

**McKinney Housing Authority &
Carleton Residential Properties
Merritt Homes 9% Tax Credit
15 Year Pro Forma**

	<u>YEAR 1</u>	<u>YEAR 2</u>	<u>YEAR 3</u>	<u>YEAR 4</u>	<u>YEAR 5</u>	<u>YEAR 6</u>	<u>YEAR 7</u>
REVENUE							
Base Rental Income	\$1,191,984	\$1,215,824	\$1,240,140	\$1,264,943	\$1,290,242	\$1,316,047	\$1,342,368
Amenities/Other Income	26,112	26,634	27,167	27,710	28,264	28,830	29,406
Gross Rent	1,218,096	1,242,458	1,267,307	1,292,653	1,318,506	1,344,876	1,371,774
Vacancy Loss	(91,357)	(93,184)	(95,048)	(96,949)	(98,888)	(100,866)	(102,883)
NET REVENUE	<u>1,126,739</u>	<u>1,149,274</u>	<u>1,172,259</u>	<u>1,195,704</u>	<u>1,219,618</u>	<u>1,244,011</u>	<u>1,268,891</u>
OPERATING EXPENSES							
General & Administrative Expenses	50,000	51,550	53,148	54,796	56,494	58,246	60,051
Management Fee	57,048	58,816	60,640	62,520	64,458	66,456	68,516
Payroll	185,000	190,735	196,648	202,744	209,029	215,509	222,190
Maintenance Expenses	72,000	74,232	76,533	78,906	81,352	83,874	86,474
Utilities - Electric	35,000	36,085	37,204	38,357	39,546	40,772	42,036
Utilities - W/S/T	80,000	82,480	85,037	87,673	90,391	93,193	96,082
Replacement Reserves	40,800	42,065	43,369	44,713	46,099	47,528	49,002
Insurance	60,000	61,860	63,778	65,755	67,793	69,895	72,061
Taxes	0	0	0	0	0	0	0
Supportive Services & Security	29,185	30,090	31,023	31,985	32,976	33,998	35,052
Compliance	5,440	5,609	5,783	5,962	6,147	6,337	6,534
TOTAL OPERATING EXPENSES	<u>614,473</u>	<u>633,522</u>	<u>653,161</u>	<u>673,409</u>	<u>694,285</u>	<u>715,808</u>	<u>737,998</u>
NET OPERATING INCOME	512,265	515,751	519,098	522,295	525,333	528,203	530,893
FIRST MORTGAGE DEBT SERVICE	<u>409,812</u>	<u>409,812</u>	<u>409,812</u>	<u>409,812</u>	<u>409,812</u>	<u>409,812</u>	<u>409,812</u>
NET CASH FLOW	<u>102,453</u>	<u>105,939</u>	<u>109,285</u>	<u>112,483</u>	<u>115,521</u>	<u>118,391</u>	<u>121,081</u>
DSR	1.25	1.26	1.27	1.27	1.28	1.29	1.30

**McKinney Hou
Carleton Resid
Merritt Homes
15 Year Pro Fc**

	<u>YEAR 8</u>	<u>YEAR 9</u>	<u>YEAR 10</u>	<u>YEAR 11</u>	<u>YEAR 12</u>	<u>YEAR 13</u>	<u>YEAR 14</u>	<u>YEAR 15</u>
REVENUE	\$1,369,215	\$1,396,599	\$1,424,531	\$1,453,022	\$1,482,082	\$1,511,724	\$1,541,958	\$1,572,798
	29,994	30,594	31,206	31,830	32,467	33,116	33,779	34,454
	1,399,209	1,427,194	1,455,737	1,484,852	1,514,549	1,544,840	1,575,737	1,607,252
	<u>(104,941)</u>	<u>(107,040)</u>	<u>(109,180)</u>	<u>(111,364)</u>	<u>(113,591)</u>	<u>(115,863)</u>	<u>(118,180)</u>	<u>(120,544)</u>
NET REVENUE	<u>1,294,269</u>	<u>1,320,154</u>	<u>1,346,557</u>	<u>1,373,488</u>	<u>1,400,958</u>	<u>1,428,977</u>	<u>1,457,557</u>	<u>1,486,708</u>
OPERATING EXPEI	61,913	63,832	65,811	67,851	69,954	72,123	74,359	76,664
	70,640	72,830	75,088	77,415	79,815	82,289	84,840	87,471
	229,077	236,179	243,500	251,049	258,831	266,855	275,128	283,657
	89,154	91,918	94,768	97,706	100,734	103,857	107,077	110,396
	43,339	44,682	46,068	47,496	48,968	50,486	52,051	53,665
	99,061	102,131	105,297	108,562	111,927	115,397	118,974	122,662
	50,521	52,087	53,702	55,366	57,083	58,852	60,677	62,558
	74,295	76,599	78,973	81,421	83,945	86,548	89,231	91,997
	0	0	0	0	0	0	0	0
	36,139	37,259	38,414	39,605	40,833	42,099	43,404	44,749
	<u>6,736</u>	<u>6,945</u>	<u>7,160</u>	<u>7,382</u>	<u>7,611</u>	<u>7,847</u>	<u>8,090</u>	<u>8,341</u>
TOTAL OPERATING	<u>760,876</u>	<u>784,463</u>	<u>808,781</u>	<u>833,854</u>	<u>859,703</u>	<u>886,354</u>	<u>913,831</u>	<u>942,159</u>
NET OPERATING II	533,393	535,691	537,776	539,635	541,255	542,623	543,726	544,548
FIRST MORTGAGE	<u>409,812</u>	<u>409,812</u>	<u>409,812</u>	<u>409,812</u>	<u>409,812</u>	<u>409,812</u>	<u>409,812</u>	<u>409,812</u>
NET CASH FLOW	<u>123,581</u>	<u>125,879</u>	<u>127,964</u>	<u>129,823</u>	<u>131,443</u>	<u>132,811</u>	<u>133,914</u>	<u>134,736</u>
DSR	1.30	1.31	1.31	1.32	1.32	1.32	1.33	1.33