

5% Vacancy Analysis - WITH PILOT

20-YEAR OPERATING PRO

FORMA:

Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Low Income Units	\$ 515,194	\$ 525,497	\$ 536,007	\$ 546,728	\$ 557,662	\$ 568,815	\$ 580,192	\$ 591,796	\$ 603,631	\$ 615,704	\$ 628,018	\$ 640,578	\$ 653,390	\$ 666,458	\$ 679,787	\$ 693,383	\$ 707,250	\$ 721,395	\$ 735,823	\$ 750,540
Market Rate Units	\$ 90,000	91,800	93,636	95,509	97,419	99,367	101,355	103,382	105,449	107,558	109,709	111,904	114,142	116,425	118,753	121,128	123,551	126,022	128,542	131,113
Nonresidential	\$																			
Gross Project Income	605,194	617,297	629,643	642,236	655,081	668,183	681,546	695,177	709,081	723,262	737,728	752,482	767,532	782,882	798,540	814,511	830,801	847,417	864,365	881,653
Vacancy Allowance	(30,260)	(30,865)	(31,482)	(32,112)	(32,754)	(33,409)	(34,077)	(34,759)	(35,454)	(36,163)	(36,886)	(37,624)	(38,377)	(39,144)	(39,927)	(40,726)	(41,540)	(42,371)	(43,218)	(44,083)
Effective Gross Income	\$ 574,934	\$ 586,433	\$ 598,161	\$ 610,124	\$ 622,327	\$ 634,774	\$ 647,469	\$ 660,418	\$ 673,627	\$ 687,099	\$ 700,841	\$ 714,858	\$ 729,155	\$ 743,738	\$ 758,613	\$ 773,785	\$ 789,261	\$ 805,046	\$ 821,147	\$ 837,570

Expenses

Administrative	\$ 69,295	\$ 71,374	\$ 73,515	\$ 75,721	\$ 77,992	\$ 80,332	\$ 82,742	\$ 85,224	\$ 87,781	\$ 90,414	\$ 93,127	\$ 95,920	\$ 98,798	\$ 101,762	\$ 104,815	\$ 107,959	\$ 111,198	\$ 114,534	\$ 117,970	\$ 121,509
Management Fee	34,496	35,186	35,890	36,607	37,340	38,086	38,848	39,625	40,418	41,226	42,050	42,891	43,749	44,624	45,517	46,427	47,356	48,303	49,269	50,254
Utilities	37,800	38,934	40,102	41,305	42,544	43,821	45,135	46,489	47,884	49,320	50,800	52,324	53,894	55,511	57,176	58,891	60,658	62,478	64,352	66,283
Maintenance	85,238	87,795	90,429	93,142	95,936	98,814	101,779	104,832	107,977	111,216	114,553	117,989	121,529	125,175	128,930	132,798	136,782	140,885	145,112	149,465
Taxes and Insurance	64,812	66,756	68,759	70,822	72,946	75,135	77,389	79,711	82,102	84,565	87,102	89,715	92,406	95,179	98,034	100,975	104,004	107,124	110,338	113,648
Replacement Reserve	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700
Total Expenses	\$ 306,341	\$ 314,745	\$ 323,395	\$ 332,297	\$ 341,459	\$ 350,888	\$ 360,593	\$ 370,581	\$ 380,861	\$ 391,442	\$ 402,332	\$ 413,540	\$ 425,077	\$ 436,950	\$ 449,172	\$ 461,751	\$ 474,698	\$ 488,024	\$ 501,741	\$ 515,860
Net Operating Income	\$ 268,593	\$ 271,687	\$ 274,766	\$ 277,828	\$ 280,868	\$ 283,886	\$ 286,876	\$ 289,837	\$ 292,766	\$ 295,657	\$ 298,509	\$ 301,318	\$ 304,079	\$ 306,788	\$ 309,441	\$ 312,035	\$ 314,563	\$ 317,022	\$ 319,406	\$ 321,711

