Financing New Urbanism Projects: Obstacles and Solutions

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Abstract

An analysis of survey results of interviews with twenty-three industry practitioners from the development and finance fields yields a number of important results regarding the financing of New Urbanist projects. First, these projects are perceived as more risky than the typical real estate project. The mixed use nature of the projects provides the foundation for that perception. Development of mixed uses is viewed as inherently more difficult to evaluate and to do well in practice. There is an added risk premium attached to mixed use projects that are New Urbanist in nature, but the perceived risk can vary substantially by the type of project. For urban fill-in projects where there is little doubt about the willingness to accept higher densities, the additional perceived risk of New Urbanism is low. For suburban projects where there is no consensus about the desire for greater density, the added risk premium is much larger. The investor and lender community is most hostile to Greenfield, New Urbanist developments. Many believe the up-front infrastructure costs are so high and the difficulty of making retail work in such environments are so problematic that they will not finance such deals.

The relatively high perceived risk for most New Urbanist projects imposes relatively high require rates of return on them. This, in turn, requires the projects to generate cash flows quickly in order for them to be financially attractive to investors. Financiers consequently favor larger, more experienced developers for mixed use projects in general and New Urbanist ones in particular, as careful phasing of development is necessary on larger projects especially. This implies that smaller New Urbanist developers should focus on smaller, less complex projects with a dominant property type.

Financing New Urbanism Projects: Obstacles and Solutions

Introduction

The Congress for New Urbanism commissioned the *Zell/Lurie Real Estate Center* at the Wharton School of the University of Pennsylvania to conduct research to determine if lending and investment practices make it especially difficult for New Urbanist (NU) developments to obtain funding. An extensive review of the literature concerning New Urbanist development was carried out. This literature review suggests that, while much is written about the concept of New Urbanism (also referred to as traditional neighborhood development, neotraditional development, and smart growth), there is very little written about the financing of these projects.[1] To garner a cross-section of opinion on the benefits and costs of financing NU projects, a survey of twenty-three leading developers, lenders and equity investors was conducted by telephone.[2] The list included, but was not restricted to, those who had experience with NU. The text of the survey is in the Appendix. While twenty-three data points are hardly sufficient to provide statistically significant validity to our conclusions, the survey did allow us to gain important insights into how financing practices and financing availability vary by type of lender/investor, by property and asset type, and by location (urban/suburban/infill/Greenfield). In addition, we reviewed how current policies and practices of Fannie Mae and Freddie Mac affect NU financing.

The main body of this paper reports and analyzes the responses to the telephone survey. The text centers on a series of questions affecting the financing of NU projects. More precisely, we inquired whether NU projects specifically, and mixed-use projects generally, are inherently more risky or costly. The answer is yes on both accounts – risk and cost – with higher risk having by far the more important impact on financing.

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[1] This review is available upon request

[2] Confidentiality was promised all survey participants. Hence, we do not provide a list. However, we can say that the participants included practitioners from both the development and financial sides of the market. On the financial side, both debt and equity providers were interviewed.

We then analyzed why NU projects are perceived as riskier, thereby requiring more expensive financing. It is noteworthy that financiers perceive the higher risk as arising from the mixed-use nature of the developments, not just from their NU features. Multiple uses add a layer of complexity that many financiers found difficult to evaluate for a variety of reasons. Increased uncertainty raises risk and required returns for investors and lenders. The risk associated with New Urbanism itself varies by the type of project. The added risk premium for urban in-fill NU developments can be quite small for projects where there is little doubt about the willingness of existing communities to accept high densities. The perceived risk of suburban NU developments, however, is greater, and it is the highest for suburban greenfield projects. In sum, the mixed-use nature of the projects serves as the foundation of perceived risk, with risk premiums of varying sizes being added for different locations and types of NU developments.

As is discussed more fully below, higher perceived risks lead to higher required rates of return, which puts intense pressure on NU developments to generate cash flow quickly. This is difficult to do in large, complex mixed-use deals, and unless there is an extremely patient financing source, such as a pension fund or endowment, this can be a major problem. And, unless the very nature of traditional bank lenders, opportunity funds, or other investors in the capital markets changes, the problem is not likely to go away unless perceived risk falls.

