

SOURCES AND USES

PROJECT NAME: San Pablo RFP
FINANCE TYPE: 4%/Bond
ADDRESS: 1820 Rumrill
HOUSING TYPE: Family
COUNTY: Contra Costa
SPONSOR: Novin Development

<u>CONSTRUCTION SOURCES OF FUNDS</u>	Amount	Per Unit	% of TDC
TE Bond-Backed Construction Loan	18,833,068	418,513	81%
Tax Credit Equity	1,619,465	35,988	7%
City of San Pablo	1,000,000	22,222	4%
Land/Building Donation	935,250	20,783	4%
Expenses Paid at Conversion to Perm	731,318	16,252	3%
GP Contributions			
Deferred Dev. Fee	252,969	5,622	1%
GP Equity	-	-	0%
TOTAL CONSTRUCTION SOURCES	23,372,070	513,758	100%

<u>PERMANENT SOURCES OF FUNDS</u>	Amount	Per Unit	% of TDC
TE Bond-Backed Amortizing Loan	10,387,420	230,832	44%
Tax Credit Equity	10,796,431	239,921	46%
City of San Pablo	1,000,000	22,222	4%
Land/Building Donation	935,250	20783	4%
GP Contributions			
Deferred Dev. Fee	252,969	5,622	1%
GP Equity		-	0%
TOTAL PERMANENT SOURCES	\$ 23,372,070	\$ 519,379	100%

<u>USES OF FUNDS</u>			
Acquisition	950,250	21,117	4.1%
Hard Costs	13,564,720	301,438	58.0%
Architectural	813,883	18,086	3.5%
Engineering	125,000	2,778	0.5%
Constr. Int and Fees	1,112,929	24,732	4.8%
Permanent Financing	153,874	3,419	0.7%
Legal	165,000	3,667	0.7%
Reserves	492,363	10,941	2.1%
Contingencies	1,734,226	38,538	7.4%
Other Costs	1,406,855	31,263	6.0%
Developer Costs	2,752,969	61,177	11.8%
Syndication	100,000	2,222	0.4%
TOTAL USES	23,372,070	519,379	100.0%

SURPLUS/GAP
\$
(0)
\$
(0)

UNIT MIX

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MAX RENT (Gross per month; assume 1.5 persons/bdrm)	UNITS AT < 81% AMI (LIHTC UNITS)					UNITS AT >81% AMI			
	30%	40%	50%	60%	80%	110%	120%	130%	Market
	AMI	AMI	AMI	AMI	AMI	AMI	AMI	AMI	Rents
Studio/Efficiency	718	958	1,198	1,437	1,916	2,635	2,875	3,114	
1 Bdrm	770	1,027	1,284	1,540	2,054	2,824	3,081	3,338	
2 Bdrm	924	1,232	1,541	1,849	2,465	3,390	3,698	4,006	
3 Bdrm	1,068	1,424	1,781	2,137	2,849	3,918	4,274	4,630	
4 Bdrm	1,192	1,589	1,987	2,384	3,179	4,371	4,768	5,166	

APARTMENT MIX			UNITS AT < 81% AMI (LIHTC UNITS)					UNITS AT >81% AMI				Market Rate		Unit Type Distribution
			30% AMI	40% AMI	50% AMI	60% AMI	80% AMI	110% AMI	120% AMI	130% AMI				
	# of Apts	Sq. Ft. Per Apt												
SRO/Efficiency	7	442	0	0	4	3	0	0	0	0	0	0	15.6%	
1 Bdrm	11	573	0	0	5	6	0	0	0	0	0	0	24.4%	
2 Bdrm	13	815	0	0	6	7	0	0	0	0	0	0	28.9%	
3 Bdrm	13	1172	0	0	7	6	0	0	0	0	0	0	28.9%	
4 Bdrm	0		0	0	0	0	0	0	0	0	0	0	0.0%	
Manager Unit	1	815											2.2%	
TOTAL	45		0	0	22	22	0	0	0	0	0	0	100.0%	
% of units			0.0%	0.0%	50.0%	50.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0% Avg LIHTC Affordability=55%	
Target Apportionment (hide)			0%	0%	50%	50%	0%		0%	0%	0%	0%	Passes Affordability Test	
target units (hide)			0	0	21	23	0	0	0	0	0	0	100%	

