

AGENDA
ANN ARBOR HOUSING DEVELOPMENT CORPORATION
REGULAR MEETING
July 15, 2015

Meeting Time and Location: **7:30 pm**
106 Baker, Ann Arbor, MI

- I. APPROVAL OF AGENDA
- II. APPROVAL OF MINUTES
 - A. Regular Board Meeting Minutes of May 20, 2015
- III. NEW BUSINESS
 - A. Duet Development Proposal
 - B. Review Financials
- IV. ADJOURNMENT

MINUTES
ANN ARBOR HOUSING DEVELOPMENT COMMISSION
ANNUAL BOARD MEETING
May 20, 2015

Meeting Time and Location: **6 p.m.**
727 Miller, Miller Manor, Ann Arbor, MI

President Woods convened the meeting at 6:07 p.m.

ROLL CALL: Board Members present: Ronald Woods, Tim Colenback, Daniel Lee, Audrey Wojtkowiak, Jennifer Hall; Board Member absent: Gwenyth Hayes

Call to order/roll call

I. Approval of Agenda

Lee moved and *Wojtkowiak* seconded

Motion approved 5 – 0 (Woods, Colenback, Hall, Wojtkowiak, Lee- yes, 0 – no)

II. Approval of Minutes

A. Regular Board Meeting Minutes of February 18, 2015

Lee moved and *Wojtkowiak* seconded

Motion approved 5 – 0 (Woods, Colenback, Hall, Wojtkowiak, Lee- yes, 0 – no)

III. New Business

A. Annual Meeting

B. Resolution 15-2 Annual Officer Elections

Colenback moved and *Lee* seconded to appoint *Woods* as President

Motion approved 5 – 0 (Woods, Colenback, Hall, Wojtkowiak, Lee- yes, 0 – no)

Wojtkowiak moved and *Lee* seconded to appoint *Colenback* as Vice President

Motion approved 5 – 0 (Woods, Colenback, Hall, Wojtkowiak, Lee- yes, 0 – no)

Lee moved and *Colenback* seconded to appoint *Hall* as Secretary/Treasurer

Motion approved 5 – 0 (Woods, Colenback, Hall, Wojtkowiak, Lee- yes, 0 – no)

C. Review Financials

IV. Adjournment

Colenback moved and *Wojtkowiak* seconded. Meeting adjourned 6:23 PM

Considerations for Library Lane

Vision and Mission

- Does project fit within AAHC and AAHDC mission?
- Does it help diversify portfolio or stray from mission?
- Do existing staff have time and resources to devote to project development?

Affordable Housing Goals

- Target income?
 - Rents set at 60% AMI max (\$35,460 single, \$40,500 2 people)
 - Project based vouchers – enable all incomes
 - Requires services
 - Higher operating costs
 - Also higher revenue due to 2 month vacancy payments
 - Allow HCV if not PBV

What are the Risks?

- Pre development costs
 - \$3000 for MSHDA pre-app
 - ? Norstar
 - ? legal
- Public Perception
 - Spokesperson for project vs spokesperson for affordable housing
 - Poor doors or poor elevators
 - City council/AAHC relationship
 - Citizen input prior to selection

Financial

- What are added costs to project by using affordable financing
- Are there resources available?
- 36 vs. 54 units
- What are additional regulatory requirements to total develop costs?
 - Davis-Bacon & Sect 3

Building Maintenance

- What is condo fee per month per unit – (\$100 or \$300)
- What does it cover?
 - Janitorial within affordable condo?
 - Maintenance – infrastructure
 - Maintenance non structural
 - Capital reserves
- If 2 elevators, does condo fee cover replacement and repairs for both

Design/Construction

- What is our input into design
- Laundry facility on-site?
- Size of office space
- Location of office space
- Maintenance space?