The higher perceived risk of NU projects has other important implications for NU developers. Because the higher required rates of return necessitate quick cash flow generation, carefully planned phasing is needed, especially on larger, more complex projects. For this and other reasons, the financiers we interviewed strongly favored large, experienced development firms for such projects. They believed there was better management quality – both financially and at the project level – in such firms. The general opinion was that smaller and less experienced developers should work on smaller, less complex projects.

We also focus on the differences in financing NU on suburban greenfield sites versus urban in-fill sites. Here the lender/investor community was adamant that suburban greenfield sites

were much more risky – so much so that many would not even consider investing in them. The difficulties of dealing with large up-front infrastructure costs and with making retail work in projects without an established population base were mentioned repeatedly. Since sufficiently positive cash flows cannot be generated fast enough, given the high required rates of return noted above, for these lenders/investors such projects are non-viable. The hostility of many private sector capital sources to suburban greenfield NU projects suggests that the future of these developments may lie in some type of intervention from the public sector (i.e., via some type of guarantee or credit enhancement). Obviously, any sound economic argument for such public sector intervention will have to rest on a social benefit to these projects not obtained via standard suburban development.

Finally, we delve into the impact of entitlements on the financing environment. While virtually everyone whom we interviewed noted that proper entitlements were necessary to obtain financial commitments, the general feeling was that NU developments were not more difficult to entitle than other projects. Some interviewees even felt that entitlement for urban in-fill sites was easier if mixed-use was involved. The primary exception to this view came from several California developers, who noted that communities often resisted relatively high density development if none already existed in the area.

II. Major Issues and Findings

1. The Relative Cost and Riskiness of New Urbanist Projects

The majority of developers, lenders, and investors interviewed were familiar with NU concepts and projects. There was near unanimous agreement that NU projects were more costly than single-purpose or single-project type developments (scale-adjusted, of course). Building at a higher density is itself more costly. While there can be savings associated with some NU features, such as smaller lots, the presence of multiple project types, or multiple types of a given product (e.g., single-family houses and rowhouses) means that the scale economies associated with mass-

producing a commodity often cannot be realized. A number of developers also noted that the non-standard nature of many mixed-use developments means that well-known engineering practices utilized in, say, suburban tract housing, could not be applied. Greenfield developments also are considered more expensive since the infrastructure investment required by NU projects (e.g. rear lanes) is more elaborate than that associated with standard platt housing on the urban fringe. Nevertheless, few interviewees believed the extra costs associated with NU to be much above ten percent of overall project value, with some believing them to be under ten percent. In addition, neither equity investors or lenders perceive this to be a major obstacle to the financing of well-conceived NU projects.

Much more important for the availability and cost of financing for NU projects is their higher perceived risk. The lender/investor interviewees were unanimous, with the developers generally agreeing, that the complexity of developing and meshing mixed uses raises the risk level. We note that this risk factor is due to the mixed uses involved, not to the NU nature of the projects *per se*. Complexity generally raises, risk, not just in real estate development. Complexity also tends to make each project relatively unique, and lenders and investors generally attach significant return premia to non-standard investments. Many financiers also emphasized that it is difficult to predict accurately the demand for projects with multiple property types – whether there are New Urbanist features involved or not. In addition, the fact is that most developers typically specialize in one product type. Large NU projects require superior management skills across a range of project types, to properly phase the development of mixed uses so as to coordinate cash inflows to satisfy lenders and equity investors. Small and inexperienced developers, in particular, tend to lack this skill set.

Beyond the higher perceived risk of mixed-use development in general, there are additional risk premia specifically associated with NU projects. One is a result of concern about the depth of market demand for the NU product. This fear is least strong for urban in-fill developments, as there is much less doubt about the willingness of urbanites to accept higher

densities and mixed uses. This is not the case in the suburbs, however, where doubts about higher densities (combined with NIMBY problems) raise perceived risks of NU developments. These risks are felt to be greatest for Greenfield projects, although other factors such as high up-front infrastructure costs and the ability of town center retail to compete against nearby strip centers also influence perceived risk.

