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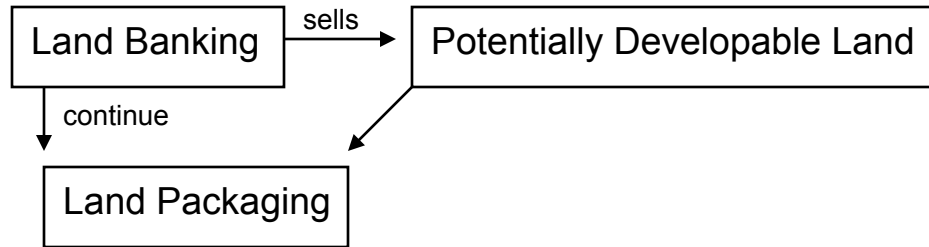
Edward St. John Real Estate Program

The Real Estate Development Matrix

Daniel B. Kohlhepp

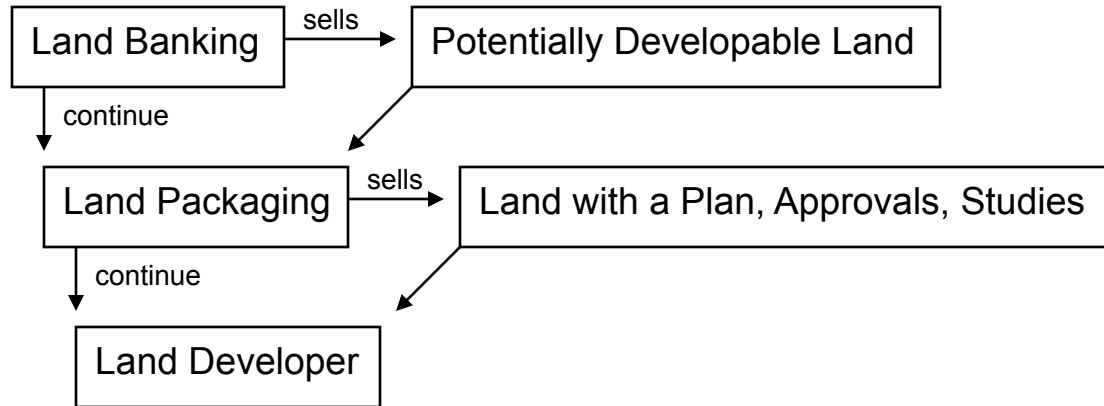
Real Estate Development Process

A Value Creation Process



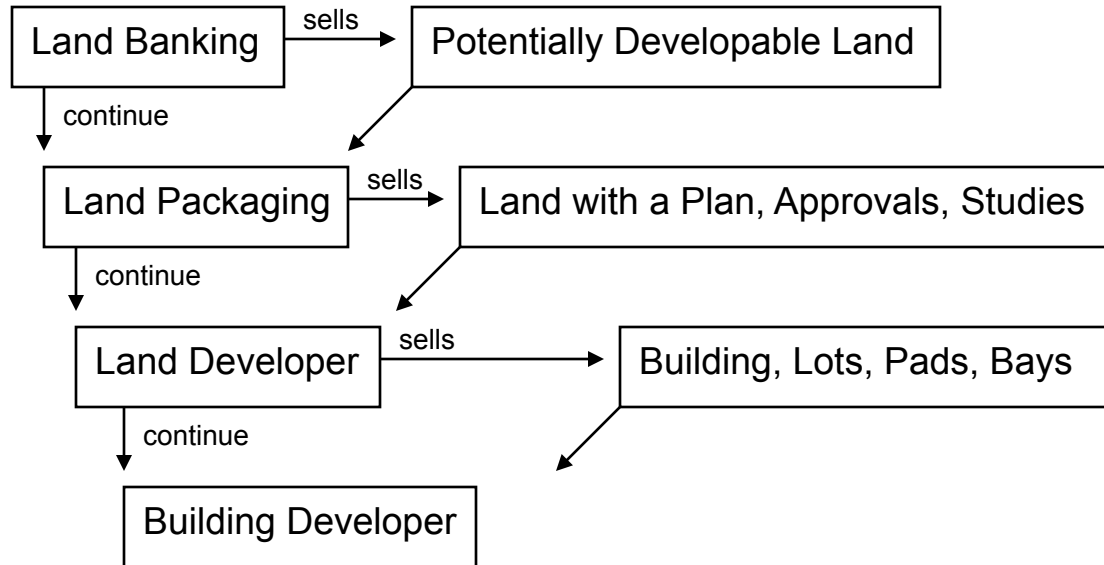
Real Estate Development Process