Duet Development - Affordable

36 units \$175K/unit

7.9.15

USE OF FUNDS	Total	Basis	Non-Basis	4% Basis
1 Land	0	0	0	
2 Structures	0	0		0
3 TOTAL	0	0	0	
4 Appraisal/Mkt. Study	14,000	14,000		
5 Soft Cost Contingency	65,000	65,000		
6 Survey / Subdivision	7,000	7,000		
7 Environ (including Noise)	25,000	25,000		
8 Impact/Utility/ Building Permit Fees*	55,000	55,000	0	
9 Arch/Engineer	100,000	100,000		
10 Construction Loan Fees (1.25%)	67,500	67,500		
11 Legal (AAHC and Dev)	100,000	75,000	25,000	
12 Perm Loan Fees (2.5%)	55,000		55,000	
13 Cost Cert. Audit	30,000	30,000		
14 Insurance	50,000	50,000		
15 Taxes	0	0		
16 Interim Interest	243,000	182,250	60,750	
17 Closing (inc. Bank, Investor)	95,000	71,250	23,750	
18 Title & Recording	30,000	30,000	0	
19 MSHDA Fees (\$2,000, plus \$450/unit)	18,200	0	18,200	
20 Const. Insp/Section 3/Cost Review	25,000	25,000		
21 Other: LIHC Compliance Fee 6%	18,480	0	18,480	
22 TOTAL SOFT	998,180	797,000		
23 Site Work	200,000	200,000		
24 Streets/Lanes	0	0		
25 Demolition	0	0	0	
26 Park	0	0		
27 Other/Asbestos Abatement	0	0	0	
28 SUBTOTAL-SITE PREP	200,000	200,000		
29 Residential	4,500,000	4,500,000		
30 Community/Amenities	50,000	50,000		
31 Solar H2O & additional res.	0	0		
32 General Requirements (6%)	285,000	285,000	0	
33 Bond Premium & GC cost cert	47,500	47,500		
34 Other	0	0		
35 Other: Demo	0	0	0	
36 Subtotal Contractors Costs	5,082,500	5,082,500		
37 Builder's Overhead (2%)	95,000	95,000	0	
38 Builders Profit (max 6%)	285,000	285,000	0	
39 TOTAL CONT. COSTS**	5,462,500	5,462,500		
40 Const. Contingency (7% of TCC**)	382,375	382,375	0	
41 TOTAL DEV. COSTS	6,843,055	6,641,875	201,180	
42 Developers Fee (5%)	400,000	400,000	0	fee capped at \$1.8M total per MSDHA req
43 AAHC Fee 2.5%***	200,000	200,000	0	
44 Initial Operating Deficit	60,000	0	60,000	
45 Supp. Mgmt. & Mktg. Fee	8,000	0	8,000	
46 Purch. of Maint. Equip.	0	0	0	
47 Defeasance	0	0	0	
48 TOTAL WORKING CAP.	68,000	0	68,000	
49 PROJECT RESERVES	0	0	0	
50 Operating Reserve****	110,000	0	110,000	
51 Replacement Reserve	0	0	0	6,300,000
52 ODR Reserve	0	0	0	
53 TOTAL RESERVES	110,000	0	110,000	
54 ADMIN. COSTS	0	0	0	
55 Relocation	0	0	0	
56 Water bills	0	0	0	
57 OTPS	0	0	0	
58 TOTAL ADMIN COSTS	0	0	0	
59 TOTAL PROJ. COSTS	7,621,055	7,241,875	379,180	379,180
60 Syndication Costs	0	0	0	
61 Partnership Expenses	0	0	0	
TOTAL	7,621,055	7,241,875	379,180	0

PERM. SOURCE OF FUNDS

MSHDA GAP Financing (3% 50 yr) cashflow	1,000,000	13%
Perm Loan (5.75%, 35 yrs.)	2,200,000	29%
DDA	600,000	8%
Fed Tax Credit Equity	3,018,098	40%
FHLB	500,000	7%
AAHC Contingent Loan	0	0%
Reduced Dev Fee/AAHC contribution	200,000	3%
Gap Fee	102,957	1%
TOTAL	7,621,055	

CONSTRUCTION SOURCE OF FUNDS

MSHDA GAP Financing (3% 50 yr)	1,000,000
Construction Loan	5,400,000
FHLB/DDA/AAHC	1,100,000
Equity	2,700,000
TOTAL	10,200,000
	7,061,055 Needed

	Units	*Utilities	Per Unit	
**Line 39, with community, per unit	36	Impact - City	0	\$0
*** AAHC fee cash	Afford. Res.	Impact - County	0	\$0 Assumes credit for rehab
****4 mths. operating costs and DS		Building Permit		\$0.00
				<u>\$0.00</u>
Tax credit basis	\$7,241,875	% TC Eligible	100.0%	130% Boost
Applicable % (7.6 9%)	3.26%	Eligible Alloc. Requested	\$306,911	Value at: \$0.9800
			\$308,000	Total: \$3,018,098
				0 4% credits
				0 0.0326 Applicable F