In sum, the foundation of perceived risk arises from the mixed-use nature of NU projects, with varying risk premia added on for different types of NU developments. There was no financier, whether on the debt or equity side, who thought these projects on average should have a required rate of return of less than 15 percent. Simpler, urban in-fill sites with a predominant use might have a lesser required rate of return; suburban projects would require a higher rate of return. We emphasize that these returns are for deals with modest amounts of leverage. *In sum, it is the high required rate of return, not higher project costs per se, that most affects the nature and availability of financing for NU projects.*

2. *The Difficulty of Financing NU Projects*

It is the very complexity of NU projects that makes evaluation for lenders difficult. Oru survey indicates that some lenders will finance the entirety of a mixed-use project, whether NU in nature or not. The majority of lenders and investors interviewed noted that their policy was to pro forma each property type separately, evaluating the overall project as a weighted average of the individual property types. One reason they did this was because they viewed their collateral as the component parts of the project, which could be sold off separately in the event of a default and foreclosure. In other words, individual property type evaluations are important to them for fundamental business reasons. In addition, lenders and investors generally were skeptical that the typical developer was adept at building more than one property type. Lenders noted that there were relatively few developers with successful track records of mixed-use projects. This, too, makes lenders scrutinize each property type

carefully. Finally, financiers tend to be more comfortable lending against tor investing in one project type (per deal). The process of evaluation by property type does not necessarily mean that a NU project will have multiple financing sources, although that is what happens in amny cases. In sum, it was felt that overall evaluation costs are generally higher for NU deals, but only by a modest amount compared to overall project value.

The real onerousness of the financing environment for NU developers arises from the higher perceived risk associated with mixed-use projects in general, and with the newness of the NU concept in particular. Stated differently, it is higher required rates of return (or discount rates) that are the important factors. Higher discount rates effectively put a very high discount rate on future period cash flows. For example, a standard discounted cash flow calculation indicates that, with a required discount rate of 18 percent, the present value of a dollar five years from now is only 44 cents; the present value of a dollar ten years from now is only 19 cents. High discount rates mean that cash flow in the longer-term future has little value of the typical lender or investor. Unless the project can generate sufficiently high cash flows in the early years it will not be perceived as financially viable. That is why, since the gestation period of large NU projects is mid- or long-term, many capital market participants will not finance them, or will finance them only if they are assured that carefully planned phasing of the development will generate cash early in the project life.

This need for good financial as well as project-level planning led several interviewees, lenders as well as developers, to suggest that the complexity of large mixed-use projects, including NU projects, was best handled by correspondingly large organizations. Large organizations have broader resources with respect to management, easier access to capital, and are more likely to be able to handle the complexities of developing projects with multiple uses. In other words, large organizations lower the risk perceived by lenders. Conversely, the financial community believes that smaller, and less experienced NU developers should work on smaller, simpler projects.

Our interviews indicate that a difference in return requirements, not a difference in project evaluation methodologies, is the most important way in which lenders differ in terms of financing NU projects. Banks, investment banks, and opportunity funds tend to have short-term investment horizons and impose relatively high rates of return on NU projects, with investment banks and opportunity funds tending to have the highest return requirements. With an internal rate of return hurdle in the high teens, the discounted cash flow approach used by these financiers means they are likely to be interested only in projects with relatively short payoff periods.

On the other hand, some pension funds and endowments, along with certain corporations, have lower return requirements. There are a variety of reasons for this. Some corporations, including a few real estate investment trusts (REITs), have access to their own balance sheet to finance longer-term projects, some of them NU in nature.[3] Pension and endowment funds often have fairly well-known liability streams of long duration that they need to match with cash flows from assets. Longer-term real estate investments, possibly in NU projects, can provide those cash flows. In return, the fund may be willing to trade-off a lower required return – making the longer-term project appear more financially viable to them for the reason discussed above. In addition, the long investment horizon of pension and endowment funds may lead them to have different (lower, in this case) return requirements in general. This, too, may make them more amenable to taking positions in the back end of long-term deals. A few developers have already discovered this, as is discussed more fully below.

3. *Greenfield vs. In-Fill Projects*

One of the striking conclusions from our survey is the very different attitudes of both debt and equity financiers towards Greenfield versus in-fill projects (whether urban or suburban). As noted above, NU developments in in-fill areas are viewed as relatively risky, but there is a

general opinion that well-done, mixed-use development can be profitable if a) the payback period is short enough, b) the site is acquired at below replacement cost, and/or c) the project is focused on a dominant product type that the financier understands well. Financing is relatively expensive, but there are dedicated capital sources for such projects. And, urban in-fill projects bear the lowest risk premia of any type of NU development.