A Value Creation Process



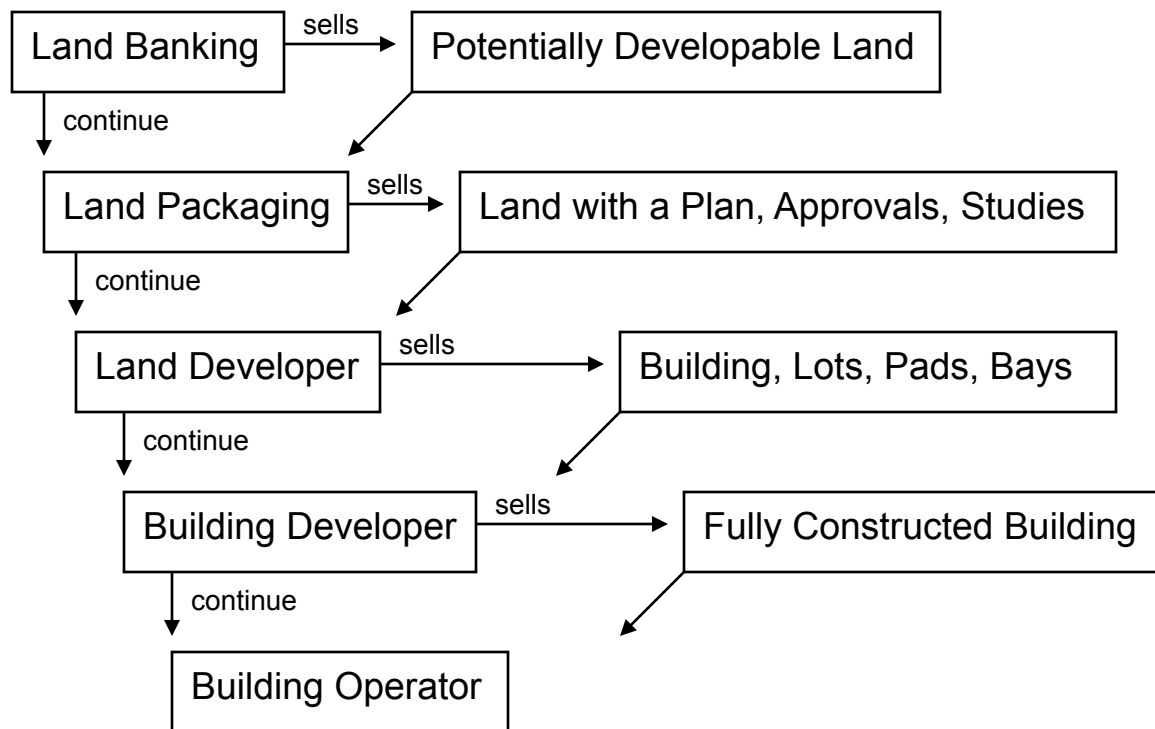
Real Estate Development Process

A Value Creation Process



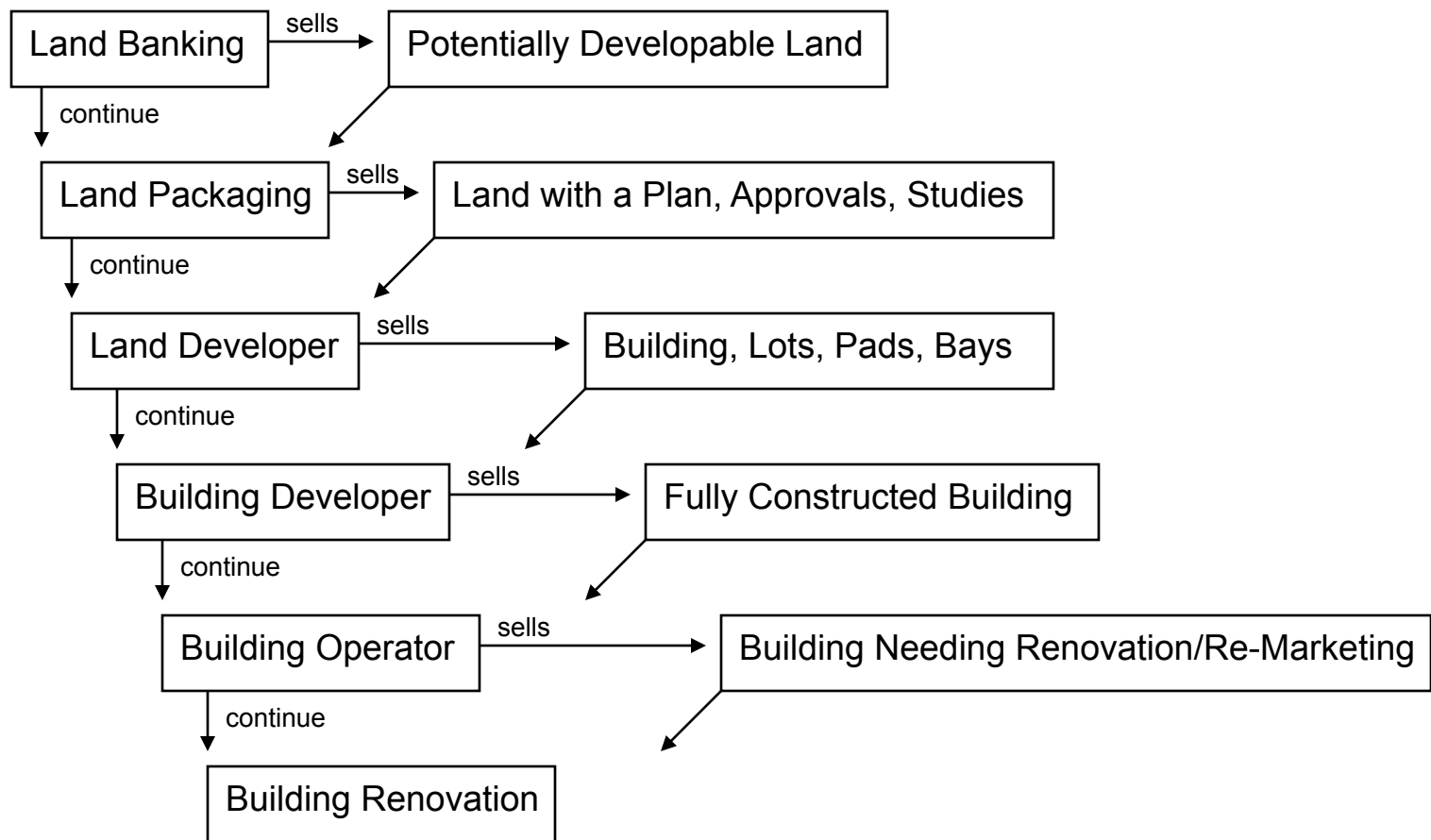
