

## Sample Project

Project Name: Any Name Project  
 Location: Anywhere, USA  
 Developer: Eagle Point Development LLC

### PROJECT ASSUMPTIONS

11/09/99

Unit Sizes and Unit Mix	Utility Allowance	Quan	Size	
One Bedroom Units				Sq Ft
Two Bedroom Units	60	15	986	Sq Ft
Three Bedroom Units	72	60	1105	Sq Ft
Four Bedroom Units				SqFt
Land Cost			\$630,000	
Construction Cost per Sq Ft			\$40	
Parking Cost per Unit			500	
Landscape Cost			50,000	
Hardscape Cost				
Fencing			50,000	
Garages				Unit
Recreational Building			75,000	
Other Amenities			75,000	
Project Construction Duration				9 Months
Interest Rate - Construction			9.50%	
Loan Fees - Construction Loan			1.5%	
Interest Rate - Permanent			8.48%	
Amortization Period				30 Years
Debt Coverage Ratio			1.15	
Loan Fees - Permanent Loan			1.0%	

<i>Rent per Unit</i>	Market	40%	50%	60%
One Bedroom Units		\$294.00	\$367.50	\$441.00
Two Bedroom Units	\$600.00	\$353.00	\$441.25	\$529.50
Three Bedroom Units	\$700.00	\$407.50	\$509.38	\$611.25
Four Bedroom Units		\$455.00	\$568.75	\$682.50

Affordable Units	80.0%
Vacancy Factor	5.0%
Expense Factor	\$2,450
DDA or QCT? (Difficult Development Area or Qualified Census Tract)	Yes
Tax Credit Sale to Investor	\$0.80
Tax Credit Rate	8.64%
Development Fee	7.0%

## Sample Project

### PROJECT COST ESTIMATE

11/09/99

Land		630,000
Grading/Demolition		400,000
Legal for land acquisition		2,500
Title & Closing for land purchase		2,000
Site Work (landscape, hardscape, fencing, parking)		103,000
New Building Construction (see breakdown)		3,243,600
Other Construction (rec bldg, garages, amenities)		150,000
General Requirements	4.0%	139,864
Contractor Overhead	2.0%	69,932
Contractor Profit	4.0%	139,864
Construction Contingency	5.0%	174,830
Subtotal		5,055,590
Architect Fee - Design	2.5%	81,090
Architect Fee - Supervision	0.5%	16,218
Engineering Fees / Survey	1.0%	32,436
City & County Fees		
Permits		500,000
Plan Check (included in Permits)		
Construction Insurance		25,000
Construction Taxes		
Surety Bonds		
Appraisal		5,000
Market Study		5,000
Environmental Report		2,000
Soils Test		5,000
Tax Credit Fees		2,000
Rent-Up Expense		75,000
Organizational Costs		2,000
Developer Fee		525,000
Consultant's Fees		20,000
Rent-up Reserve		75,000
Operating Reserve		60,000
Subtotal		1,430,744
Credit Report		100
Construction Loan Origination Fee		103,927
Construction Loan Interest		279,788
Title Insurance / Recording / Closing		10,000
Legal		5,000
Permanent Loan Origination Fee		25,908
Title Insurance / Recording / Closing		10,000
Legal		7,500
Subtotal		442,223
Total Cost Estimate		\$6,928,557

## Sample Project

### CONSTRUCTION DATA

11/09/99

	Quan	SQFT	Total
One Bedroom Units			
Two Bedroom Units	15	986	14,790
Three Bedroom Units	60	1,105	66,300
Four Bedroom Units			
Other			
Total Units & Square Feet	<u>75</u>		<u>81,090</u>

### NEW CONSTRUCTION COSTS

Division 3	Concrete	324,360
Division 4	Masonry	32,436
Division 5	Metals	64,872
Division 6	Carpentry	583,848
Division 7	Thermal & Moisture Protection	356,796
Division 8	Doors & Windows	259,488
Division 9	Finishes	356,796
Division 10	Specialties	6,487
Division 11	Equipment	291,924
Division 12	Furnishings	129,744
Division 13	Special Construction	29,192
Division 14	Conveying Systems	19,462
Division 15	Mechanical	389,232
Division 16	Electrical	398,963
<b>Total</b>		<u><u>3,243,600</u></u>

