

Teach Las Vegas - Phase 3

4660 N Rancho Dr
Las Vegas NV, 89130



Project Costs ¹	
Purchase Price	\$0
Broker Fee	\$0
Capital Credit	\$0
TI Allowance	\$0
Hard Costs	\$8,400,000
Soft Costs	\$1,000,000
Contingencies	\$940,000
Development Fee	\$517,000
Transaction Costs	\$30,000
Capitalized Interest	\$363,075
Lender Fee	\$73,604
Total Project Costs	\$11,323,679

Lease Assumptions						
Lease Year	Start	Mo. Rent	Abatements	Base Rent Rate ²	Effective Rent Rate ³	
Year 1	8/1/2024	\$80,209	3 months	8.50%	6.38%	
Year 2	8/1/2025	\$82,616	2 months	8.50%	7.30%	
Year 3	8/1/2026	\$85,094	1 months	8.50%	8.27%	
Year 4	8/1/2027	\$87,647	0 months	8.50%	9.29%	
Year 5	8/1/2028	\$90,276	0 months	8.50%	9.57%	
Abatement Schedule						
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	
8/1/2024	8/1/2025	8/1/2026				
9/1/2024	9/1/2025					
10/1/2024						
Terminal Annual Rent Escalation Start				8/1/2025	3.00%	
Monthly Rent During Construction					\$0	

Academic Year	Start End	7/1/2024 6/30/2025	7/1/2025 6/30/2026	7/1/2026 6/30/2027	7/1/2027 6/30/2028	7/1/2028 6/30/2029	7/1/2029 6/30/2030	7/1/2030 6/30/2031	7/1/2031 6/30/2032	7/1/2032 6/30/2033	7/1/2033 6/30/2034
Existing Net Rent - Phase 1		\$662,216	\$682,083	\$702,545	\$723,622	\$745,330	\$767,690	\$790,721	\$814,443	\$838,876	\$864,042
Base Rent - Phase 2		\$194,022	\$199,843	\$205,838	\$212,013	\$218,374	\$224,925	\$231,673	\$238,623	\$245,782	\$253,155
Abated Rent - Phase 2		(\$32,416)	(\$16,694)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Base Rent - Phase 3		\$882,303	\$988,982	\$1,018,651	\$1,049,211	\$1,080,687	\$1,113,108	\$1,146,501	\$1,180,896	\$1,216,323	\$1,252,813
Abated Rent - Phase 3		(\$240,628)	(\$165,231)	(\$85,094)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Net Rent		\$1,465,498	\$1,688,982	\$1,841,941	\$1,984,846	\$2,044,391	\$2,105,723	\$2,168,895	\$2,233,962	\$2,300,981	\$2,370,010
Enrollment		675	800	975	975	975	975	975	975	975	975
Net Rent Per Student		\$2,171	\$2,111	\$1,889	\$2,036	\$2,097	\$2,160	\$2,225	\$2,291	\$2,360	\$2,431
Projected Gross Revenue ⁴		\$6,542,857	\$7,754,497	\$9,450,793	\$9,734,317	\$10,026,347	\$10,327,137	\$10,636,951	\$10,956,060	\$11,284,742	\$11,623,284
Rent as % of PGR		22.4%	21.8%	19.5%	20.4%	20.4%	20.4%	20.4%	20.4%	20.4%	20.4%
Gross Revenue Per Student	3.00%	\$9,693	\$9,693	\$9,693	\$9,984	\$10,283	\$10,592	\$10,910	\$11,237	\$11,574	\$11,921
Purchase Option Date ⁵					8/1/2027	8/1/2028	8/1/2029	8/1/2030			
Purchase Option Price⁶					\$26,730,700	\$27,773,345	\$28,862,778	\$30,010,855			

¹ Project costs reflect the ROM development budget dated 10/12/2022

² Base Rent Rate is annual rent before rent escalation and abatements as a % of total project costs

³ Effective Rent Rate is annual rent after rent escalation and abatements as a % of total project costs

⁴ Projected Gross Revenue reflects the school budget dated 7/6/2022

⁵ Purchase option is executable anytime between the first day of the 37th lease month and last day of the 72nd lease month

⁶ The purchase option price is the amount which produces an 11.5% unlevered return to Red Hook