Total SF 32,400
TDC per SF \$235.22

Duet Development - Affordable

36 units \$175K/unit

7.15.2015

USE OF FUNDS	Total	Basis	Non-Basis	4% Basis
1 Land	0	0	0	
2 Structures	0	0	0	0
3 TOTAL	0	0	0	
4 Appraisal/Mkt. Study	14,000	14,000		
5 Soft Cost Contingency	65,000	65,000		
6 Survey / Subdivision	7,000	7,000		
7 Environ (including Noise)	25,000	25,000		
8 Impact/Utility/ Building Permit Fees*	55,000	55,000	0	
9 Arch/Engineer	100,000	100,000		
10 Construction Loan Fees (1.25%)	67,500	67,500		
11 Legal (AAHC and Dev)	100,000	75,000	25,000	
12 Perm Loan Fees (2.5%)	55,000		55,000	
13 Cost Cert. Audit	30,000	30,000		
14 Insurance	50,000	50,000		
15 Taxes	0	0		
16 Interim Interest	243,000	182,250	60,750	
17 Closing (inc. Bank, Investor)	95,000	71,250	23,750	
18 Title & Recording	30,000	30,000	0	
19 MSHDA Fees (\$2,000, plus \$450/unit)	18,200	0	18,200	
20 Const. Insp/Section 3/Cost Review	25,000	25,000		
21 Other: LIHC Compliance Fee 6%	18,480	0	18,480	
22 TOTAL SOFT	998,180	797,000		
23 Site Work	200,000	200,000		
24 Streets/Lanes	0	0		
25 Demolition	0	0	0	
26 Park	0	0		
27 Other/Asbestos Abatement	0	0	0	
28 SUBTOTAL-SITE PREP	200,000	200,000		
29 Residential	4,500,000	4,500,000		
30 Community/Amenities	50,000	50,000		
31 Solar H2O & additional res.	0	0		
32 General Requirements (6%)	285,000	285,000	0	
33 Bond Premium & GC cost cert	47,500	47,500		
34 Other	0	0		
35 Other: Demo	0	0	0	
36 Subtotal Contractors Costs	5,082,500	5,082,500		
37 Builder's Overhead (2%)	95,000	95,000	0	
38 Builders Profit (max 6%)	285,000	285,000	0	
39 TOTAL CONT. COSTS**	5,462,500	5,462,500		
40 Const. Contingency (7% of TCC**)	382,375	382,375	0	
41 TOTAL DEV. COSTS	6,843,055	6,641,875	201,180	
42 Developers Fee (5%)	400,000	400,000	0	fee capped at \$1.8M total per MSDHA req
43 AAHC Fee 2.5%***	200,000	200,000	0	
44 Initial Operating Deficit	60,000	0	60,000	
45 Supp. Mgmt.&Mktg.Fee	8,000	0	8,000	
46 Purch. of Maint. Equip.	0	0	0	
47 Defeasance	0	0	0	
48 TOTAL WORKING CAP.	68,000	0	68,000	
49 PROJECT RESERVES	0	0	0	
50 Operating Reserve****	110,000	0	110,000	
51 Replacement Reserve	0	0	0	6,300,000
52 ODR Reserve	0	0	0	
53 TOTAL RESERVES	110,000	0	110,000	
54 ADMIN. COSTS	0	0	0	
55 Relocation	0	0	0	
56 Water bills	0	0	0	
57 OTPS	0	0	0	
58 TOTAL ADMIN COSTS	0	0	0	
59 TOTAL PROJ. COSTS	7,621,055	7,241,875	379,180	379,180
60 Syndication Costs	0	0	0	
61 Partnership Expenses	0	0	0	
TOTAL	7,621,055	7,241,875	379,180	0

PERM. SOURCE OF FUNDS

MSHDA GAP Financing (3% 50 yr) cashflow	1,000,000	13%
Perm Loan (5.75%, 35 yrs.)	2,200,000	29%
DDA	600,000	8%
Fed Tax Credit Equity	3,141,286	41%
FHLB	500,000	7%
AAHC Contingent Loan	0	0%
Reduced Dev Fee/AAHC contribution	179,769	2%
Gap Fee	0	0%
TOTAL	7,621,055	

