

9% Tax Credit Development
 Senior - 4 story urban Prototype
 Dallas MSA- City of McKinney

December 21, 2016

124 Units - 2017 TDHCA HTC Program
 Senior - w \$2.0M Home/TCAP funds

TOTAL PROJECT SOURCES AND USES OF FUNDS					
<u>SOURCES</u>			Total	Total	
Senior Mortgage					
First Mortgage	DCR @1.24	2,920,659	\$ 2,700,000		
2nd Mortgage					
Total Bond Proceeds				\$ 2,700,000	
					7.87%
City / State Loan					
HOME Loan	1.00% Subsidy per LI unit	18,519	\$ 2,000,000		
	0.00% Subsidy per LI unit	0	\$ -		
Total City / Stae Loan				\$ 2,000,000	<u>Credit Request</u>
					1,500,000
					<u>Credit Calc</u>
					1,509,417
Other Sources of Funds					
Tax credit equity	\$ 0.9000 pricing	13,584,750	\$ 13,500,000		
City	Subsidy per LI unit				
GIC Investment Earnings		0%	\$ -		<u>Cash Fee</u>
Deferred Developer Fee		46%	\$ 875,000		1,007,033
Total Funds from Other Sources				\$ 14,375,000	
Total Sources				\$ 19,075,000	
<hr/>					
15 year cash flow	1,010,449	Uses		\$ 19,067,156	
Fixed Equity	13,500,000			\$ 7,844	
Difference in Equity	0				
<u>USES:</u>					
4 story					
Land/Acquisition					
# of Acres	5.000	Per Sq Land Cost	\$ 6.00		
Per Unit Land Cost	10,539	Density	24.80		
Direct Construction Costs					
Main Buildings			\$ 8,883,450		
FF&E			\$ -		
Accessory Buildings					
Carports / Garages			\$ 98,400		<u>Hard Cost</u>
Total Structures (includes FF&E)			\$ 8,981,850		\$ 104.39
General Requirements	5.79%		\$ 520,049		<u>With Contingency</u>
Building (Incl. General Requirements)			\$ 9,501,899		\$ 108.93
Builders' Overhead	1.91%		\$ 171,553		
Builder's Profit*	5.79%		\$ 520,049		
Building (inc. Overhead & Profit)			\$ 10,193,502		
Contingencies for Hard Costs	4.35%		\$ 443,417		
Total Direct Construction Costs				\$ 10,636,919	
Indirect Construction Costs					
Impact Fees/Permits			\$ 500,000		
Environmental			\$ 15,000		
Geotechnical			\$ 15,000		
Survey, ALTA, Topo, Tree			\$ 15,000		
Appraisal / Market Study			\$ 20,000		
Owner Testing, Soils, Sound			\$ 15,000		
Architect/Engineering			\$ 800,000		

Architect/Civil Contingency		50,000		
Architect/MEP/Structural		375,000		
Civil Engineering		275,000		
Landscaping Architect		25,000		
Interior Design/Lender's Inspector		25,000		
Reimbursables		50,000		
total to be split 80% to Design and 20% supervisory				
Design	640,000			
Supervisory	160,000			
Legal			\$	40,000
Legal (including rezone)		20,000		
Legal / Professional Fees		20,000		
Organizational Cost (for non-profit)		\$	15,000	
Accounting Fee - carryover, 10% test, 1st year tax return, cost certification		\$	25,000	
Insurance Break out detail from Constr. Contract		\$	-	
Title & Recording		\$	140,000	
Total Indirect Construction Costs			\$	1,600,000
Construction Loan			\$	1,225,906
Construction Period Interest	\$ 826,538	\$	950,906	
Builders Risk/Developers GL		0.00%	\$	125,000
Bridge Loan Fee		1.25%	\$	150,000
Construction Period Interest - City / State Loan				
TOTAL DEVELOPMENT COSTS including land, Legal, Org. Title, Insurance and Interest			\$	14,769,624
Marketing-lease-up				300,000
FF&E and set up				350,000
PP Bond			\$	125,000
Initial Operating Deficits	calculated amt. =	574,946	\$	374,946
Working Capital % of loan (Rent up)		7.41%	\$	200,000
For Profit Developer Fee-- do not delete this line				
For Profit Developer Fee-15% of eligible basis (less Non Profit Fee)			\$	1,882,033
Misc			\$	50,000
Financing Costs		18.45%	\$	498,279
**for calculation, see COI "Cost of Issuance Schedule"				
Soft Cost Contingencies			\$	-
Long Term Reserves	473,210		\$	473,210
Construction Period Taxes (one year at current land AV) Plus RB Taxes			\$	44,063
Total Uses			\$	19,067,156
				7,844
Total Project Cost/Unit		\$	153,767	
Total Project Cost/SF		\$	195	