Real Estate Development Process

A Value Creation Process



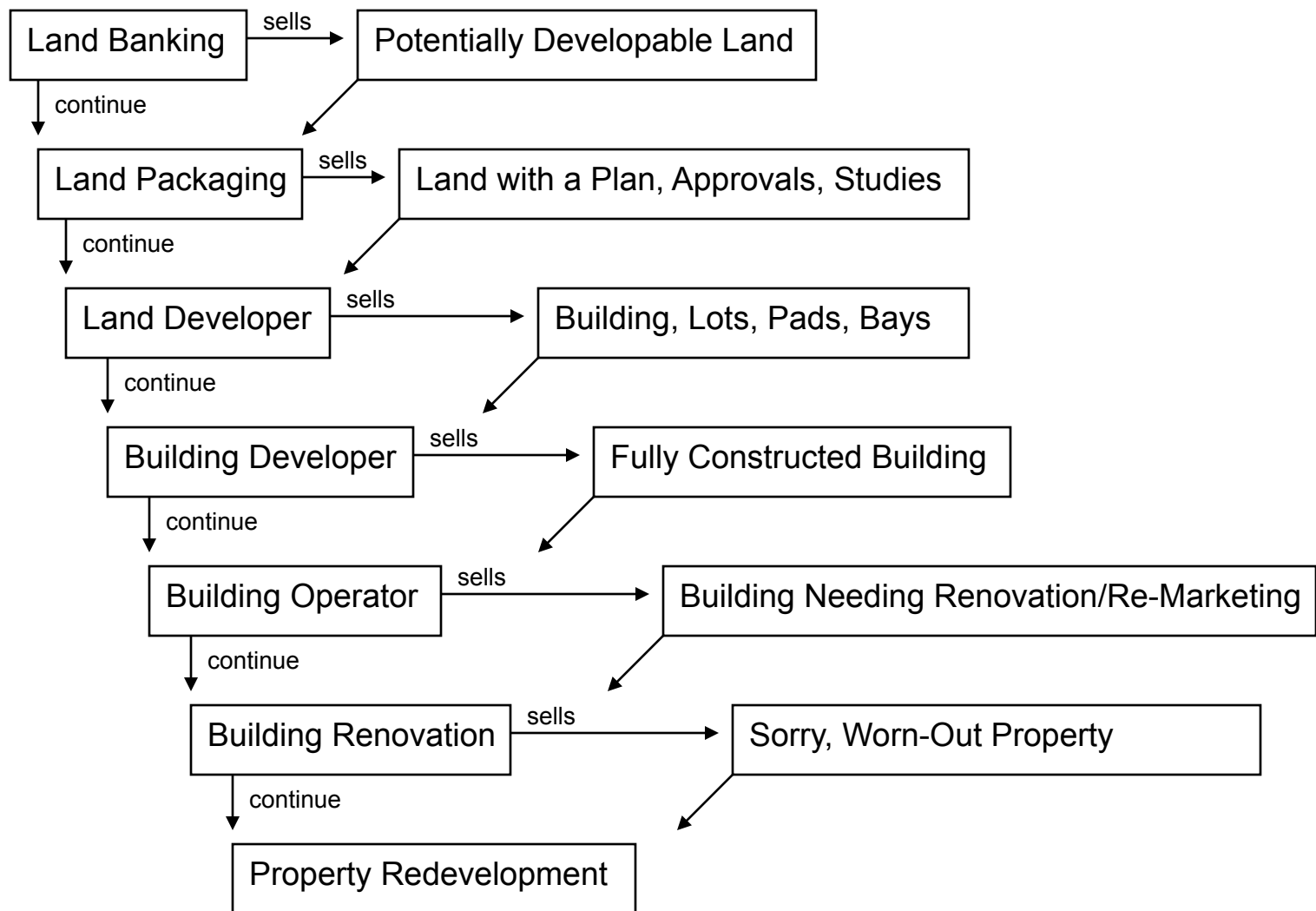
Real Estate Development Process

A Value Creation Process



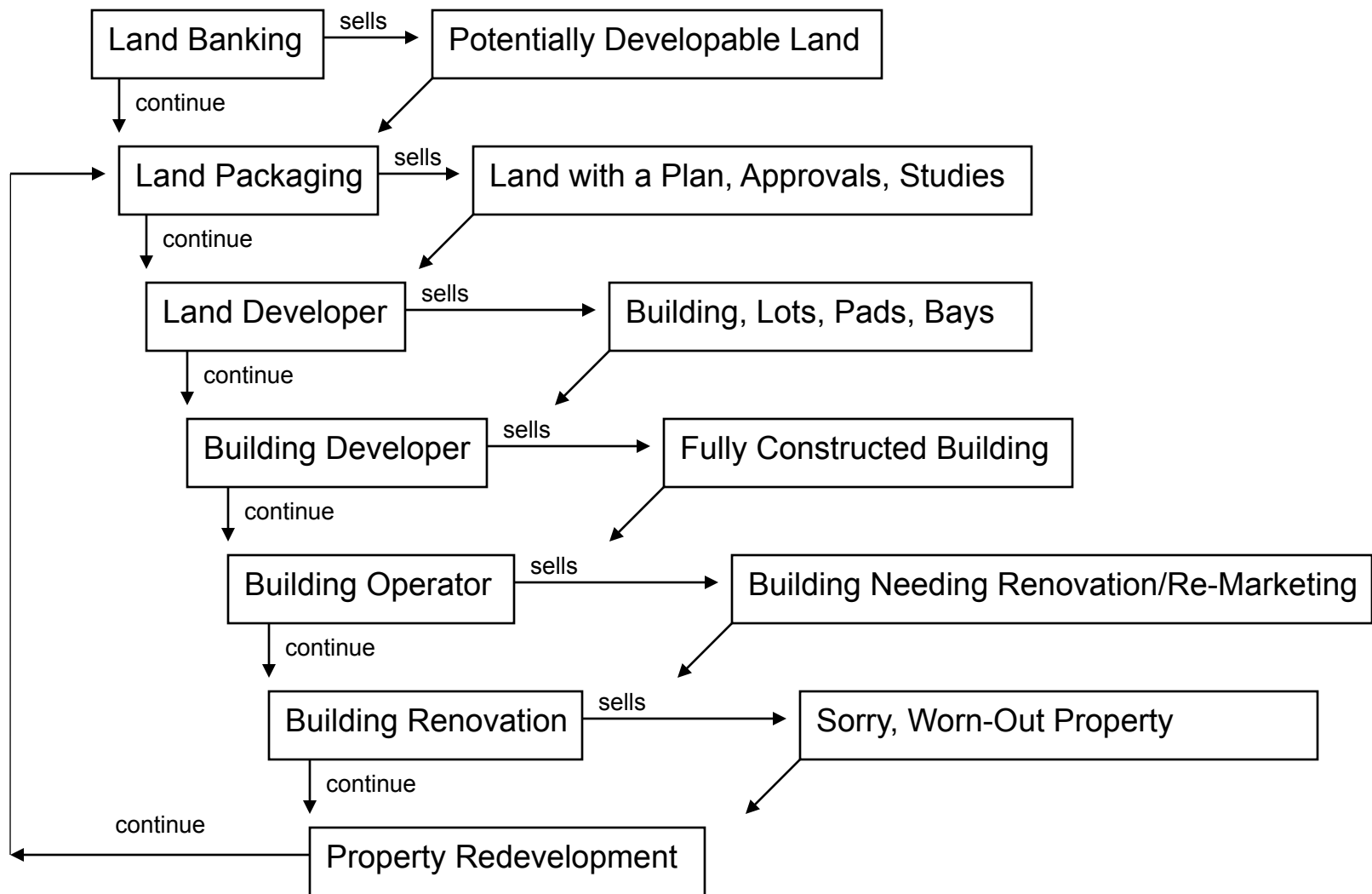
