

PROJECT DEVELOPMENT COSTS DESCRIPTION				1	2	3
Ryan Spring				TOTAL COSTS	30% PV	70% PV
Cary, NC					ELIGIBLE BASIS	ELIGIBLE BASIS
1. Purchase of Building(s) (Rehab)						
2. Demolition						
3. On-Site Improvements			825,000			825,000
4. Rehabilitation						
5. Construction of New Building(s)			3,360,000			3,360,000
6. Accessory Building(s)						
7. General Requirements	(Max. 6% of lines 2 thru 6) *		251,100			251,100
8. Contractor Overhead	(Max. 2% of lines 2 thru 7) *		88,722			88,722
9. Contractor Profit	(Max. 8% of lines 2 thru 7; 6% if identity of interest)		266,166			266,166
10. Construction Contingency	(New: 5%. Rehab: 10%)		239,549			239,549
11. Architect's Fee - Design	(Lines 11 & 12 = Max. 3% of lines 2 thru 10)		80,267			80,267
12. Architect's Fee - Inspection			12,000			12,000
13. Construction Insurance	(Prorate)					
14. Construction Loan Origination Fee	(Prorate)		30,000			30,000
15. Construction Loan Interest	(Prorate)		150,000			106,000
16. Construction Loan Credit Enhancement	(Prorate)					
17. Construction Period Taxes			12,700			12,700
18. Bond Costs (Specify)						
19. Credit Report						
20. Survey	(Survey-\$12K, Eng.-\$65K, Eng.Star-\$6K, Mat. Testing-\$10K)		93,000			93,000
21. Property Appraisal (Feasibility)			10,000			10,000
22. Environment Report			5,830			5,830
23. Market Study			4,400			4,400
24. Permanent Loan Origination Fee			23,350			
25. Permanent Loan Credit Enhancement						
26. Cost of Issuance						
27. Title and Recording			16,340			
28. Real Estate Attorney			15,000			15,000
29. Other Attorney's Fees			15,000			15,000
30. Organizational (Partnership)			750			
31. Tax Credit Application Fee	(.78% x Qualified Basis + \$2,640 non-refundable)		41,916			
32. Tax Credit Monitoring Fee	(\$860/unit)		36,120			
33. Cost Certification			5,000			5,000
34. Furnishings and Equipment			60,000			60,000
35. Consultant	(NCHFA Legal Fees)		1,500			
36. Other	(Water, Sewer and Impact Fees)		270,000			270,000
37. Developer's Fee	(Lesser of \$13,000 per unit or \$1.3M)		300,000			300,000
38. Placement Fee	(Other Costs Assoc.w/Land)		12,560			
39. Tax Opinion						
40. Rent-Up Expenses			12,600			
41. Rent-Up Reserve	(\$300 per unit min.)		12,600			
42. Operating Reserve	(6 Months of Total Operating & Debt Service)		138,689			
43. Relocation Expenses						
44. DEVELOPMENT COST	(Sum of lines 1 thru 43)		\$ 6,390,159			\$ 6,049,734
45. Less Federal Financing	(Other than CDBG)					
46. Less Disproportionate Standard						
47. Less Nonqualified Nonrecourse Financing						
48. Less Historic Tax Credit	(Residential Portions)					
49. TOTAL ELIGIBLE BASIS	(Line 44 less lines 45 thru 48)					\$ 6,049,734
50. Applicable Fraction	(% of units occupied by low-income occupants)					100.00%
51. TOTAL QUALIFIED BASIS	(Line 49 multiplied by line 50)					\$ 6,049,734
52. Tax Credit Rate						9.00%
53. AMOUNT OF TAX CREDITS	(Line 51 multiplied by line 52)					\$ 544,476
54. TOTAL AMOUNT OF TAX CREDITS REQUESTED						\$ -
55. Cost of Land	(1.74 acres)		757,944			
56. TOTAL REPLACEMENT COST	(Line 44 + 55)		\$ 7,148,103	Credits Awarded		\$ 447,650