CONSTRUCTION SOURCE OF FUNDS

MSHDA GAP Financing (3% 50 yr)	1,000,000
Construction Loan	5,400,000
FHLB/DDA/AAHC	1,100,000
Equity	2,700,000
TOTAL	10,200,000
	7,061,055 Needed

	Units	*Utilities	Per Unit	
**Line 39, with community, per unit	36	Impact - City	0	\$0
*** AAHC fee cash	Afford. Res.	Impact - County	0	\$0 Assumes credit for rehab
****4 mths. operating costs and DS		Building Permit		\$0.00
				\$0.00
Tax credit basis	\$7,241,875	% TC Eligible	100.0%	\$9,414,438
Applicable % (7.6 9%)	3.26%	Eligible Alloc. Requested	\$306,911 Value at: \$308,000 Total:	\$1,020,000
				\$3,141,286
Total SF	32,400			0 4% credits
TDC per SF	\$235.22			0 0.0326 Applicable F

Duet Development - Affordable

36 units \$160K/unit

7.9.15

USE OF FUNDS	Total	Basis	Non-Basis	4% Basis
1 Land	0	0	0	
2 Structures	0	0	0	0
3 TOTAL	0	0	0	
4 Appraisal/Mkt. Study	14,000	14,000		
5 Soft Cost Contingency	65,000	65,000		
6 Survey / Subdivision	7,000	7,000		
7 Environ (including Noise)	25,000	25,000		
8 Impact/Utility/ Building Permit Fees*	55,000	55,000	0	
9 Arch/Engineer	100,000	100,000		
10 Construction Loan Fees (1.25%)	67,500	67,500		
11 Legal (AAHC and Dev)	100,000	75,000	25,000	
12 Perm Loan Fees (2.5%)	55,000		55,000	
13 Cost Cert. Audit	30,000	30,000		
14 Insurance	50,000	50,000		
15 Taxes	0	0		
16 Interim Interest	243,000	182,250	60,750	
17 Closing (inc. Bank, Investor)	95,000	71,250	23,750	
18 Title & Recording	30,000	30,000	0	
19 MSHDA Fees (\$2,000, plus \$450/unit)	18,200	0	18,200	
20 Const. Insp/Section 3/Cost Review	25,000	25,000		
21 Other: LIHC Compliance Fee 6%	18,480	0	18,480	
22 TOTAL SOFT	998,180	797,000		
23 Site Work	200,000	200,000		
24 Streets/Lanes	0	0		
25 Demolition	0	0	0	
26 Park	0	0		
27 Other/Asbestos Abatement	0	0	0	
28 SUBTOTAL-SITE PREP	200,000	200,000		
29 Residential	3,996,000	3,996,000		
30 Community/Amenities	50,000	50,000		
31 Solar H2O & additional res.	0	0		
32 General Requirements (6%)	254,760	254,760	0	
33 Bond Premium & GC cost cert	42,460	42,460		
34 Other	0	0		
35 Other: Demo	0	0	0	
36 Subtotal Contractors Costs	4,543,220	4,543,220		
37 Builder's Overhead (2%)	84,920	84,920	0	
38 Builders Profit (max 6%)	254,760	254,760	0	
39 TOTAL CONT. COSTS**	4,882,900	4,882,900		
40 Const. Contingency (7% of TCC**)	341,803	341,803	0	
41 TOTAL DEV. COSTS	6,222,883	6,021,703	201,180	
42 Developers Fee (5%)	400,000	400,000	0	0 fee capped at \$1.8M total per MSDHA req
43 AAHC Fee 2.5%***	200,000	200,000	0	
44 Initial Operating Deficit	60,000	0	60,000	
45 Supp. Mgmt.&Mktg.Fee	8,000	0	8,000	
46 Purch. of Maint. Equip.	0	0	0	
47 Defeasance	0	0	0	
48 TOTAL WORKING CAP.	68,000	0	68,000	
49 PROJECT RESERVES	0	0	0	
50 Operating Reserve****	110,000	0	110,000	
51 Replacement Reserve	0	0	0	6,300,000
52 ODR Reserve	0	0	0	
53 TOTAL RESERVES	110,000	0	110,000	
54 ADMIN. COSTS	0	0	0	
55 Relocation	0	0	0	
56 Water bills	0	0	0	
57 OTPS	0	0	0	
58 TOTAL ADMIN COSTS	0	0	0	
59 TOTAL PROJ. COSTS	7,000,883	6,621,703	379,180	379,180
60 Syndication Costs	0	0	0	
61 Partnership Expenses	0	0	0	
TOTAL	7,000,883	6,621,703	379,180	0