## Sample Project

<b>ELIGIBLE BASIS DETERMINATION</b>		<b>11/09/99</b>
Total Project Costs		6,928,557
Less:	Land	630,000
	Land Legal Costs	2,500
	Land Title & Closing	2,000
	Off-site Improvements	
	Credit Report	100
	Permanent Loan Origination Fee	25,908
	Title & Closing - Permanent Loan	10,000
	Legal - Permanent Loan	7,500
	Rent-Up Expense	75,000
	Organization Costs	2,000
	Rent-Up Reserve	75,000
	Operating Reserve	60,000
	<u>Subtotal</u>	<u>890,008</u>
Less:	Federal Grants	
	Non qualified Recourse Financing	
	<u>Subtotal</u>	
Total Eligible Basis		6,038,549
	Difficult Development Fraction	130.0%
	<u>Low-Income Fraction</u>	<u>80.0%</u>
Qualified Basis		6,280,091
Annual Tax Credit Request		542,600

## Sample Project

### SOURCES OF FUNDS

11/09/99

Construction Loan	Amount of Funds	Interest Rate			
<i>Construction/Bridge Loan</i>	5,542,846	9.50%			
HOME Loan	0				
Construction Holdbacks	255,508				
Developer Equity	None				
Tax Credit Equity	1,130,203				
<b>Total Construction Sources</b>	<u><u>6,928,557</u></u>				

  

Permanent Loan	Amount of Funds	Interest Rate	Amortization	Loan Term	Payment
<i>Permanent Financing</i>	2,590,835	8.48%	30	18	19,885
HOME Loan	0				
Developer Equity	None				
Tax Credit Equity	4,337,722				
<b>Total Permanent Sources</b>	<u><u>6,928,557</u></u>				

### USES OF FUNDS

#### Acquisition and Pre-Development

Land Purchase	630,000
Closing and Title	2,000
Legal	2,500
Architecture & Engineering	129,744
Subtotal	<u>764,244</u>

#### Construction

Fees & Permits	500,000
Onsite/Offsite	653,000
Base Construction	3,243,600
Indirect / Onsite Supervision	413,660
Developer Fee	525,000
Construction Loan Interest	279,788
Construction Loan Fees	118,927
Construction Contingency	174,830
Subtotal	<u>5,908,805</u>

#### Lease Up and Sales

Operating Reserve	60,000
Marketing / Leasing / Legal	75,000
Lease Up Interest	75,000
Permanent Financing Costs	43,508
Tax Credit Fees	2,000
Subtotal	<u>255,508</u>

<b>Total Uses of Funds</b>	<u><u>6,928,557</u></u>
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## Sample Project

### PROFORMA OPERATING STATEMENT

11/09/99

			Monthly Total	Annual Total
Income from LIHTC Units	30% of AMI			
Income from LIHTC Units	50% of AMI			
Income from LIHTC Units	60% of AMI		32,355	388,260
Income from Market Units			8,400	100,800
Laundry Income		\$10.00	750	9,000
Other Income				
Total Gross Income			41,505	498,060
Vacancy		5.0%	(2,075)	(24,903)
On-Site Manager's Unit (Income)			600	7,200
Effective Gross Income			40,030	480,357
On-Site Manager's Unit (Expense)			(600)	(7,200)
Expenses		\$2,450	(15,313)	(183,750)
Replacement Reserves		\$200	(1,250)	(15,000)
Net Operating Income			\$22,867	\$274,407
Debt Service (1st Loan)				238,615
Debt Service Coverage				1.15
Debt Service (Subordinate Debt)				
Combined Debt Service Ratio				
Net Cash Flow				35,792

### LOAN REQUIREMENTS

11/09/99

Total Estimated Cost	\$6,928,557
Permanent Loan Available	\$2,590,835
Equity from Sale of Tax Credits	\$4,337,722
Equity Required	None
HOME Loan	
Net Equity Required by Developer	None

(Note: Excess Credits Available?)                      Yes                      3,076