

## Section 3

# SOURCES AND USES OF FUNDS

### Sources of Funds

**Private Equity:**

81 . Developer's Cash Equity	\$23,058,070
82 . Tax Credit Equity (net amount) (See line 360, Section 5, page 18.)	\$
83 . Developer's Fee/Overhead, Contributed or Loaned	\$
84 . Other Source:	\$

## Optional user calculations


**Public Equity:**

85 . HOME Funds, as Grant	\$
86 . Grant:	\$
87 . Grant:	\$
88 . Total Public Equity	\$0

**Subordinate Debt (see definition):**

	Amount	Rate	Amortiz.	Term
89 . Home Funds-DHCD, as Subordinate Debt	\$0	%	yrs.	yrs.
Source:				
90 . Home Funds-Local, as Subordinate Debt	\$0	%	yrs.	yrs.
Source:				
91 . Subordinate Debt	\$0	%	yrs.	yrs.
Source:				
92 . Subordinate Debt	\$0	%	yrs.	yrs.
Source:				
93 . Subordinate Debt	\$0	%	yrs.	yrs.
Source:				
94 . Total Subordinate Debt	\$0			

**Permanent Debt (Senior):**

	Amount	Rate	Override	Amortiz.	Term	MIP
95 . MHFA MHFA Program 1	\$46,187,572	5.00%	%	30.00	30.00	%
96 . MHFA MHFA Program 2	\$	%	%	yrs.	yrs.	%
97 . MHP Fund Permanent Loan	\$	%		yrs.	yrs.	%
98 . Other Permanent Senior Mortgage	\$	%		yrs.	yrs.	%
Source:						
99 . Other Permanent Senior Mortgage	\$	%		yrs.	yrs.	%
Source:						

100 . Total Permanent Senior Debt \$46,187,572

101 . Total Permanent Sources \$69,245,642

**Construction Period Financing:**

	Amount	Rate	Term
102 . Construction Loan	\$46,187,572	4.75%	20.0
Source:	conventional lender		
Repaid at:	(event)		
103 . Other Interim Loan	\$0	%	mos.
Source:			
Repaid at:	(event)		
104 . Syndication Bridge Loan	\$0	%	mos.
Source:			
Repaid at:	(event)		

## Uses of Funds

The Contractor certifies that, to the best of their knowledge, the construction estimates, and trade-item breakdown on this page are complete and accurate.

**Direct Construction:**

105 . Who prepared the estimates?

106 . Basis for estimates?

	DV	Trade Item	Amount	Description
107 .	3	Concrete		
108 .	4	Masonry		
109 .	5	Metals		
110 .	6	Rough Carpentry		
111 .	6	Finish Carpentry		
112 .	7	Waterproofing		
113 .	7	Insulation		
114 .	7	Roofing		
115 .	7	Sheet Metal and Flashing		
116 .	7	Exterior Siding		
117 .	8	Doors		
118 .	8	Windows		
119 .	8	Glass		
120 .	9	Lath & Plaster		
121 .	9	Drywall		
122 .	9	Tile Work		
123 .	9	Acoustical		
124 .	9	Wood Flooring		
125 .	9	Resilient Flooring		
126 .	9	Carpet		
127 .	9	Paint & Decorating		
128 .	10	Specialties		
129 .	11	Special Equipment		
130 .	11	Cabinets		
131 .	11	Appliances		
132 .	12	Blinds & Shades		
133 .	13	Modular/Manufactured		
134 .	13	Special Construction		
135 .	14	Elevators or Conveying Syst.		
136 .	15	Plumbing & Hot Water		
137 .	15	Heat & Ventilation		
138 .	15	Air Conditioning		
139 .	15	Fire Protection		
140 .	16	Electrical		
141 .		Accessory Buildings		
142 .		Other/misc		
143 .		<b>Subtotal Structural</b>	\$44,516,180	
144 .	2	Earth Work		
145 .	2	Site Utilities		
146 .	2	Roads & Walks		
147 .	2	Site Improvement		
148 .	2	Lawns & Planting		
149 .	2	Geotechnical Conditions		
150 .	2	Environmental Remediation		
151 .	2	Demolition		
152 .	2	Unusual Site Cond		
153 .		<b>Subtotal Site Work</b>	\$5,000,000	
154 .		<b>Total Improvements</b>	\$49,516,180	
155 .	1	General Conditions		Included within construction price estimates
156 .		<b>Subtotal</b>	\$49,516,180	
157 .	1	Builders Overhead		Included within construction price estimates
158 .	1	Builders Profit		Included within construction price estimates
159 .		<b>TOTAL</b>	\$49,516,180	

