

Parcel C Limited Partnership

You're the Director of Development for the Asian Community Development Corp. (ACDC). You've been working with your for-profit partner, E.A. Fish & Associates, for years on the designation and entitlements for the development opportunity described herein. You agreed at the outset that it was premature to discuss relative ownership interests in the development until both partners were comfortable that the project would proceed. The developer designation has been awarded to you and the financing commitments are in place. It's time to talk turkey.

In addition to receiving needed public space for your constituent groups, you have always maintained that ACDC should receive its fair share of the investment profits associated with this potentially lucrative mixed-income, mixed-use development. The questions before you are how much of an ownership interest do you believe is fair, and how would you propose to structure such ownership interest?

Please prepare a written memorandum of no more than 3 pages, with attachments as you see fit. Please don't regurgitate basic facts and assumptions. Assume that any debt financing junior in lien priority to the first mortgage (i.e., City CDBG, FHLB, BRA, Linkage, Affordable Housing Trust, and Home funds) accrues interest at 1% (simple interest) and is due and payable in 30 years. Ed Fish and his colleagues are quite anxious to hear, and comment on, the analysis and conclusions you present on December 5th.