

**162 Unit Development - Build Today - Base Case - 25% Affordable**

<u>Development Costs</u>		<u>/ Unit</u>	<u>Assumption</u>	<u>Net Operating Income</u>		<u>/ Unit</u>
<b>Land Acquisition Costs</b>				Revenue - MR Units (75%)	5,882,243	48,215 (adjusted)
Land Purchase	16,775,662	103,553	Actual Assessment	Revenue - 55% AMI Units (15%)	337,044	14,044 (adjusted)
<b>Total Acquisition Costs</b>	<b>16,775,662</b>	<b>103,553</b>		Revenue - 100% AMI Units (10%)	418,656	26,166 (adjusted)
<b>Construction Costs</b>				Vacancy	(331,897)	(2,049) 5.00%
Construction Costs	68,040,000	420,000	Estimate	Revenue - Parking, Recoveries, Other	437,471	2,700
FF&E	406,753	2,511	Actual	<b>Total Revenue</b>	<b>6,743,516</b>	41,627
<b>Total Construction</b>	<b>68,446,753</b>	<b>422,511</b>		Operating Expense - General	(1,547,548)	(9,553)
<b>Soft Costs</b>				Property Taxes	(1,243,386)	(7,675)
A&E	2,736,764	16,894	Actual	Insurance	(171,288)	(1,057)
Permits & Fees	3,232,328	19,953	Actual + 2.5%	<b>Total Operating Expense</b>	<b>(2,962,222)</b>	<b>(18,285)</b>
Transfer Development Rights (TDRs)	952,588	5,880	Actual	<b>NET OPERATING INCOME</b>	<b>3,781,295</b>	23,341
Project Management	493,787	3,048	Actual	<b>Property Tax Assessment</b>		
Property Taxes During Construction	570,396	3,521	Estimate (Land + Escape)	NOI (No Property Taxes)	5,024,680	
Insurance	2,295,712	14,171	Actual - Adjstd for Construction Costs	Cap Rate	4.000%	
Marketing / Leasing / Operating Deficit	2,414,149	14,902	Actual	Add Millage	1.179%	
Legal / Professional / Finance	2,002,638	12,362	Actual	Effective Cap Rate	5.179%	
G&A and Organization	151,175	933	Actual	Assessed Value - Before Land Adjustment	97,016,536	
Development Fee	2,721,600	16,800	4.0% of Construction Costs	Less: Land in capitalized value @ \$140K / dc	(22,680,000)	
Interest Expense - Development Period	2,649,599	16,356	Estimate - 20 mo constr/6 mo lease	Add: Actual Land Assesment	16,775,662	
<b>Total Other Non-Construction Costs</b>	<b>20,220,736</b>	<b>124,819</b>		<b>Value - Income Approach</b>	<b>91,112,198</b>	
<b>TOTAL DEVELOPMENT COSTS</b>	<b>105,443,152</b>	<b>650,884</b>		<b>Value - Cost Approach</b>	<b>105,443,152</b>	
<b>Capital Requirement</b>				<b>Assessment - Greater of Approaches</b>	<b>105,443,152</b>	650,884
Debt Available (Traditional Financing)	48,915,674		5.0% -- 10/30 Year -- 1.2 DSCR	<b>Annual Property Tax Expense</b>	<b>1,243,386</b>	
Equity Requirement	56,527,478			<b>Project Returns</b>		
<b>Total Capital</b>	<b>105,443,152</b>			Net Operating Income	3,781,295	
				Total Project Cost	105,443,152	
				<b>Build to Cap Rate / Return on Cost</b>	<b>3.59%</b>	
				Net Operating Income	3,781,295	
				Debt Service	(3,151,079)	
				Cash Flow	630,216	
				Equity Requirement	56,527,478	
				<b>Equity Yield</b>	<b>1.11%</b>	

**162 Unit Development - Build Today - Free Land - 25% Affordable**

<u>Development Costs</u>		<u>/ Unit</u>	<u>Assumption</u>
<b>Land Acquisition Costs</b>			
Land Purchase	-	-	Actual Assessment
<b>Total Acquisition Costs</b>	<b>-</b>	<b>-</b>	
<b>Construction Costs</b>			
Construction Costs	68,040,000	420,000	Estimate
FF&E	406,753	2,511	Actual
<b>Total Construction</b>	<b>68,446,753</b>	<b>422,511</b>	
<b>Soft Costs</b>			
A&E	2,736,764	16,894	Actual
Permits & Fees	3,232,328	19,953	Actual + 2.5%
Transfer Development Rights (TDRs)	952,588	5,880	Actual
Project Management	493,787	3,048	Actual
Property Taxes During Construction	240,698	1,486	Estimate (Land + Escape)
Insurance	2,295,712	14,171	Actual - Adjstd for Construction Costs
Marketing / Leasing / Operating Deficit	2,414,149	14,902	Actual
Legal / Professional / Finance	2,002,638	12,362	Actual
G&A and Organization	151,175	933	Actual
Development Fee	2,721,600	16,800	4.0% of Construction Costs
Interest Expense - Development Period	2,789,779	17,221	Estimate - 20 mo constr/6 mo lease
<b>Total Other Non-Construction Costs</b>	<b>20,031,218</b>	<b>123,649</b>	
<b>TOTAL DEVELOPMENT COSTS</b>	<b>88,477,972</b>	<b>546,160</b>	
<b>Capital Requirement</b>			
Debt Available (Traditional Financing)	51,503,610		5.0% -- 10/30 Year -- 1.2 DSCR
Equity Requirement	36,974,362		
<b>Total Capital</b>	<b>88,477,972</b>		