**PROJECT FUNDING**

Source:	Amount	% of Total	Rate	Term	Amortization Period	Annual Debt Service
Bank:	1,100,000	0.15	6.44%	18	35 Years	79,205
RPP Loan: (Max. \$15,000 per unit or \$800,000)	-	0.00	2.0%	20	20 Years	-
Local Government: (Town of Cary)	250,000	0.03	2.0%	30	30 Years	4,222
Other Loan: (WCHS)	750,000	0.10	2.0%	30	30 Years	12,665
Other Loan: (WCHS)	700,000	0.10				
Mortgage Revenue Bond:		0.00				
Nonrepayable Grants:		0.00				
Workforce Housing Loan Program: (4% of Basis/Max. \$250,000)	250,000	0.03				
Equity: LIHTC's	4,050,827	0.57	<b>Estimated pricing on sale of tax credits:</b>			<b>\$ 0.905</b>
Equity: Historic Tax Credits		0.00				
Owner Investment:	406	0.00				
Other: (Developer Fee)	46,870	0.01				
<b>TOTAL SOURCES *</b>	<b>\$ 7,148,103</b>	<b>1.00</b>				
* Sources and uses must equal Total Replacement Cost (Line 56)	<b>\$ 7,148,103</b>					
	\$ (0)					

PROJECT OPERATIONS (YEAR ONE)				Amount				
<b>Admin. Expenses</b>	Advertising			1,500				
	Other Administrative Expenses			4,000				
	Office Salaries							
	Office or Model Apartment Rent							
	Management Fee	7%		20,469				
	Manager or Superintendent Salaries			18,000				
	Manager or Superintendent Rent Free Unit							
	Legal Expenses (Project)			250				
	Auditing Expenses (Project)			4,500				
	Bookkeeping Fees/Accounting Services							
	Telephone and Answering Service			4,000				
	Bad Debts							
	Other Administrative Expenses (specify)							
	<b>Total Administrative Expenses</b>				\$	52,719		
<b>Utilities Expense</b>	Fuel Oil/Coal							
	Electricity (Light and Misc. Power)			14,000				
	Water			6,000				
	Gas							
	Sewer			6,000				
	<b>Total Utilities Expense</b>				\$	26,000		
<b>Operating and Maintenance Expenses</b>	Janitor and Cleaning Payroll							
	Janitor and Cleaning Supplies							
	Janitor and Cleaning Contract							
	Exterminating Payroll/Contract			3,500				
	Exterminating Supplies							
	Garbage and Trash Removal			4,500				
	Security Payroll/Contract							
	Grounds Payroll							
	Grounds Supplies			3,000				
	Grounds Contract			8,000				
	Repairs Payroll			16,500				
	Repairs Material			5,000				
	Repairs Contract			5,000				
	Elevator Maintenance/Contract			5,000				
	Heating/Cooling Repairs and Maintenance							
	Swimming Pool Maintenance/Contract							
	Snow Removal							
Decorating Payroll/Contract			4,000					
Decorating Supplies			4,000					
Other								
	Miscellaneous Operating & Maintenance Expenses			500				
	<b>Total Operating &amp; Maintenance Expenses</b>				\$	59,000		
<b>Taxes and Insurance</b>	Real Estate Taxes			17,500				
	Payroll Taxes (FICA)			3,450				
	Miscellaneous Taxes, Licenses and Permits			250				
	Property and Liability Insurance (Hazard)			7,500				
	Fidelity Bond Insurance			50				
	Workman's Compensation			1,725				
	Health Insurance and Other Employee Benefits			2,000				
Other Insurance (specify)								
	<b>Total Taxes and Insurance</b>				\$	32,475		
<b>Supportive Service Expenses</b>	Service Coordinator							
	Service Supplies							
	Tenant Association Funds			1,000				
	Other Expenses (specify)							
	<b>Total Supportive Service Expenses</b>				\$	1,000		
<b>Reserves</b>	Replacement Reserves				\$	10,500		
	<b>Total Cost of Operations Before Depreciation</b>				\$	181,694		
							<b>Per Unit Cost of Operations</b>	4,326
							<b>Per Unit Cost Less Taxes, Reserves &amp; Supportive Services</b>	3,636

