OUSD	1.2 million
Total	5.2 million

Year 2024 (ten years)

Rent	\$8.4 million
ADA (based on 6k per student)	\$6.8 million
Total	15.2 million

Year 2049 (35 years)

Rent	41.0 million
ADA	34.0 million
Total	75.0 million

Year 2113 (99 years)

Rent	386.0 million
ADA	231.0 million
Total	617.0 million



Project Design

- 455 high quality apartment homes
- Carriage flats, stacked flats, and townhomes
- 4% studios
- 36% 1 bedroom units
- 51% 2 bedroom units
- 10% 3 bedroom units
- Attract families and drive up ADA



Building Setback





Project Experience City of Orange Gateway Apartments





City of Orange Project Experience Renaissance at Uptown Apartments





City of Orange Project Experience The Meridian at Town & Country





City of Orange Project Experience

Alexan Pacific Grove, Allure Apartments





City of Orange Project Experience Best Buy





Sample of Projects in the City of Orange

Project Name	Units/Size	Scope
Orange/Anaheim Gateway	884 units	Entitlements, CEQA, Architect
Renaissance at Uptown Apartments	460 units	Architect
Meridian Apartments at Town & Country	278 units	Architect
Best Buy Store, Tustin Avenue	Retail	Entitlements, CEQA, Architect
City Town Center, Chapman Avenue	Retail	Architect
Sprouts Market	Retail	Entitlements, CEQA
ITT Technical Institute	Education	Entitlements, CEQA



Sample of Projects in the City of Orange

Project Name	Units/Size	Scope
Alexan Pacific Grove, Allure Apartments	278 units	Architect
Ayres Hotel, Orange	142 units	Entitlements, CEQA
Santa Ines Senior Housing	44 units	Entitlements, CEQA
Carl's Jr.	Retail	Entitlements, CEQA
Tuskatella Retail Center	Retail	Architect
Walgreens	Retail	Entitlements, CEQA
Argosy University	Education	Entitlements, CEQA



Entitlement Process

- Staff Review
- Design Review Board
- Planning Commissioners
- City Council
 - Mayor Carolyn Cavecche (Dec 2012)
 - Mayor Pro Tem Denis Bilodeau (Dec, 2014) *
 - Council Member Tita Smith (Dec, 2012)
 - Council Member Jon Dumitru (Dec, 2012)
 - Council Member Fred Whitaker (Dec, 2014) *



Project Finance

- Kent Hawkins and our team have closed over \$600 million in development financing and developed projects totaling over \$1 billion
- We submitted audited financial statement by Deloitte and Touche showing \$40 million cash on hand
- The equity financing for the construction loan is committed
- Never filed for bankruptcy



US Bank Recommendation

All of **us** serving you™



June 6, 2012

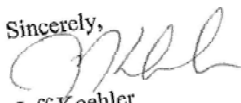
To: Orange Unified School District

To Whom It May Concern:

I have known Kent Hawkins and his team in a professional capacity for approximately six years. They were provided financing for multiple loans in aggregate of over \$90 million, including an \$88MM loan for the development of the Shadow Woods Apartment complex in Oakland, CA. Mr. Hawkins and his team provided over \$19 million of equity for those loans. As of this date, those loans are in good standing and have been paid down to approximately \$5 million dollars.

Needless to say, the commercial real estate environment has been exceptionally challenging over the last several years. Kent Hawkins and his team have been a strong partner through those times and have consistently fulfilled their commitments to the bank. I would recommend them for development of other apartment communities without hesitation.

Sincerely,


Jeff Kohler
AVP, US Bank

... “Kent Hawkins and his team have been a strong partner through those times and have consistently fulfilled their commitments to the bank. I would recommend them for development of other apartment communities without hesitation” ... Jeff Kohler, US Bank



Conclusion



Start now and deliver to OUSD \$5.2 million in 2 years, \$15.2 million at Year 10 and \$75 million at Year 35 and \$617 million at year 99



Our team is very experienced in Orange



Highly experienced apartment developer, builder and management



Maximize revenue to OUSD