RENT SCHEDULE									SPECIAL NEEDS UNITS / OPERATING SUBSIDY				
Income Restriction	Unit Type	# of Apts	Sq. Ft. Per Apt	Sq. Ft. Total	Gross Rent	Util Allow	Effective Rent	Total Ann'l Rent	Special Needs Units	Operating Subsidy Units	2022 FMR /Contract Rent	Total Annual Subsidy	
50% of AMI	SRO/Efficiency	4	442	1,768	1,198	40	1,158	55,584	-	4	1,675	22,896	
	1 Bdrm	5	573	2,865	1,284	50	1,234	74,040	-	5	2,031	44,820	
	2 Bdrm	6	815	4,890	1,541	65	1,476	106,272	-	2	2,502	23,064	
	3 Bdrm	7	1,172	8,204	1,781	80	1,701	142,884	-	7	3,356	132,300	
	4 Bdrm	-	-	-	1,987	95	1,892	-	-	-	4,056	-	
	60% of AMI	SRO/Efficiency	3	442	1,326	1,437	40	1,397	50,292	-	3	1,675	8,568
		1 Bdrm	6	573	3,438	1,540	50	1,490	107,280	-	4	2,031	23,568
		2 Bdrm	7	815	5,705	1,849	65	1,784	149,856	-	-	2,502	-
		3 Bdrm	6	1,172	7,032	2,137	80	2,057	148,104	-	-	3,356	-
		4 Bdrm	-	-	-	2,384	95	2,289	-	-	-	4,056	-
Manager Unit		1	815	815				-				-	
TOTAL		45		36,043	\$72,241	\$2,715	\$69,526	\$834,312	0	25		255,216	
Common/Utility Areas			14%	6,652									
TOTAL RES. AREA				48,552									

Other Income			
Laundry/Vending Income	45 Units	\$10.00 Month	5,400
Fee Income			2,500
Total Other Income			7,900

POTENTIAL GROSS INCOME	1,097,428
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DEVELOPMENT COSTS

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	unit cost	Total Project Cost
<i>ACQUISITION</i>		
Total Land Cost or Value		935,250
Total Building Cost or Value		-
Title/Escrow/Closing		15,000
TOTAL ACQUISITION		950,250
<i>CONSTRUCTION / REHABILITATION</i>		
Off-Site Improvements		70,000
Demolition	\$3.0	-
Site Work/Landscape/Surface parking	\$40	871,200
Structures, Residential	\$260	12,623,520
TOTAL NEW CONSTRUCTION		13,564,720
ARCHITECTURAL FEES	6.0%	813,883
TOTAL SURVEY and ENGINEERING		125,000
<i>CONST. INTEREST & FEES</i>		
Bond Issuance		81,526
Const. Loan Interest		753,323
Origination Fee	0.75%	141,248
Builders Risk Insurance	0.50%	75,995
Taxes During Construction	1.25%	15,838
Lender Inspections		15,000
Title and Recording		30,000
TOTAL CONST. INTEREST & FEES		1,112,929
<i>PERMANENT FINANCING</i>		
Loan Origination Fee	1.00%	103,874
Title and Recording		25,000
Other		25,000
TOTAL PERMANENT FINANCING		153,874
<i>LEGAL FEES</i>		
Constr. Related (includes lender legal)		100,000
Perm. Related (includes lender legal)		65,000
TOTAL LEGAL FEES		165,000

DEVELOPMENT COSTS

RESERVES

Capitalized Operating	3 months	237,147
Capitalized Section 8 Transition Reserve		255,216
TOTAL RESERVES		492,363

CONTINGENCIES

Construction Contingency	10%	1,356,472
Soft Cost Contingency	10%	377,754
TOTAL CONTINGENCIES		1,734,226

OTHER COSTS

TCAC App/Alloc/Monitor Fees	1%	29,355
Environmental Audit/Mitigation/Consulting		25,000
school impact fee	-	-
other impact fees	\$10,000	450,000
building permit, plan check, other fees	\$8,500	382,500
Capital Fees (utility fees & hook-up charge	\$2,500	112,500
Appraisal		15,000
Financial Consultant		30,000
Marketing/Leasing	\$2,500	112,500
Relocation Expenses		
Site and Interior Furnishings		100,000
Cost Cert/Accounting		30,000
Construction Mang./Oversight/Testing		120,000
TOTAL OTHER COSTS		1,406,855