PERM. SOURCE OF FUNDS

MSHDA GAP Financing (3% 50 yr) cashflo.	682,785	10%
Perm Loan (5.75%, 35 yrs.)	2,200,000	31%
DDA	600,000	9%
Fed Tax Credit Equity	3,018,098	43%
FHLB	500,000	7%
AAHC Contingent Loan	0	0%
Reduced Dev Fee/AAHC contribution	0	0%
Gap Fee	0	0%
TOTAL	7,000,883	

CONSTRUCTION SOURCE OF FUNDS

MSHDA GAP Financing (3% 50 yr)	682,785	
Construction Loan	5,400,000	
FHLB/DDA/AAHC	1,100,000	
Equity	2,700,000	89%
TOTAL	9,882,785	6,440,883 Needed

**Line 39, with community, per unit	\$135,636.11	Units	36	*Utilities	0	Per Unit	\$0
*** AAHC fee cash	Afford. Res.			Impact - City	0		\$0 Assumes credit for rehab
****4 mths. operating costs and DS				Impact - County	0		\$0 Assumes credit for rehab
				Building Permit			\$0.00
							\$0.00
Tax credit basis	\$6,621,703	% TC Eligible	100.0%	130% Boost	\$8,608,214	0	4% credits
Applicable % (7.6 9%)	3.26%	Eligible Alloc. Requested	\$280,628	Value at:	\$0.9800	0	0.0326 Applicable f
			\$308,000	Total:	\$3,018,098		
Total SF	32,400						
TDC per SF	\$216.08						

Duet Development - Affordable

54 units \$175K/unit

7.15.2015

USE OF FUNDS	Total	Basis	Non-Basis	4% Basis
1 Land	0	0	0	
2 Structures	0	0		0
3 TOTAL	0	0	0	
4 Appraisal/Mkt. Study	14,000	14,000		
5 Soft Cost Contingency	75,000	75,000		
6 Survey / Subdivision	7,000	7,000		
7 Environ (including Noise)	25,000	25,000		
8 Impact/Utility/ Building Permit Fees*	80,000	80,000	0	
9 Arch/Engineer	150,000	150,000		
10 Construction Loan Fees (1.25%)	67,500	67,500		
11 Legal (AAHC and Dev)	100,000	75,000	25,000	
12 Perm Loan Fees (2.5%)	85,000		85,000	
13 Cost Cert. Audit	30,000	30,000		
14 Insurance	50,000	50,000		
15 Taxes	0	0		
16 Interim Interest	243,000	182,250	60,750	
17 Closing (inc. Bank, Investor)	95,000	71,250	23,750	
18 Title & Recording	65,000	65,000	0	
19 MSHDA Fees (\$2,000, plus \$450/unit)	26,300	0	26,300	
20 Const. Insp/Section 3/Cost Review	35,000	35,000		
21 Other: LIHC Compliance Fee 6%	27,077	0	27,077	
22 TOTAL SOFT	1,174,877	927,000		
23 Site Work	300,000	300,000		
24 Streets/Lanes	0	0		
25 Demolition	0		0	
26 Park	0	0		
27 Other/Asbestos Abatement	0	0	0	
28 SUBTOTAL-SITE PREP	300,000	300,000		
29 Residential	6,750,000	6,750,000		
30 Community/Amenities	50,000	50,000		
31 Solar H2O & additional res.	0	0		
32 General Requirements (6%)	426,000	426,000	0	
33 Bond Premium & GC cost cert	71,000	71,000		
34 Other	0	0		
35 Other: Demo	0	0	0	
36 Subtotal Contractors Costs	7,597,000	7,597,000		
37 Builder's Overhead (2%)	142,000		0	
38 Builders Profit (max 6%)	426,000		0	
39 TOTAL CONT. COSTS**	8,165,000	8,165,000	0	
40 Const. Contingency (7% of TCC**)	571,550	571,550	0	
41 TOTAL DEV. COSTS	9,911,427	9,663,550	247,877	
42 Developers Fee (5%)	500,000		0	0 fee capped at \$1.8M total per MSDHA req
43 AAHC Fee 2.5%***	250,000	250,000	0	
44 Initial Operating Deficit	75,000	0	75,000	
45 Supp. Mgmt.&Mktg.Fee	10,000	0	10,000	
46 Purch. of Maint. Equip.	0	0	0	
47 Defeasance	0	0	0	
48 TOTAL WORKING CAP.	85,000	0	85,000	
49 PROJECT RESERVES		0		
50 Operating Reserve****	160,000	0	160,000	
51 Replacement Reserve	0	0	0	
52 ODR Reserve	0	0	0	
53 TOTAL RESERVES	160,000	0	160,000	
54 ADMIN. COSTS		0		
55 Relocation	0	0		
56 Water bills	0	0	0	
57 OTPS	0	0		
58 TOTAL ADMIN COSTS	0	0	0	
59 TOTAL PROJ. COSTS	10,906,427	10,413,550	492,877	492,877
60 Syndication Costs	0	0		
61 Partnership Expenses	0		0	
TOTAL	10,906,427	10,413,550	492,877	0