Financing for greenfield NU developments is another case entirely. Basically, the lender and equity investor community views the history of such projects unfavorably and strongly believes such deals are not financially viable for anyone without a corporate balance sheet to lean on (the Walt Disney Company's development of Celebration was frequently cited as an example). The financial community is particularly skeptical that town center retail can be made to work in such settings. They claim that successful retail must serve a market area much broader than a subdivision or small town. Competing with low-cost suburban strip retail struck many respondents as highly risky, if not impossible. The retail issue aside, the vast majority believed the carry cost associated with up-front infrastructure investment to be so large as to make the projects non-viable for all but large companies with access to internal capital. That is, if one had to put in a town center early, the subsidy required would kill the deal from their perspective. While some developers optimistically compared the up-front cost of a town center to traditional subsidized community amenities such as golf courses and club houses, there was general skepticism about extended subsidies to retail or commercial uses.

The unanimity and forcefulness with which these opinions are held by the capital market sources we interviewed leads us to question the viability of future private sector financing for suburban greenfield NU projects. If our conclusion is accurate, then for such projects to be done in even moderately large numbers some type of public sector intervention will be required. This might take the form of partial financial guarantees or credit enhancements. A sound economic rationale for any such intervention and for the use of governmental resource

[3] This is done by a select group of firms including Federal Realty Trust and Forrest City.

requires that NU projects deliver a social benefit that does not arise from, say, the typical master-planned community. Such a benefit might take the form of lower pollution, for example, as a result of higher density and greater opportunities for walking. We do not know whether such a benefit exists, as its documentation is well beyond the financial focus of this report. Our point is to emphasize that the justification for such a policy does not involve finance *per se*, and that the CNU should consider conducting other research if it wishes to influence public policy in this area.

4. *The Issue of Entitlements*

All parties, developers and capital sources, agreed that projects needed to be fully entitled for firm financial commitments to be made. However, since this is also true for non-NU projects, the real issue is whether the entitlement process is more burdensome for NU projects. The general feeling among developers was that it was not. They felt that many communities, particularly those with professional planning staffs, increasingly appreciated the benefits of mixed uses and were forthcoming with entitlements on good projects, including NU projects. The only exceptions to this were a few comments that some communities without existing high density development would fight hard against density, dramatically slowing the approval process. While this may be a problem for NU developments in traditional suburban areas, there is no evidence that it is an obstacle in urban in-fill areas, nor on the urban fringe. In sum, the survey results indicated that NU projects were not more burdened by the entitlement process than non-NU projects, with some respondents believing that NU projects were actually looked upon in an increasingly favorable light by certain communities.

5. *The Role of Fannie Mae and the Secondary Market Agencies*

The Federal National Mortgage Association (Fannie Mae) is by far the largest purchaser and securitizer of single-family mortgage product in the nation (and the world), followed by the

Federal Home Loan Mortgage Corporation (Freddie Mac). The added liquidity these secondary market agencies provide, and lower interest rates associated with that liquidity, have been studied by a number of scholars, government agencies, and housing industry associations. This research suggests that conventional mortgage interest rates are from 25-40 points lower than those on non-conforming loans because of the liquidity provided by Fannie Mae and Freddie Mac in the conforming loan markets. Unfortunately, for NU developers, neither Fannie Mae or Freddie Mac currently play a significant role in the financing or securitization of mortgage debt on NU projects; nor, in our opinion, are they likely to in the near future.

Both Fannie Mae and Freddie Mac place limits on the fraction of space and rents that can arise from non-residential property types (i.e., commercial, retail) in the projects that they fund. For example, to be eligible for Freddie Mac's Multifamily Streamlined Refinance Program, a project cannot have non-residential rents exceeding 25 percent of effective gross revenue or have non-residential tenants occupying more than 25 percent of the square footage of the improvements. Fannie Mae's limits on non-residential activity area even more stringent. For example, according to materials provided by Fannie Mae's Multifamily Management Team, there is a 20 percent limit on non-residential square footage for all product types (including negotiated transactions). Fannie Mae also has restrictions on the fraction of project income that may arise from non-residential rents.

The chief reason for Fannie Mae's restrictions is the agency's charter, which commits it to a focus on the residential sector. Fannie Mae has interpreted that charter to mean that mixed-use projects with substantial non-residential components are not legitimate business targets. This effectively excludes most NU projects.