SUBTOTAL **20,519,101**

DEVELOPER COSTS

Developer Fee	2,752,969
TOTAL DEVELOPER COSTS	2,752,969

Total Syndication Costs 100,000

TOTAL PROJECT COST **23,372,070**

GRAND TOTAL DEVELOPMENT COSTS **\$23,372,070**

CASH FLOW

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	Inflation	Initial Year									
	Factor	Per Month	Per Unit	1	2	3	4	5	6	7	8
<i>POTENTIAL GROSS INCOME</i>											
Resident Rent	2.5%	69,526	18,540	834,312	855,170	876,549	898,463	920,924	943,947	967,546	991,735
Operating Subsidy	2.5%	21,268	5,671	255,216	261,596	268,136	274,840	281,711	288,753	295,972	303,372
Other Income	2.5%	658	176	7,900	8,098	8,300	8,507	8,720	8,938	9,162	9,391
POTENTIAL GROSS INCOME		91,452	24,387	1,097,428	1,124,864	1,152,985	1,181,810	1,211,355	1,241,639	1,272,680	1,304,497
<i>VACANCY LOSS</i>											
Resident	5.0%	(3,476)	(927)	(41,716)	(42,758)	(43,827)	(44,923)	(46,046)	(47,197)	(48,377)	(49,587)
Operating Subsidy	5.0%	(1,063)	(284)	(12,761)	(13,080)	(13,407)	(13,742)	(14,086)	(14,438)	(14,799)	(15,169)
Total Vacancy Loss		(4,540)	(1,211)	(54,476)	(55,838)	(57,234)	(58,665)	(60,132)	(61,635)	(63,176)	(64,755)
EFFECTIVE GROSS INCOME		86,913	23,177	1,042,952	1,069,025	1,095,751	1,123,145	1,151,223	1,180,004	1,209,504	1,239,742
<i>OPERATING EXPENSES</i>	3.5%	(25,313)	(6,750)	(303,750)	(314,381)	(325,385)	(336,773)	(348,560)	(360,760)	(373,386)	(386,455)
NET OPERATING INCOME		61,600	16,427	739,202	754,644	770,366	786,372	802,663	819,244	836,118	853,287
<i>RESERVES</i>											
Replacement Reserve		(1,313)	(350)	(15,750)	(15,750)	(15,750)	(15,750)	(15,750)	(15,750)	(15,750)	(15,750)
Total Reserve Deposits		(1,313)	(350)	(15,750)	(15,750)	(15,750)	(15,750)	(15,750)	(15,750)	(15,750)	(15,750)
INCOME BEFORE DEBT SERVICE		60,288	16,077	723,452	738,894	754,616	770,622	786,913	803,494	820,368	837,537
<i>DEBT SERVICE</i>				1.15	1.17	1.20	1.22	1.25	1.28	1.30	1.33
First Mortgage		(52,424)	(13,980)	(629,088)	(629,088)	(629,088)	(629,088)	(629,088)	(629,088)	(629,088)	(629,088)
Total Debt Service		(52,424)	(13,980)	(629,088)	(629,088)	(629,088)	(629,088)	(629,088)	(629,088)	(629,088)	(629,088)
NET CASH FLOW		7,864	2,097	94,363	109,806	125,528	141,533	157,825	174,406	191,279	208,449
USES OF AVAILABLE CASH											
Cash Available for Disbursements			2,097	94,363	109,806	125,528	141,533	157,825	174,406	191,279	208,449
Soft Lenders' Share of Cash Disbursements	75.0%	5,898	1,573	70,772	82,354	94,146	106,150	118,369	130,804	143,460	156,336
GP/LP Share of Cash Disbursements	25.0%	1,966	524	23,591	27,451	31,382	35,383	39,456	43,601	47,820	52,112
Deferred Developer Fee Balance, beginning of year	0.0%	21,081	5,622	252,969	229,378	201,927	170,544	135,161	95,705	52,103	4,284
Deferr. Dev. Fee Payments				(23,591)	(27,451)	(31,382)	(35,383)	(39,456)	(43,601)	(47,820)	(4,284)
Residual Cash Flow			-	-	-	-	-	-	-	-	47,829
Investor Asset Mgmt Fee	3.5%	(417)	(111)	(5,000)	(5,175)	(5,356)	(5,544)	(5,738)	(5,938)	(6,146)	(6,361)
Partnership Mgmt Fee	3.5%	(2,083)	(556)	(25,000)	(25,875)	(26,781)	(27,718)	(28,688)	(29,692)	(30,731)	(31,807)
FINANCIAL RETURN TO AGENCY											
Agency Cash Flow Present Value, 30 y		3,649,481									
discount rate		4.45%									