Real Estate Development Process

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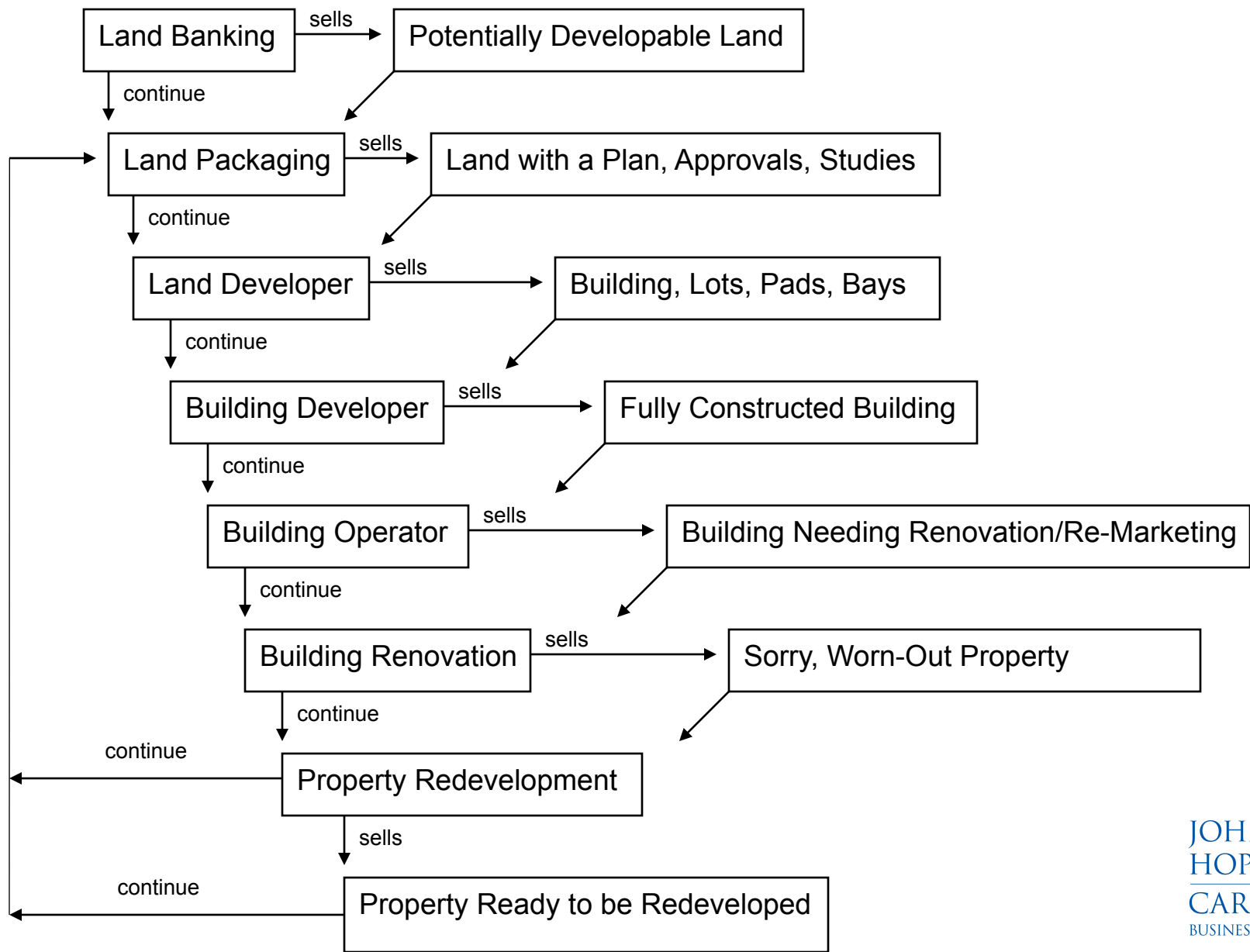
Real Estate Development Process

