

Project Pro Forma:

Income/Revenue:

Gross Rents:

-Housing (2 bed 2 bath) 2 units @ \$1,400 /mo.: \$16,800

-Housing (2 bed 1 bath) front @ \$1,100/mo.: \$26,400

-Retail/Office Main Floor (1,200 sf leasable) 1 tenant @ \$9/sf/year NNN: \$10,800

-Woodshop Basement (1,920 sf leasable) 1 tenant @ \$5/sf/year NNN: \$9,600

Total Annual Income: \$63,600

Vacancy @ 20%: \$12,720

Effective Gross Income (Net Rent): \$50,880

Operating Expenses:

Retail/Office @ \$1/sf/year (assume NNN lease): \$3,120

Residential @ \$1.5/sf/year: \$5,440

Property Taxes (minus commercial): \$8,500

Net Operating Income (NOI): \$33,820

Hard Costs:

Building/Land Acquisition: \$300

Construction Costs: \$430,000

Total Hard Cost (HC): \$430,300

Prelim. Total Development Costs:

TDC = HC+SC (For SC assume 12% of HC): \$481,940

Loan to Value (LTV @ 90%): \$435,000

Soft Costs:

Design Fees (A/E) & NPS Tax Credit Fees: \$38,500

Mortgage Points (1% for Permanent Loan, : \$4,490

1% for Construction Loan) \$4,490

Construction Loan Interest @ 8 mos.: \$8,700

(7 draws @ x/7 each @ 0.005%/mo.)

$x/7 * 0.005 = Y$ (Total Interest = 28Y)

Int. Real Estate Tax ((TDC/2)*29/1000 mill rate): \$6,990

Legal Fees (0.5% TDC): \$2,410

Developer Fee (Waived): \$0

Total Soft Cost (SC): \$65,580

Annual Debt Service:

HC:	\$430,300
SC:	\$65,580
TDC:	\$495,880
LTV:	0.90
Permanent Loan Total:	\$446,300
Façade Grant (\$10,000)	\$10,000

Owner Equity: \$49,590

Assume 15 year self-amortizing fixed rate loan
@ 4.5% interest ~\$446,300: \$3,414/mo.

Annual Debt Service (ADS): \$40,970

Cash Flow:

NOI:	\$33,820
ADS: (Base Cost Only, No Contingency)	-\$40,970
Cash Flow (CF):	-\$7,150

Debt Coverage Ratio (DCR): **0.83**

Tax Credits:

\$430,000 x 40% = \$172,000	\$33,820
Taken over 15 years = \$11,470/year	+\$45,290
Adjusted Cash Flow (CF2):	+\$4,320

Adjusted Debt Coverage Ratio (DCR2): **1.11**