Projected Cash Flow				Amount						
<b>Rental</b>	Rental Income			311,220						
<b>Income</b>	Stores and Commercial									
	Flexible Subsidy Income									
	Miscellaneous (specify)									
	<b>Total Rent Revenue Potential at 100% Occupancy</b>				\$	311,220				
<b>Vacancies</b>	Apartments	7%		22,009						
	Stores and Commercial									
	Miscellaneous (specify)									
	<b>Total Vacancies</b>			22,009						
	<b>Net Rental Revenue Rent (Revenue less Vacancies)</b>				\$	289,211				
<b>Financial</b>	Interest Income - Project Operations									
<b>Revenue</b>	Income from Investments - Residual Receipts									
	Income from Investments - Reserve for Replacement									
	Income from Investments - Miscellaneous									
	<b>Total Financial Revenue</b>				\$	-				
<b>Other</b>	Laundry and Vending			1,100						
<b>Revenue</b>	NSF and Late Charges			100						
	Damages and Cleaning Fees			1,000						
	Forfeited Tenant Security Deposits			1,000						
	Other Revenue (specify)									
	<b>Total Other Revenue</b>				\$	3,200				
	<b>Total Revenue</b>				\$	292,411				
<b>Debt</b>	1st Mortgage Payment (CICCAR)			79,205						
<b>Service</b>	2nd Mortgage Payment (NCHFA-RPP)			-						
	Other Debt Service (Town of Cary & WCHS)			16,887						
	<b>Total Debt Service</b>				\$	96,092				
	<b>Net Cash Flow</b>				\$	14,625				
	<b>Debt Coverage Ratio</b>					1.1522				
	<b>Profit (Loss) before Depreciation (Total Revenue less Total Cost)</b>				\$	110,717				

Unit Mix and Rent Structure										
Bedroom Size	Number of Units	Type (APT, TH)	Square Feet (Net)	Monthly Rent Amount	Monthly Utility Cost	Total Monthly Hsg. Cost	Annual Rental Income	Median Income % Targeted	Max. Hsg. Expense	HOME Rents
1	6	APT	660	380	61	441	27,360	30%	474	L 791 H 893
2	6	APT	900	455	75	530	32,760	30%	569	L 948 H 1026
1	0	APT	660	0	61	61	-	40%	633	
2	0	APT	900	0	75	75	-	40%	759	
1	3	APT	660	580	61	641	20,880	50%	791	
2	3	APT	900	655	75	730	23,580	50%	948	
1	12	APT	660	680	61	741	97,920	60%	949	
2	12	APT	900	755	75	830	108,720	60%	1138	
	<b>42</b>						<b>\$ 311,220</b>			