A Value Creation Process



Real Estate Development Process

A Value Creation Process



Stages of Development

In each stage, the Developer must answer the questions:

- 1) Can I do what's got to **BE DONE**?
- 2) Do I have the **SKILLS, RESOURCES, TIME, TEAM SUPPORT**?
- 3) Can I take the **RISK** of **FAILURE**?
- 4) Can I create **REAL VALUE**?

Tasks in the Real Estate Development Process

- I. Acquisition**
- II. Financing**
- III. Marketing**
- IV. Environmental**
- V. Approvals and Permits**
- VI. Physical Improvements**
- VII. Transportation and Accessibility**
- VIII. Sales and Dispositions**

Tasks of Development

I. Acquisition Tasks

- Feasibility
- Underwriting
- Contract
- Due Diligence
- Closing

Tasks of Development

II. Financing Tasks

- **Financial Projections**
- **Capital Formation and Accumulation**
- **Management and Reporting**

Tasks of Development

III. Market Studies & Marketing Strategies

- **Market Conditions**
- **Strategies**
- **Promotion / Advertising**

Tasks of Development

IV. Environmental Tasks

- **Phase I, II and III**
- **LEED**
- **Subsurface, Surface, and Atmospheric Conditions**
- **Cultural and Historic Conditions**

Tasks of Development

V. Approval and Permits

- **Federal**
- **State**
- **Regional**
- **Municipal**
- **Private**

Tasks of Development

VI. Improvements

- **Land Planning**
- **Architectural Design**
- **Engineering**
- **Construction**

Tasks of Development

- VII. Transportation and Accessibility**
 - **Location, Location, Location**
 - **Off-Site**
 - **On-Site**

Tasks of Development

VIII. Sales and Disposition Tasks

- **Seller Due Diligence**
- **Marketing**
- **Contract**
- **Development Agreements**
- **Closing**

Development Matrix

STAGES of Development [ACROSS]



Development Matrix

STAGES of Development [ACROSS]