<u>Net Operating Income</u>		<u>/ Unit</u>
Revenue - MR Units (75%)	5,882,243	48,215 (adjusted)
Revenue - 55% AMI Units (15%)	337,044	14,044 (adjusted)
Revenue - 100% AMI Units (10%)	418,656	26,166 (adjusted)
Vacancy	(331,897)	(2,049) 5.00%
Revenue - Parking, Recoveries, Other	437,471	2,700
<b>Total Revenue</b>	<b>6,743,516</b>	<b>41,627</b>
Operating Expense - General	(1,547,548)	(9,553)
Property Taxes	(1,043,332)	(6,440)
Insurance	(171,288)	(1,057)
<b>Total Operating Expense</b>	<b>(2,762,168)</b>	<b>(17,050)</b>
<b>NET OPERATING INCOME</b>	<b>3,981,348</b>	<b>24,576</b>

<u>Property Tax Assessment</u>		
NOI (No Property Taxes)	5,024,680	
Cap Rate	4.000%	
Add Millage	1.179%	
Effective Cap Rate	5.179%	
Assessed Value - Before Land Adjustment	97,016,536	
Less: Land in capitlized value @ \$140K / dc	(22,680,000)	
Add: Actual Land Assesment	-	
<b>Value - Income Approach</b>	<b>74,336,536</b>	
<b>Value - Cost Approach</b>	<b>88,477,972</b>	
<b>Assessment - Greater of Approaches</b>	<b>88,477,972</b>	546,160
<b>Annual Property Tax Expense</b>	<b>1,043,332</b>	

<u>Project Returns</u>		
Net Operating Income	3,981,348	
Total Project Cost	88,477,972	
<b>Build to Cap Rate / Return on Cost</b>	<b>4.50%</b>	
Net Operating Income	3,981,348	
Debt Service	(3,317,790)	
Cash Flow	663,558	
Equity Requirement	36,974,362	
<b>Equity Yield</b>	<b>1.79%</b>	

**162 Unit Development - Build Today - Subsidy Required for 5.5% Return**

<u>Development Costs</u>		<u>/ Unit</u>	<u>Assumption</u>
<b>Land Acquisition Costs</b>			
Land Purchase	16,775,662	103,553	Actual Assessment
<b>Total Acquisition Costs</b>	<b>16,775,662</b>	<b>103,553</b>	
<b>Construction Costs</b>			
Construction Costs	68,040,000	420,000	Estimate
FF&E	406,753	2,511	Actual
<b>Total Construction</b>	<b>68,446,753</b>	<b>422,511</b>	
<b>Soft Costs</b>			
A&E	2,736,764	16,894	Actual
Permits & Fees	3,232,328	19,953	Actual + 2.5%
Transfer Development Rights (TDRs)	952,588	5,880	Actual
Project Management	493,787	3,048	Actual
Property Taxes During Construction	570,396	3,521	Estimate (Land + Escape)
Insurance	2,295,712	14,171	Actual - Adjstd for Construction Costs
Marketing / Leasing / Operating Deficit	2,414,149	14,902	Actual
Legal / Professional / Finance	2,002,638	12,362	Actual
G&A and Organization	151,175	933	Actual
Development Fee	2,721,600	16,800	4.0% of Construction Costs
Interest Expense - Development Period	2,649,599	16,356	Estimate - 20 mo constr/6 mo lease
Affordable Housing Subsidy	-	-	
<b>Total Other Non-Construction Costs</b>	<b>20,220,736</b>	<b>124,819</b>	
<b>TOTAL DEVELOPMENT COSTS</b>	<b>105,443,152</b>	<b>650,884</b>	
<b>Capital Requirement</b>			
Debt Available (Traditional Financing)	48,915,674	301,949	5.0% -- 10/30 Year -- 1.2 DSCR
Affordable Housing Credit / Subsidy	36,700,000	226,543	
Equity Requirement	19,827,478	122,392	
<b>Total Capital</b>	<b>105,443,152</b>	<b>650,884</b>	

<u>Net Operating Income</u>		<u>/ Unit</u>
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Revenue - 55% AMI Units (15%)	337,044	14,044 (adjusted)
Revenue - 100% AMI Units (10%)	418,656	26,166 (adjusted)
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<b>Total Revenue</b>	<b>6,743,516</b>	<b>41,627</b>
<b>Operating Expense - General</b>		
Operating Expense - General	(1,547,548)	(9,553)
Property Taxes	(1,243,386)	(7,675)
Insurance	(171,288)	(1,057)
<b>Total Operating Expense</b>	<b>(2,962,222)</b>	<b>(18,285)</b>
<b>NET OPERATING INCOME</b>	<b>3,781,295</b>	<b>23,341</b>
<b>Property Tax Assessment</b>		
NOI (No Property Taxes)	5,024,680	
Cap Rate	4.000%	
Add Millage	1.179%	
Effective Cap Rate	5.179%	
Assessed Value - Before Land Adjustment	97,016,536	
Less: Land in capitalized value @ \$140K / do	(22,680,000)	
Add: Actual Land Assesment	16,775,662	
<b>Value - Income Approach</b>	<b>91,112,198</b>	
<b>Value - Cost Approach</b>	<b>105,443,152</b>	
<b>Assessment - Greater of Approaches</b>	<b>105,443,152</b>	650,884
<b>Annual Property Tax Expense</b>	<b>1,243,386</b>	
<b>Project Returns</b>		
Net Operating Income	3,781,295	
Total Project Cost (Less Subsidy)	68,743,152	
<b>Build to Cap Rate / Return on Cost</b>	<b>5.50%</b>	