PERM. SOURCE OF FUNDS

MSHDA GAP Financing (3% 50 yr) cashflow	1,000,000	9%
Perm Loan (5.75%, 35 yrs.)	3,400,000	31%
DDA	600,000	6%
Fed Tax Credit Equity	4,422,170	41%
FHLB	500,000	5%
AAHC reduced fee/contribution	500,000	5%
Gap/Def Fee	484,257	4%
TOTAL	10,906,427	

CONSTRUCTION SOURCE OF FUNDS

MSHDA GAP Financing (3% 50 yr)	1,000,000	
Construction Loan	5,400,000	
FHLB/DDA/AAHC	1,100,000	
Equity	2,700,000	61%
TOTAL	10,200,000	10,183,927 Needed

**Line 39, with community, per unit \$151,203.70
 *** AAHC fee cash Afford. Res.
 ****4 mths. operating costs and DS

Units	*Utilities	Per Unit	
54	Impact - City	0	\$0
	Impact - County	0	\$0 Assumes credit for rehab
	Building Permit		\$0.00 Assumes credit for rehab
			<u>\$0.00</u>
			\$0.00

Tax credit basis \$10,413,550 % TC Eligible 100.0% 130% Boost \$13,537,615 0 4% credits
 Applicable % (7.6 9%) 3.26% Eligible Alloc. \$441,326 Value at: \$0.9800 0 0.0326 Applicable F
 Requested \$451,287 Total: \$4,422,170