1 2 3 4 5 6 7



I.
II.
III.
IV.
V.
VI.
VII.
VIII.

**TASKS of
Development
[DOWN]**

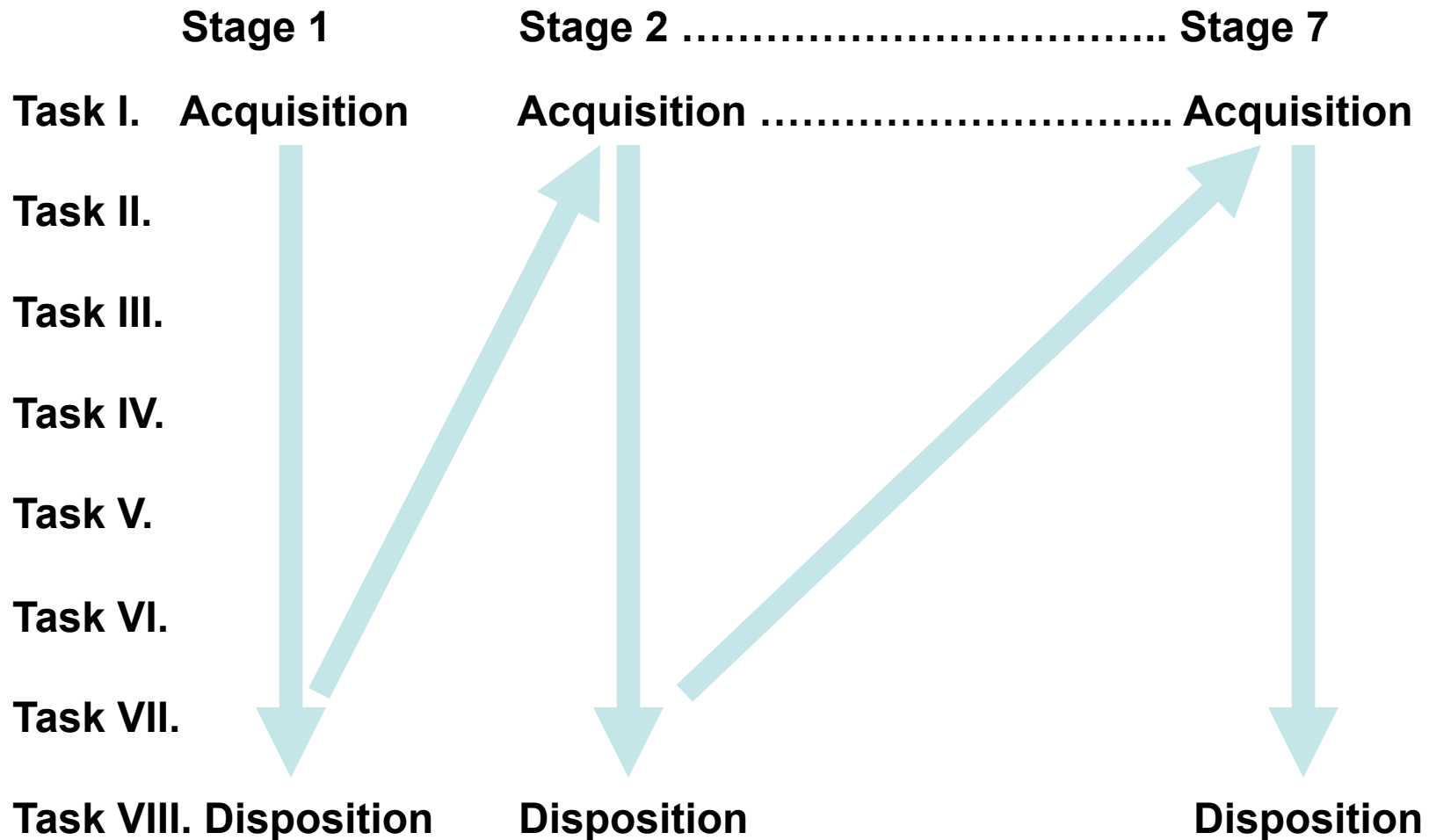


Stages of Development

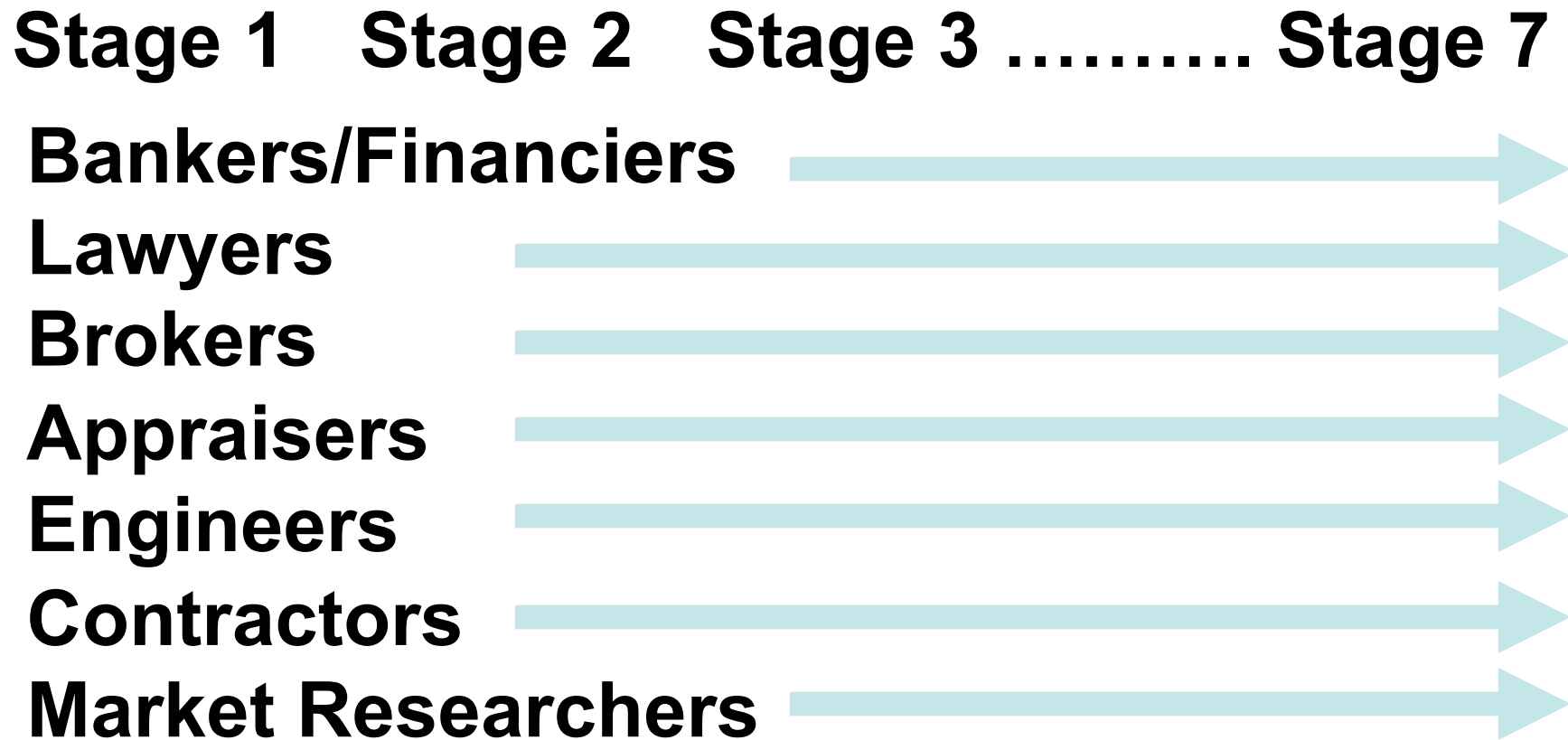
In each cell:

- Expenditures are made**
- Risks are taken**
- Value is created (or destroyed)**

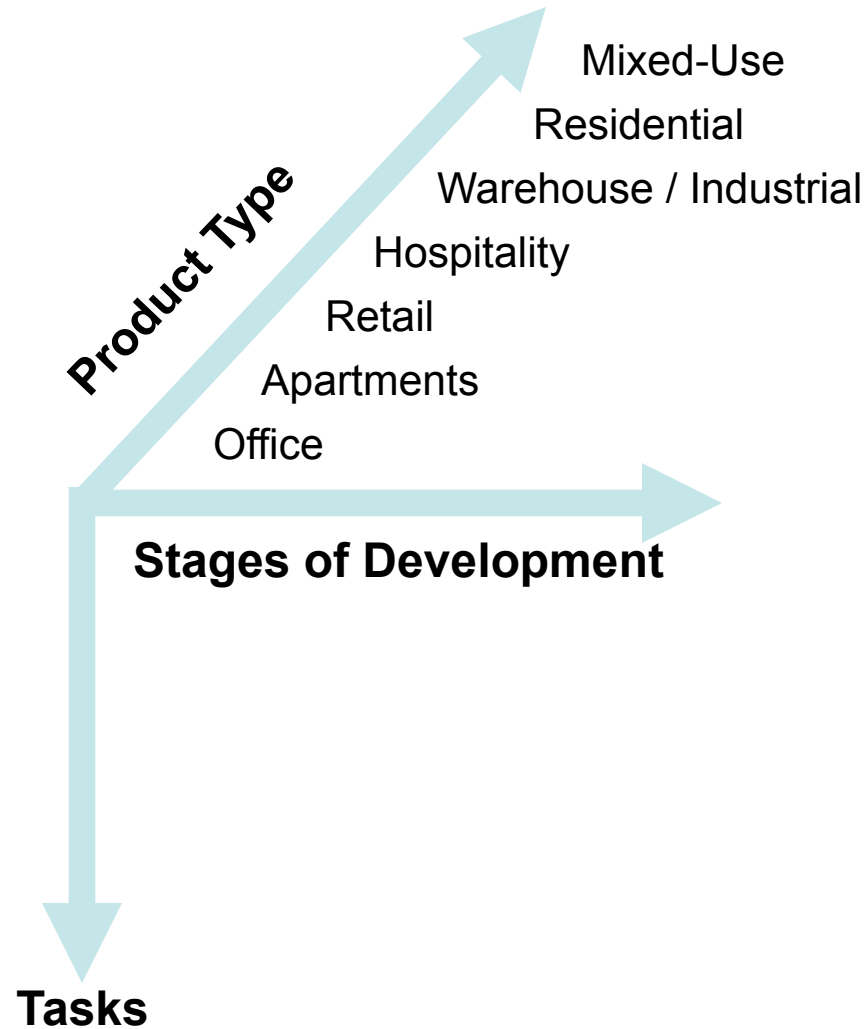
Development works **DOWN** the Matrix:



Real Estate Professionals work **ACROSS** the Matrix:



The Third Dimension



Next Steps

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Washington. DC

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