Debt Service Financing

Taxable Bonds	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
MIP																				
Tax-exempt Bonds																				
Private Loan	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361
Rural Development																				
Rental Housing Funds																				
HOME (CDA)																				
HOME (non-CDA)																				
Total Debt Service	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361
Cash Flow	\$ 36,232	\$ 39,326	\$ 42,405	\$ 45,467	\$ 48,507	\$ 51,525	\$ 54,515	\$ 57,476	\$ 60,405	\$ 63,296	\$ 66,148	\$ 68,957	\$ 71,718	\$ 74,427	\$ 77,080	\$ 79,674	\$ 82,202	\$ 84,661	\$ 87,045	\$ 89,350
Debt Coverage Ratio	1.16	1.17	1.18	1.20	1.21	1.22	1.23	1.25	1.26	1.27	1.28	1.30	1.31	1.32	1.33	1.34	1.35	1.36	1.37	1.38

Cash Flow Financing

25% of Cash Flow																				
Deferred Developer's Fee																				
75% of Cash Flow																				
Rental Housing Works	27,174	29,495	31,804	34,100	36,381	38,643	40,886	43,107	45,303	47,472	49,611	51,718	53,788	55,820	57,810	59,755	61,652	63,496	65,284	67,012
Surplus Cash Flow																				
Other																				
Total Cash Flow Debt	\$ 27,174	\$ 29,495	\$ 31,804	\$ 34,100	\$ 36,381	\$ 38,643	\$ 40,886	\$ 43,107	\$ 45,303	\$ 47,472	\$ 49,611	\$ 51,718	\$ 53,788	\$ 55,820	\$ 57,810	\$ 59,755	\$ 61,652	\$ 63,496	\$ 65,284	\$ 67,012
Remaining Cash Flow	\$ 9,058	\$ 9,832	\$ 10,601	\$ 11,367	\$ 12,127	\$ 12,881	\$ 13,629	\$ 14,369	\$ 15,101	\$ 15,824	\$ 16,537	\$ 17,239	\$ 17,929	\$ 18,607	\$ 19,270	\$ 19,918	\$ 20,551	\$ 21,165	\$ 21,761	\$ 22,337
Debt Coverage Ratio	1.03	1.04	1.04	1.04	1.05	1.05	1.05	1.05	1.05	1.06	1.06	1.06	1.06	1.06	1.07	1.07	1.07	1.07	1.07	1.07

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Low Income Units	\$ 515,194	\$ 525,497	\$ 536,007	\$ 546,728	\$ 557,662	\$ 568,815	\$ 580,192	\$ 591,796	\$ 603,631	\$ 615,704	\$ 628,018	\$ 640,578	\$ 653,390	\$ 666,458	\$ 679,787	\$ 693,383	\$ 707,250	\$ 721,395	\$ 735,823	\$ 750,540
Market Rate Units	\$ 90,000	91,800	93,636	95,509	97,419	99,367	101,355	103,382	105,449	107,558	109,709	111,904	114,142	116,425	118,753	121,128	123,551	126,022	128,542	131,113
Nonresidential	\$																			
Gross Project Income	605,194	617,297	629,643	642,236	655,081	668,183	681,546	695,177	709,081	723,262	737,728	752,482	767,532	782,882	798,540	814,511	830,801	847,417	864,365	881,653
Vacancy Allowance	(30,260)	(30,865)	(31,482)	(32,112)	(32,754)	(33,409)	(34,077)	(34,759)	(35,454)	(36,163)	(36,886)	(37,624)	(38,377)	(39,144)	(39,927)	(40,726)	(41,540)	(42,371)	(43,218)	(44,083)
Effective Gross Income	\$ 574,934	\$ 586,433	\$ 598,161	\$ 610,124	\$ 622,327	\$ 634,774	\$ 647,469	\$ 660,418	\$ 673,627	\$ 687,099	\$ 700,841	\$ 714,858	\$ 729,155	\$ 743,738	\$ 758,613	\$ 773,785	\$ 789,261	\$ 805,046	\$ 821,147	\$ 837,570