Total SF 50,400
 TDC per SF \$216.40

Duet Development - Affordable

54 units \$175K/unit

7.15.2015

USE OF FUNDS	Total	Basis	Non-Basis	4% Basis
1 Land	0	0	0	
2 Structures	0	0		0
3 TOTAL	0	0	0	
4 Appraisal/Mkt. Study	14,000	14,000		
5 Soft Cost Contingency	75,000	75,000		
6 Survey / Subdivision	7,000	7,000		
7 Environ (including Noise)	25,000	25,000		
8 Impact/Utility/ Building Permit Fees*	80,000	80,000	0	
9 Arch/Engineer	150,000	150,000		
10 Construction Loan Fees (1.25%)	67,500	67,500		
11 Legal (AAHC and Dev)	100,000	75,000	25,000	
12 Perm Loan Fees (2.5%)	85,000		85,000	
13 Cost Cert. Audit	30,000	30,000		
14 Insurance	50,000	50,000		
15 Taxes	0	0		
16 Interim Interest	243,000	182,250	60,750	
17 Closing (inc. Bank, Investor)	95,000	71,250	23,750	
18 Title & Recording	65,000	65,000	0	
19 MSHDA Fees (\$2,000, plus \$450/unit)	26,300	0	26,300	
20 Const. Insp/Section 3/Cost Review	35,000	35,000		
21 Other: LHC Compliance Fee 6%	27,077	0	27,077	
22 TOTAL SOFT	1,174,877	927,000		
23 Site Work	300,000	300,000		
24 Streets/Lanes	0	0		
25 Demolition	0		0	
26 Park	0	0		
27 Other/Asbestos Abatement	0	0	0	
28 SUBTOTAL-SITE PREP	300,000	300,000		
29 Residential	6,750,000	6,750,000		
30 Community/Amenities	50,000	50,000		
31 Solar H2O & additional res.	0	0		
32 General Requirements (6%)	426,000	426,000	0	
33 Bond Premium & GC cost cert	71,000	71,000		
34 Other	0	0		
35 Other: Demo	0	0	0	
36 Subtotal Contractors Costs	7,597,000	7,597,000		
37 Builder's Overhead (2%)	142,000	142,000	0	
38 Builders Profit (max 6%)	426,000	426,000	0	
39 TOTAL CONT. COSTS**	8,165,000	8,165,000	0	
40 Const. Contingency (7% of TCC**)	571,550	571,550	0	
41 TOTAL DEV. COSTS	9,911,427	9,663,550	247,877	
42 Developers Fee (5%)	500,000	500,000	0	0 fee capped at \$1.8M total per MSDHA req
43 AAHC Fee 2.5%***	250,000	250,000	0	
44 Initial Operating Deficit	75,000	0	75,000	
45 Supp. Mgmt.&Mktg.Fee	10,000	0	10,000	
46 Purch. of Maint. Equip.	0	0	0	
47 Defeasance	0	0	0	
48 TOTAL WORKING CAP.	85,000	0	85,000	
49 PROJECT RESERVES	0	0	0	
50 Operating Reserve****	160,000	0	160,000	
51 Replacement Reserve	0	0	0	
52 ODR Reserve	0	0	0	
53 TOTAL RESERVES	160,000	0	160,000	
54 ADMIN. COSTS	0	0	0	
55 Relocation	0	0	0	
56 Water bills	0	0	0	
57 OTPS	0	0	0	
58 TOTAL ADMIN COSTS	0	0	0	
59 TOTAL PROJ. COSTS	10,906,427	10,413,550	492,877	492,877
60 Syndication Costs	0	0	0	
61 Partnership Expenses	0	0	0	
TOTAL	10,906,427	10,413,550	492,877	0

PERM. SOURCE OF FUNDS

MSHDA GAP Financing (3% 50 yr) cashflow	1,000,000	9%
Perm Loan (5.75%, 35 yrs.)	3,400,000	31%
DDA	600,000	6%
Fed Tax Credit Equity	4,602,667	42%
FHLB	500,000	5%
AAHC reduced fee/contribution	500,000	5%
Gap/Def Fee	303,760	3%
TOTAL	10,906,427	

CONSTRUCTION SOURCE OF FUNDS

MSHDA GAP Financing (3% 50 yr)	1,000,000	
Construction Loan	5,400,000	
FHLB/DDA/AAHC	1,100,000	
Equity	2,700,000	59%
TOTAL	10,200,000	10,183,927 Needed

**Line 39, with community, per unit \$151,203.70
 *** AAHC fee cash Afford. Res.
 ****4 mths. operating costs and DS

	Units	*Utilities	Per Unit	
	54	Impact - City	0	\$0
		Impact - County	0	\$0 Assumes credit for rehab
		Building Permit		\$0.00
				\$0.00
Tax credit basis	\$10,413,550	% TC Eligible	100.0%	\$13,537,615
Applicable % (7.6 9%)	3.26%	Eligible Alloc. Requested	130% Boost	\$1,0200
			\$451,287 Total:	\$4,602,667
				0 4% credits
				0 0.0326 Applicable F