Operating Cash Flow Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Development Name:	Ryan Spring																			
Gross Rental Income	311,220																			
Vacancy (7%)	22,009																			
Plus Other Income	3,200																			
Effective Gross Income	292,411	298,259	304,224	310,308	316,515	322,845	329,302	335,888	342,606	349,458	356,447	363,576	370,847	378,264	385,830	393,546	401,417	409,445	417,634	425,987
Operating Expenses:																				
Management Fee - (7%)	20,469																			
Administrative	32,250																			
Operating & Maintenance	59,000																			
Utilities	26,000																			
Insurance	7,500																			
Taxes	17,500																			
Other	7,475																			
Services Program	1,000																			
Replacement Reserves	10,500	10,920	11,357	11,811	12,283.5	12,775	13,286	13,817	14,370.0	14,945	15,543	16,164	16,811	17,483	18,183	18,910	19,666	20,453	21,271	22,122
Total Operating Expenses	181,694	187,250	192,976	198,879	204,964	211,235	217,700	224,364	231,233	238,314	245,613	253,136	260,892	268,887	277,128	285,624	294,382	303,410	312,717	322,311
NOI	110,717	111,009	111,248	111,429	111,551	111,610	111,602	111,524	111,373	111,144	110,834	110,439	109,955	109,377	108,701	107,922	107,035	106,035	104,917	103,676
Less:																				
1st Mort. Debt Service (CICCAR)	79,205	79,205	79,205	79,205	79,205	79,205	79,205	79,205	79,205	79,205	79,205	79,205	79,205	79,205	79,205	79,205	79,205	79,205	79,205	79,205
2nd Mort. Debt Service (RPP)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Debt Service (Town of Cary)	4,222	4,230	4,226	4,209	4,177	4,131	4,069	3,990	3,895	3,782	3,649	3,497	3,325	3,130	2,914	2,673	2,408	2,116	1,798	1,452
Other Debt Service (WCHS)	12,665	12,691	12,679	12,626	12,531	12,392	12,206	11,971	11,685	11,345	10,948	10,492	9,974	9,391	8,741	8,019	7,223	6,349	5,395	4,355
Net Cash Flow	14,625	14,883	15,138	15,389	15,638	15,882	16,122	16,358	16,588	16,812	17,032	17,245	17,451	17,651	17,841	18,025	18,199	18,365	18,519	18,664
Debt Coverage Ratio	1.1522	1.1548	1.1575	1.1602	1.1630	1.1659	1.1688	1.1719	1.1750	1.1782	1.1816	1.1850	1.1887	1.1924	1.1964	1.2005	1.2049	1.2095	1.2143	1.2195
BR Size	1 BR	2 BR	1 BR	2 BR	1 BR	2 BR	1 BR	2 BR	1 BR	2 BR	1 BR	2 BR	1 BR	2 BR	1 BR	2 BR	1 BR	2 BR	1 BR	2 BR
Unit Mix	6	6	0	6	0	6	0	6	0	6	0	6	0	6	0	6	0	6	0	6
Rent	380	455	0	455	0	455	0	455	0	455	0	455	0	455	0	455	0	455	0	455
UA	61	75	0	75	0	75	0	75	0	75	0	75	0	75	0	75	0	75	0	75
Median Income Targeted	30%	30%	40%	40%	50%	50%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%
Total RPP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loan Amt.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
As % of Loan	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Total	\$ 728,472	\$ 728,472	\$ 728,472	\$ 728,472	\$ 728,472	\$ 728,472	\$ 728,472	\$ 728,472	\$ 728,472	\$ 728,472	\$ 728,472	\$ 728,472	\$ 728,472	\$ 728,472	\$ 728,472	\$ 728,472	\$ 728,472	\$ 728,472	\$ 728,472	\$ 728,472
As % of Loan w/ Int.	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
T of Cary	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Payments	\$ 69,868	\$ 69,868	\$ 69,868	\$ 69,868	\$ 69,868	\$ 69,868	\$ 69,868	\$ 69,868	\$ 69,868	\$ 69,868	\$ 69,868	\$ 69,868	\$ 69,868	\$ 69,868	\$ 69,868	\$ 69,868	\$ 69,868	\$ 69,868	\$ 69,868	\$ 69,868
As % of Loan	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%
Total	\$ 332,658	\$ 332,658	\$ 332,658	\$ 332,658	\$ 332,658	\$ 332,658	\$ 332,658	\$ 332,658	\$ 332,658	\$ 332,658	\$ 332,658	\$ 332,658	\$ 332,658	\$ 332,658	\$ 332,658	\$ 332,658	\$ 332,658	\$ 332,658	\$ 332,658	\$ 332,658
As % of Loan w/ Int.	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%
WCHS	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000
Loan Amt.	\$ 209,600	\$ 209,600	\$ 209,600	\$ 209,600	\$ 209,600	\$ 209,600	\$ 209,600	\$ 209,600	\$ 209,600	\$ 209,600	\$ 209,600	\$ 209,600	\$ 209,600	\$ 209,600	\$ 209,600	\$ 209,600	\$ 209,600	\$ 209,600	\$ 209,600	\$ 209,600
Payments	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920
As % of Loan w/ Int.	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%
Total	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920	\$ 997,920
As % of Loan w/ Int.	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%
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	21	22	23	24	25	26	27	28	29	30
	434,507	443,197	452,061	461,102	470,324	479,731	489,325	499,112	509,094	519,276
	23,007	23,927	24,884	25,880	26,915	27,991	29,111	30,275	31,486	32,746
	332,202	342,398	352,909	363,745	374,916	386,433	398,306	410,546	423,165	436,175
	102,305	100,799	99,152	97,357	95,408	93,298	91,019	88,566	85,929	83,101
	79,205	79,205	79,205	79,205	79,205	79,205	79,205	79,205	79,205	79,205
	1,076	669	230	-243	-751	-1,295	-1,878	-2,500	-3,163	-3,870
	3,227	2,006	689	-729	-2,252	-3,885	-5,633	-7,499	-9,490	-11,611
	18,797	18,919	19,028	19,124	19,206	19,273	19,325	19,360	19,377	19,377
	1,23	1,23	1,24	1,24	1,25	1,26	1,27	1,28	1,29	1,30