CASH FLOW

PROJECT NAME:
FINANCE TYPE:
ADDRESS:
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COUNTY:
SPONSOR:

	9	10	11	12	13	14	15
<i>POTENTIAL GROSS INCOME</i>							
Resident Rent	1,016,528	1,041,941	1,067,990	1,094,690	1,122,057	1,150,108	1,178,861
Operating Subsidy	310,956	318,730	326,698	334,866	343,237	351,818	360,614
Other Income	9,625	9,866	10,113	10,365	10,625	10,890	11,162
POTENTIAL GROSS INCOME	1,337,109	1,370,537	1,404,801	1,439,921	1,475,919	1,512,817	1,550,637
<i>VACANCY LOSS</i>							
Resident	(50,826)	(52,097)	(53,399)	(54,734)	(56,103)	(57,505)	(58,943)
Operating Subsidy	(15,548)	(15,936)	(16,335)	(16,743)	(17,162)	(17,591)	(18,031)
Total Vacancy Loss	(66,374)	(68,034)	(69,734)	(71,478)	(73,265)	(75,096)	(76,974)
EFFECTIVE GROSS INCOME	1,270,735	1,302,504	1,335,066	1,368,443	1,402,654	1,437,720	1,473,663
<i>OPERATING EXPENSES</i>	(399,981)	(413,980)	(428,469)	(443,466)	(458,987)	(475,052)	(491,678)
NET OPERATING INCOME	870,755	888,524	906,597	924,977	943,667	962,669	981,985
<i>RESERVES</i>							
Replacement Reserve	(15,750)	(15,750)	(15,750)	(15,750)	(15,750)	(15,750)	(15,750)
Total Reserve Deposits	(15,750)	(15,750)	(15,750)	(15,750)	(15,750)	(15,750)	(15,750)
INCOME BEFORE DEBT SERVICE	855,005	872,774	890,847	909,227	927,917	946,919	966,235
<i>DEBT SERVICE</i>	1.36	1.39	1.42	1.45	1.48	1.51	1.54
First Mortgage	(629,088)	(629,088)	(629,088)	(629,088)	(629,088)	(629,088)	(629,088)
Total Debt Service	(629,088)	(629,088)	(629,088)	(629,088)	(629,088)	(629,088)	(629,088)
NET CASH FLOW	225,916	243,685	261,759	280,139	298,828	317,830	337,146
USES OF AVAILABLE CASH							
Cash Available for Disbursements	225,916	243,685	261,759	280,139	298,828	317,830	337,146
Soft Lenders' Share of Cash Disbursements	169,437	182,764	196,319	210,104	224,121	238,373	252,860
GP/LP Share of Cash Disbursements	56,479	60,921	65,440	70,035	74,707	79,458	84,287
Deferred Developer Fee Balance, beginning of year	-	-	-	-	-	-	-
Deferr. Dev. Fee Payments	-	-	-	-	-	-	-
Residual Cash Flow	56,479	60,921	65,440	70,035	74,707	79,458	84,287
Investor Asset Mgmt Fee	(6,584)	(6,814)	(7,053)	(7,300)	(7,555)	(7,820)	(8,093)
Partnership Mgmt Fee	(32,920)	(34,072)	(35,265)	(36,499)	(37,777)	(39,099)	(40,467)
FINANCIAL RETURN TO AGENCY							
Agency Cash Flow Present Value, 30 y discount rate							