

# Phases of Real Estate Development

	CONCEPT	ACQUISITION	FUNDING	DESIGN/ PERMITTING	FINANCIAL CLOSING/ CONSTRUCTION	LEASE UP AND OPERATIONS
<b>Duration</b>	3 mos-1 year	3 mos- 1 year	3mos-1 year	1- 2 years	1-2 years	6 months (Lease Up) and beyond (long term ops)
<b>Description</b>	Early Stage of development project formulation	Identification and due diligence of development site, may lead to acquisition	Identification and application for project funding and financing	Detailed design development for project and preparation of construction budget for permit submission	Construction (or renovation) of building through opening for program/housing provision	Lease up of the building for first tenants as construction reaches completion. Typically begins 1-2 months before construction completes. Property management team prepares for opening and operations.
<b>Activities</b>	Program and design visioning, site identification, early due diligence	Broker engagement, Zoning analysis, design test fit (early), legal review, Environmental and land survey, LOI and PSA	Early Design development, procurement of architectural and general contractor teams, application development and submission	Engagement with architect, consultants and general contractor for design development and detailed construction budget preparation.	Construction and project draws, construction meetings, site inspections and completion walks, preparation for building opening with program and staffing teams, grand opening event.	Property Management team uses Tenant Selection Marketing plans to open up waiting list and accept applications for the building. Building is staffed with property management and resident services team.
<b>Funding Needs</b>	Predevelopment funds for payment of consultants	Consultant fees, legal fees, Earnest deposit and acquisition financing (loan, grant, or cash)	Design development, procurement of architectural and general contractor teams, application development and submission	Predevelopment funds for payment of consultants	Construction payment and consultant fees through construction	Lease up budget is often included in the development budget for the project to cover expenses for this phase.
<b>Revenue</b>	N/A	N/A	N/A	N/A	At Financial Closing: Reimbursement for predevelopment expenses and acquisition, first milestone developer fees paid; Additional milestone developer fees paid (through project lease up and stabilization)	Rental revenue and operating subsidies (such as Metro Supportive Housing Subsidies) provide income for property operations and resident services staff.