160 Total Cost/square foot:  Residential Cost/s.f.:

**Development Budget:**

	Total	Residential	Commercial	Comments
161 . Acquisition: Land	\$4,000,000	\$4,000,000		
162 . Acquisition: Building	\$0			
163 . <b>Acquisition Subtotal</b>	\$4,000,000	\$4,000,000	\$0	
164 . Direct Construction Budget	\$49,516,180	\$49,516,180		(from line 159)
165 . Construction Contingency	\$2,475,809	\$2,475,809		5.0% of construction
166 . <b>Subtotal: Construction</b>	\$51,991,989	\$51,991,989	\$0	

**General Development Costs:**

167 . Architecture & Engineering	\$1,525,000	\$1,525,000		
168 . Survey and Permits	\$300,000	\$300,000		
169 . Clerk of the Works	\$265,000	\$265,000		
170 . Environmental Engineer	\$251,000	\$251,000		
171 . Bond Premium	\$0			
172 . Legal	\$350,000	\$350,000		
173 . Title and Recording	\$50,000	\$50,000		
174 . Accounting & Cost Cert.	\$50,000	\$50,000		
175 . Marketing and Rent Up	\$275,000	\$275,000		
176 . Real Estate Taxes	\$65,000	\$65,000		
177 . Insurance	\$650,000	\$650,000		
178 . Lottery consultant	\$75,000	\$75,000		
179 . Appraisal	\$12,500	\$12,500		
180 . Utility fees	\$125,000	\$125,000		
181 . Construction Loan Interest	\$2,900,000	\$2,900,000		
182 . mitigation (I&I)	\$250,000	\$250,000		
183 . Fees to: constr lender	\$375,000	\$375,000		
184 . Fees to:	\$0			
185 . 40B Monitori	\$35,000	\$35,000		
186 . Credit Enhancement Fees	\$0			
187 . Letter of Credit Fees	\$0			
188 . Other Financing Fees	\$100,000	\$100,000		
189 . Development Consultant	\$125,000	\$125,000		
190 . Other: 40B fees	\$43,000	\$43,000		
191 . Other: peer review	\$40,000	\$40,000		
192 . Soft Cost Contingency	\$393,075	\$393,075		5.0% of soft costs
193 . <b>Subtotal: Gen. Dev.</b>	\$8,254,575	\$8,254,575	\$0	
194 . <b>Subtotal: Acquis., Const and Gen. Dev.</b>	\$64,246,564	\$64,246,564	\$0	
195 . Capitalized Reserves	\$600,000	\$600,000		
196 . Developer Overhead	\$0			
197 . Developer Fee	\$4,399,078	\$4,399,078		Includes overhead and fee as calculated using 40B method
198 . <b>Total Development Cost</b>	\$69,245,642	\$69,245,642	\$0	<b>TDC per unit</b> \$441,055
199 . <b>TDC, Net</b>	\$68,645,642	\$68,645,642	\$0	<b>TDC, Net per unit</b> \$437,233

**Additional Detail on Development Pro-Forma:**

200 . Gross Syndication Investment

**Off-Budget Costs:****Syndication Costs:**

201 . Syndication Legal

202 . Syndication Fees

203 . Syndication Consultants

204 . Bridge Financing Costs

205 . Investor Servicing (capitalized)

206 . Other Syndication Expenses

207 . Total Syndication Expense

208 . Current Reserve Balance

**Reserves (capitalized):**

209 . Development Reserves

210 . Initial Rent-Up Reserves

211 . Operating Reserves

212 . Net Worth Account

213 . Other Capitalized Reserves

214 . Subtotal: Capitalized Reserves

215 . Letter of Credit Requirements

216 . Total of the Above

**Check: Line 214 is the same as line 195.**

Please Answer The Following	Dev. Reserves	Initial Rent-Up	Op. Reserves	Net Worth	Other	Letter of Credit
Who requires the reserves?						
Who administers the reserves?						
When and how are they used?						
Under what circumstances can they be released?						

**Unit Sales (For Sale Projects Only):**

217 . Gross Sales From Units

218 . Cost of Sales (Commissions, etc.)

219 . Net Receipt from Sales

**Debt Service Requirements:**

220 . Minimum Debt Service Coverage

221 . Is this Project subject to HUD Subsidy Layering Review?