Total SF 50,400
 TDC per SF \$216.40

Duet Development - Affordable

54 units \$165K/unit

7.15.2015

USE OF FUNDS	Total	Basis	Non-Basis	4% Basis
1 Land	0	0	0	
2 Structures	0	0		0
3 TOTAL	0	0	0	
4 Appraisal/Mkt. Study	14,000	14,000		
5 Soft Cost Contingency	75,000	75,000		
6 Survey / Subdivision	7,000	7,000		
7 Environ (including Noise)	25,000	25,000		
8 Impact/Utility/ Building Permit Fees*	80,000	80,000	0	
9 Arch/Engineer	150,000	150,000		
10 Construction Loan Fees (1.25%)	67,500	67,500		
11 Legal (AAHC and Dev)	100,000	75,000	25,000	
12 Perm Loan Fees (2.5%)	85,000		85,000	
13 Cost Cert. Audit	30,000	30,000		
14 Insurance	50,000	50,000		
15 Taxes	0	0		
16 Interim Interest	243,000	182,250	60,750	
17 Closing (inc. Bank, Investor)	95,000	71,250	23,750	
18 Title & Recording	65,000	65,000	0	
19 MSHDA Fees (\$2,000, plus \$450/unit)	26,300	0	26,300	
20 Const. Insp/Section 3/Cost Review	35,000	35,000		
21 Other: LIHC Compliance Fee 6%	27,077	0	27,077	
22 TOTAL SOFT	1,174,877	927,000		
23 Site Work	300,000	300,000		
24 Streets/Lanes	0	0		
25 Demolition	0		0	
26 Park	0	0		
27 Other/Asbestos Abatement	0	0	0	
28 SUBTOTAL-SITE PREP	300,000	300,000		
29 Residential	6,318,000	6,318,000		
30 Community/Amenities	50,000	50,000		
31 Solar H2O & additional res.	0	0		
32 General Requirements (6%)	400,080	400,080	0	
33 Bond Premium & GC cost cert	66,680	66,680		
34 Other	0	0		
35 Other: Demo	0	0	0	
36 Subtotal Contractors Costs	7,134,760	7,134,760		
37 Builder's Overhead (2%)	133,360	133,360	0	
38 Builders Profit (max 6%)	400,080	400,080	0	
39 TOTAL CONT. COSTS**	7,668,200	7,668,200	0	
40 Const. Contingency (7% of TCC**)	536,774	536,774	0	
41 TOTAL DEV. COSTS	9,379,851	9,131,974	247,877	
42 Developers Fee (5%)	500,000	500,000	0	0 fee capped at \$1.8M total per MSDHA req
43 AAHC Fee 2.5%***	250,000	250,000	0	
44 Initial Operating Deficit	75,000	0	75,000	
45 Supp. Mgmt.&Mktg.Fee	10,000	0	10,000	
46 Purch. of Maint. Equip.	0	0	0	
47 Defeasance	0	0	0	
48 TOTAL WORKING CAP.	85,000	0	85,000	
49 PROJECT RESERVES		0		
50 Operating Reserve****	160,000	0	160,000	
51 Replacement Reserve	0	0	0	
52 ODR Reserve	0	0	0	
53 TOTAL RESERVES	160,000	0	160,000	
54 ADMIN. COSTS		0		
55 Relocation	0	0		
56 Water bills	0	0	0	
57 OTPS	0	0		
58 TOTAL ADMIN COSTS		0	0	
59 TOTAL PROJ. COSTS	10,374,851	9,881,974	492,877	492,877
60 Syndication Costs	0	0		
61 Partnership Expenses	0	0	0	
TOTAL	10,374,851	9,881,974	492,877	0

PERM. SOURCE OF FUNDS

CONSTRUCTION SOURCE OF FUNDS

MSHDA GAP Financing (3% 50 yr) cashflow	1,000,000	10%
Perm Loan (5.75%, 35 yrs.)	3,400,000	33%
DDA	600,000	6%
Fed Tax Credit Equity	4,422,170	43%
FHLB	500,000	5%
AAHC reduced fee/contribution	452,681	4%
Gap/Def Fee	0	0%
TOTAL	10,374,851	

MSHDA GAP Financing (3% 50 yr)	1,000,000	
Construction Loan	5,400,000	
FHLB/DDA/AAHC	1,100,000	
Equity	2,700,000	61%
TOTAL	10,200,000	9,652,351 Needed

	Units	*Utilities	Per Unit	
**Line 39, with community, per unit	54	0	0	\$0
*** AAHC fee cash	Afford. Res.	Impact - City	0	\$0 Assumes credit for rehab
****4 mths. operating costs and DS		Impact - County	0	\$0 Assumes credit for rehab
		Building Permit		\$0.00
				\$0.00
Tax credit basis	\$9,881,974	% TC Eligible	100.0%	\$12,846,566
Applicable % (7.6 9%)	3.26%	Eligible Alloc. Requested	130% Boost	\$0.9800
			\$418,798 Value at:	0
			\$451,287 Total:	\$4,422,170
				0 4% credits
				0 0.0326 Applicable F
Total SF	50,400			
TDC per SF	\$205.85			