In fact, Fannie Mae's charter actually is silent on precise limitations, so the percentages noted above were presumably set by the agency's senior management. While we were not able to elicit any specific comment about this from Fannie Mae officials, we do not think it is

particularly difficult to understand their reasoning. While wielding substantial political power in its own right, the agency is under increasing pressure from Wall Street firms and mortgage servicing firms not to increase its scope of activities and encroach on other players in the residential sector. This year saw the creation of a reasonably well-funded watchdog group of private sector firms to monitor the situation. Given the relatively small number of NU projects, and the fact that retail and office developments obviously are not housing – even if done in conjunction with housing – it probably is not worth the added political risk for Fannie Mae to be more venturesome in this area. Any payoff from funding mixed-use or NU projects is highly unlikely to outweigh the political (and possibly financial) costs associated with the complaints that certainly would arise from Wall Street and insurance company originators and securitizers of commercial mortgages.

Many Wall Street bankers and investors strongly believe that negative political fallout is a key reasons why the government, or a Government Sponsored Enterprise (GSE), has not ventured farther into the commercial mortgage area, except in the case of the Resolution Trust Corporation (RTC). However it is important to understand that the reason for government intervention in the RTC case was to deal with an increase in systemic financial risk, not to aid the real estate industry or Wall Street *per se* (although both did benefit). While it may be politically acceptable, even popular, to have a GSE effectively guarantee against home owner default risk, it is another matter entirely to guarantee against an individual commercial developer's default risk. If effective subsidies went to private developers, this would probably be viewed as politically unacceptable by the typical taxpayer or voter.

While Fannie Mae has funded a small number of NU projects with overwhelming housing components (including two developed by people we interviewed), even if the agency entered more actively the arena, we suspect they would not view the risks differently from those described in previous sections. That is, relatively high interest rates would be charged to compensate for the relatively high risks of mixed-use projects generally and NU projects

specifically. Thus, it strikes us as highly unlikely that the government or a GSE will play a major role in this arena.

6. Strategies for Dealing with the Onerous Financing Environment

It is worth reemphasizing that the cause of the onerous financing environment faced by NU developers arises primarily from the higher perceived risk associated with mixed-uses generally and with the NU concept specifically. A clear grasp of this proposition is necessary to understand and inform possible solutions to the problem. One solution would be for financiers to change their approach to project evaluation. No doubt, the discounted present value approach, which forces relatively rapid payback on high perceived risk projects, is conservative. Yet is undoubtedly socially beneficial for banking institutions with federal or state deposit insurance to adopt conservative evaluation practices so that government bail-out costs are minimized.[4] Even absent deposit insurance, the adoption in recent years of the discounted cash flow methodology, which is taught throughout the business and economics community, reflects sound financial economics. And, the simple fact that this approach to project evaluation is highly unlikely to change in the near future, means that the issue almost certainly needs to be dealt with in another manner.

One way in which NU developers could ease their financing burden is by working harder at creating relationships with capital market players, such as pension funds and endowments, that have different return requirements for their real estate investments. For example, a pension fund with a relatively well-known liability stream based on the age of its beneficiaries may see greater benefit in a long term real estate project because it provides a good duration match to its long term liability stream. The same could apply to an endowment fund that wishes to pay out a certain level of benefits over a number of years. Only a handful

[4] Witness what happened when more entrepreneurial, higher risk-taking managers took over the Savings & Loans.

of the NU developers interviewed had developed such relationships, one in particular using a concept he termed "time tranching." The idea is to have the most patient capital source (an endowment fund in this case) have a large stake in the back end value of the deal, with other investors/lenders having higher required returns receiving the bulk of the early period returns. While this strikes us as a useful strategy that should be investigated by other NU developers, the number of pension and endowment funds is a small fraction of total possible capital sources. Hence, the number of patient capital sources available to wait for the value in long-term projects is limited.

Accommodating capital sources with different investment horizons and return requirements also suggests that NU developers should give heightened attention to the details of how they phase in the various mixed uses in their projects. Careful structuring and cash flow management is needed on the developer side so that some component of the development is generating cash flow quickly. Even if a pension or endowment fund is willing to take most of its return in terms of longer term capital appreciation, the shorter-term needs of other capital sources must be accounted for – unless the patient capital is willing to finance the entire deal (which very rarely happens, according to our survey).