*Optional user comments*

## Section 4

# OPERATING PRO-FORMA

### Operating Income

#### Rent Schedule:

##### 222 . Low-Income (Rental Assisted):

	Contract Rent	Utility Allowance	Total Gross Rent	No. of Units
SRO			\$0	0
0 bedroom			\$0	0
1 bedroom			\$0	0
2 bedrooms			\$0	0
3 bedrooms			\$0	0
4 bedrooms			\$0	0

##### 223 . Low-Income (below 50%):

SRO			\$0	0
0 bedroom			\$0	0
1 bedroom			\$0	0
2 bedrooms			\$0	0
3 bedrooms			\$0	0
4 bedrooms			\$0	0

##### 224 . Low-Income (below 60%):

SRO			\$0	0
0 bedroom			\$0	0
1 bedroom			\$0	0
2 bedrooms			\$0	0
3 bedrooms			\$0	0
4 bedrooms			\$0	0

##### 225 . Other Income 80%

Below 80% of the median income for the region

SRO			\$0	0
0 bedroom			\$0	0
1 bedroom	\$1,751	\$174	\$1,925	20
2 bedrooms	\$1,898	\$268	\$2,166	16
3 bedrooms	\$2,053	\$353	\$2,406	4
4 bedrooms			\$0	0

##### 226 . Market Rate (unrestricted occupancy):

SRO		0
0 bedroom		0
1 bedroom	\$2,805	60
2 bedrooms	\$3,300	45
3 bedrooms	\$3,720	12
4 bedrooms		0

#### Commercial Income:

227 . Square Feet:  @  /square foot =

#### Parking Income:

228 . Spaces:  @  /month x 12 =

229 . Laundry Income (annual):

11/11/2011

### Optional user calculations

[illegible]

230 . Other Income:a. fees/misc

fees/misc

\$	188,400

## 231 . Low-Income (Rental Assistance)

5.0%
5.0%

232 . Low-Income (below 50%)

233 . Low-Income (below 60%)

234 . Other Income 80%

235 . Market Rate

236 . Commercial

### 237 . Low-Income (Rental Assistance)

238 . Low-Income (below 50%)

239 . Low-Income (below 60%)

240 . Other Income 80%

241 . Market Rate

242 . Commercial Space Rental

### 243 . Laundry Income

244 a Other Income	fees/misc
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b Other Income

c Other Income

d Other Income

e Other Income

f Other Income

Year 2

Year 3

Years 4-5

Years 6-20

[illegible]

## 245 . Subsidy Source I .....

\_\_\_\_\_

246 . Subsidy Source II .....

\_\_\_\_\_

247 . Capitalized Operating Reserve Amount:

\$	
----	--

Source:

--	--

248 . Yearly Draws on Subsidies and Reserves:

Subsidy  
Source I

Subsidy  
Source II

Draw on  
Oper. Reserve

Year 1	\$	\$
Year 2	\$	\$
Year 3	\$	\$
Year 4	\$	\$
Year 5	\$	\$
Year 6	\$	\$
Year 7	\$	\$
Year 8	\$	\$
Year 9	\$	\$
Year 10	\$	\$
Year 11	\$	\$
Year 12	\$	\$
Year 13	\$	\$
Year 14	\$	\$
Year 15	\$	\$
Year 16	\$	\$
Year 17	\$	\$
Year 18	\$	\$
Year 19	\$	\$
Year 20	\$	\$
Year 21	\$	\$

[illegible]



