

Legends Brewing Co. Pricing Justification

Legends Brewing Co is located between two other developments planned for apartments.

1. The Beach Company of Charleston SC purchased 1.8 acres of land across West 7th Street occupied by a truck maintenance facility (“Thurston Springs Service”) for \$7.0 Million. They plan that for 260 units plus some first-floor retail.

$$\$7\text{M}/1.8 \text{ acres} = \$3.9 \text{ M per acre}$$

$$\$7\text{M}/260 \text{ units} = \$26,923 \text{ per door}$$

2. Avery Hall Development of Brooklyn, NYC purchased 3 acres of vacant land (with a full set of approved plans for 340 units) across West 6th Street and then rezoned it for 553 units. They paid \$17,250,000 prior to rezoning it for the denser use.

$$\$17.25\text{M}/3 = \$5.75\text{M per acre}$$

$$\$17.25\text{M}/553 = \$32,364 \text{ per unit}$$

Legends Brewing Co. is priced at \$4,000,000 and is zoned for 220 units on 1.341 acres.

$$\$4\text{M}/1.341 \text{ acres} = \$2,983,000 \text{ per gross acre (but exactly } \$4\text{M per usable acre)}$$

$$\$4\text{M}/220 \text{ units} = \$18,182 \text{ per door}$$

The discounted price takes into account the less than favorable lending terms today. However, the City would look favorably upon a taller building on the site. That fact could be vetted during the study period, but the site must be closed prior to submitting for more units.