The need to deal with the possibly different investment horizons and return requirements of different financiers means that NU projects are probably more likely to have multiple financiers, independent of lender/investor concerns about underwriting multiple property types. This need not be more expensive than having a single financing source. The average weighted cost of "time tranching," for example, could easily be lower than financing with a single source. As one capital markets interviewee noted, this concept is very familiar to investment banks in terms of how they finance securities issues.

Finally, more and better historical data will help the financial community understand and better evaluate NU projects. It is important that such data be collected on a systematic basis. Lenders and investors already know the typical performance of standard ULI project types.

The Congress for a New Urbanism should endeavor to make this so for NU projects. If NU developments do make money, documenting the fact will lower the risk premia financiers presently attach to the product type.

The NU concept is still so novel that we really do not know the true returns on these projects over multiple real estate cycles. The relatively high risk associated with NU largely is a perceived risk that may be reduced with time, as NU becomes more widely practiced. In the meantime, only hard data documenting returns over the full cycle will convince skeptical lenders. One drawback is that many NU projects, which are relatively new, will not have data spanning a full real estate cycle. To help deal with this issue, the CNU should consider a data collection and analysis project involving the mixed-used developments of various parts of the nation's towns and cities that are conceptually similar to NU and began in the early 1900s. This might yield useful information on long-run economic performance over at least one full real estate cycle and could help investors and lenders more accurately gauge the real risk of this type of project.

The need for data collection and analysis is reinforced by the fact that we found no capital market source inherently hostile to the concept of New Urbanism.[5] "If it works, we'll finance it," is the general attitude. If NU projects can be shown to be less risky than currently thought, and if successful strategies for assuring short-term cash flow are in place, lenders will compete with one another and interest rates on loans and required rates of return on invested equity for NU developments can both be expect to fall.

[5] This statement applies to the totality of NU developments which include in-fill sites. As is discussed above, there is widespread wariness with respect to greenfield NU projects.

APPENDIX
FINANCING NEW URBANISM
Questionnaire
The Zell/Lurie Real Estate Center at Wharton

The Congress for the New Urbanism has commissioned the Zell/Lurie Real Estate Center at Wharton to conduct a research study to determine if lending and investment practices make it difficult for New Urbanism developments to obtain funding. We are especially interested in whether lending practices vary by geography, asset type, and type of financial institution.

New Urbanism (NU), and associated practices such as traditional neighborhood development (TND), neotraditional development, Smart Growth, and walkable communities, refers to residential developments that are planned to be compact, diverse, mixed-use neighborhoods, appropriately scaled for pedestrians, and including many of the activities of daily living within walking distance of homes.

QUESTIONS

1. Have you read about, visited, developed, or funded a project with New Urbanism characteristics?

2. How would you rate your level of experience with such projects on a scale of 1-5, with a 1 indicating no experience and a 5 indicating a high level of experience?

The following two questions pose hypothetical mixed-use developments and ask you to evaluate financing risks.

3. A developer with a greenfield site seeks to create a mixed-use neighborhood that includes a retail core, office space, higher-density rental housing, and mixed density ownership housing.
    a. Based on your experience or knowledge, how much more difficult is it for the developer to arrange financing because of the mixed-use character of the project? For example, will the developer face four different reviews for each property type and four different evaluations of risk, the sum of which may be greater than the whole?
    b. Would you fund or invest in the entire deal? Would you be more likely to take on one piece of the deal?
    c. In your experience, would such a project have higher up-front costs, reducing returns and justifying different investment standards? Would such a project be riskier, because untested in the marketplace?
    d. In your experience, would entitlements likely be an obstacle?

4. A developer with an infill site seeks to develop a mixed-use building with for-sale condominiums over retail shops within an existing mixed-use neighborhood.
    a. Based on your experience or knowledge, how much more difficult is it for the developer to arrange financing because of the mixed-use character of the building? For example, will the developer face two different reviews for each property type and two different evaluations of risk, the sum of which may be greater than the whole?

b. Would you fund or invest in the entire deal? Would you be more likely to take on one piece of the deal?
c. In your experience, would such a project have higher up-front costs, reducing returns and justifying different investment standards?
d. Would such a project be riskier, because untested in the marketplace?
e. Would entitlements be an obstacle?

5. How can the financing process work better for such projects?
    a. What can developers do to improve the process?
    b. What can the lending/investment community do to improve the process?

Please identify yourself. Individual information and responses will be kept strictly confidential.

Name: ______________________________ Company: ____________________________