## Operating Expenses

Annual Operating Exp.:	Total	Residential	Commercial	Comments
250 . Management Fee	\$165,182	\$165,182		3 %gross rents
251 . Payroll, Administrative	\$0			
252 . Payroll Taxes & Benefits, Admin.	\$0			
253 . Legal	\$0			
254 . Audit	\$0			
255 . Marketing	\$0			
256 . Telephone	\$0			
257 . Office Supplies	\$0			
258 . Accounting & Data Processing	\$0			
259 . Investor Servicing	\$0			
260 . DHCD Monitoring Fee	\$0			
261 . Other:	\$0			
262 . Other:	\$0			
263 . <b>Subtotal: Administrative</b>	\$298,300	\$298,300	\$0	
264 . Payroll, Maintenance	\$0			
265 . Payroll Taxes & Benefits, Admin.	\$0			
266 . Janitorial Materials	\$0			
267 . Landscaping	\$0			
268 . Decorating (inter. only)	\$0			
269 . Repairs (inter. & ext.)	\$0			
270 . Elevator Maintenance	\$0			
271 . Trash Removal	\$0			
272 . Snow Removal	\$0			
273 . Extermination	\$0			
274 . Recreation	\$0			
275 . Other:	\$0			
276 . <b>Subtotal: Maintenance</b>	\$345,500	\$345,500	\$0	
277 . <b>Resident Services</b>	\$30,000	\$30,000		
278 . <b>Security</b>	\$0			
279 . Electricity	\$0			
280 . Natural Gas	\$0			
281 . Oil	\$0			
282 . Water & Sewer	\$0			
283 . <b>Subtotal: Utilities</b>	\$141,300	\$141,300	\$0	
284 . <b>Replacement Reserve</b>	\$78,500	\$78,500		
285 . <b>Operating Reserve</b>	\$0			
286 . Real Estate Taxes	\$502,400	\$502,400		
287 . Other Taxes	\$0			
288 . Insurance	\$62,800	\$62,800		
289 . MIP	\$0	\$0		
290 . 40B Monitoring fee	\$20,000	\$20,000		
291 . <b>Subtotal:Taxes, Insurance</b>	\$585,200	\$585,200	\$0	
292 . <b>TOTAL EXPENSES</b>	\$1,643,982	\$1,643,982	\$0	



**Other Operating Expense Assumptions****Trending Assumptions for Expenses**

	Year 2	Year 3	Years 4-5	Years 6-20
293 . Sewer & Water .....	0.0%	%	%	%
294 . Real Estate Taxes .....	2.5%	%	%	%
295 . All Other Operating Expenses .....	3.0%	%	%	%

**Reserve Requirements:**

296 . Replacement Reserve Requirement	\$500.00	per unit per year
297 . Operating Reserve Requirement		per unit per year

**Debt Service:**

	Annual Payment
298 . MHFA	
299 . MHFA	N/A
300 . MHP Fund Permanent Loan	N/A
301 . Other Permanent Senior Mortgage	N/A
Source: N/A	
302 . Other Permanent Senior Mortgage	N/A
Source: N/A	
303 . Total Debt Service (Annual)	\$0
304 . Net Operating Income	\$3,601,686 (in year one)
305 . Debt Service Coverage	N/A (in year one)

**Affordability: Income Limits and Maximum Allowable Rents**

306 . County  MSA  Boston-Cambridge-Quincy, MA-NH

**This MSA does not match the county you have chosen**

307 . Maximum Allowed Rents, by Income, by Unit Size:

Income Limits last updated on  3/12/2012

	Maximum Income			Maximum Rent (calculated from HUD income data)		
	50%	60%	80%	50%	60%	80%
SRO	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
0 bedroom	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
1 bedroom	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
2 bedrooms	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
3 bedrooms	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
4 bedrooms	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
Area median income for a family of	#VALUE!					

308 . H.U.D. "Fair Market Rents" (Maximum):

0 bedroom	\$1,099
1 bedroom	\$1,166
2 bedrooms	\$1,369
3 bedrooms	\$1,637
4 bedrooms	\$1,799
5 bedrooms	\$2,069

FMR Information last updated on  3/12/2012

**Operations before this transaction:**

Type	Number	Current Rent	Annualized Income
309 . SRO	0	0	0
310 . 0 bedroom	0	0	0
311 . 1 bedroom	80	0	0
312 . 2 bedrooms	61	0	0
313 . 3 bedrooms	16	0	0
314 . 4 bedrooms	0	0	0
315 . <b>Gross Potential Rental Income</b>			0

**Operations after:**

Number	Future Rents	Market Rent GPR
0	0	0
0	0	0
80	0	0
61	0	0
16	0	0
0	0	0
		0

316 . Vacancy	0%	0	Vacancy	5%	-261,024
317 . Other Income		0	Other Income		286,212
318 . Effective Gross Income		0	Effective Gross Income		25,188

**Operating Expenses**

	Year	Reason	% Change	Year
319 . Management fee	0			165,182
320 . Administration	0			298,300
321 . Maintance/Operations	0			345,500
322 . Resident Services	0			30,000
323 . Security	0			0
324 . Utilities	0			141,300
325 . Replacement Reserve	0			78,500
326 . Operating Reserve	0			0
327 . Real Estate Taxes	0			502,400
328 . Insurance	0			82,800
329 . <b>Total Expenses</b>	0			1,643,982
330 . <b>Net Operating Income</b>	0	<b>Net Operating Income</b>		-1,618,794

**331 . Transaction Description:***Optional user calculations*