Expenses

Administrative	\$ 69,295	\$ 71,374	\$ 73,515	\$ 75,721	\$ 77,992	\$ 80,332	\$ 82,742	\$ 85,224	\$ 87,781	\$ 90,414	\$ 93,127	\$ 95,920	\$ 98,798	\$ 101,762	\$ 104,815	\$ 107,959	\$ 111,198	\$ 114,534	\$ 117,970	\$ 121,509
Management Fee	34,496	35,186	35,890	36,607	37,340	38,086	38,848	39,625	40,418	41,226	42,050	42,891	43,749	44,624	45,517	46,427	47,356	48,303	49,269	50,254
Utilities	37,800	38,934	40,102	41,305	42,544	43,821	45,135	46,489	47,884	49,320	50,800	52,324	53,894	55,511	57,176	58,891	60,658	62,478	64,352	66,283
Maintenance	85,238	87,795	90,429	93,142	95,936	98,814	101,779	104,832	107,977	111,216	114,553	117,989	121,529	125,175	128,930	132,798	136,782	140,885	145,112	149,465
Taxes and Insurance	89,050	91,722	94,473	97,307	100,227	103,233	106,330	109,520	112,806	116,190	119,676	123,266	126,964	130,773	134,696	138,737	142,899	147,186	151,602	156,150
Replacement Reserve	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700
Total Expenses	\$ 330,579	\$ 339,710	\$ 349,109	\$ 358,782	\$ 368,739	\$ 378,986	\$ 389,534	\$ 400,391	\$ 411,565	\$ 423,067	\$ 434,906	\$ 447,091	\$ 459,634	\$ 472,545	\$ 485,834	\$ 499,513	\$ 513,593	\$ 528,086	\$ 543,005	\$ 558,361
Net Operating Income	\$ 244,355	\$ 246,722	\$ 249,052	\$ 251,342	\$ 253,588	\$ 255,787	\$ 257,935	\$ 260,028	\$ 262,062	\$ 264,032	\$ 265,936	\$ 267,767	\$ 269,521	\$ 271,194	\$ 272,779	\$ 274,273	\$ 275,668	\$ 276,960	\$ 278,143	\$ 279,209

Debt Service Financing

Taxable Bonds	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
MIP																				
Tax-exempt Bonds																				
Private Loan	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361	232,361
Rural Development																				
Rental Housing Funds																				
HOME (CDA)																				
HOME (non-CDA)																				
Total Debt Service	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361	\$ 232,361
Cash Flow	\$ 11,994	\$ 14,361	\$ 16,691	\$ 18,981	\$ 21,227	\$ 23,426	\$ 25,574	\$ 27,667	\$ 29,701	\$ 31,671	\$ 33,575	\$ 35,406	\$ 37,160	\$ 38,833	\$ 40,418	\$ 41,912	\$ 43,307	\$ 44,599	\$ 45,782	\$ 46,848
Debt Coverage Ratio	1.05	1.06	1.07	1.08	1.09	1.10	1.11	1.12	1.13	1.14	1.14	1.15	1.16	1.17	1.17	1.18	1.19	1.19	1.20	1.20

Cash Flow Financing

25% of Cash Flow																				
Deferred Developer's Fee																				
75% of Cash Flow																				
Rental Housing Works	8,995	10,771	12,519	14,236	15,920	17,570	19,180	20,750	22,275	23,753	25,181	26,554	27,870	29,124	30,314	31,434	32,480	33,449	34,336	35,136
Surplus Cash Flow																				
Other																				

Total Cash Flow Debt	\$ 8,995	\$ 10,771	\$ 12,519	\$ 14,236	\$ 15,920	\$ 17,570	\$ 19,180	\$ 20,750	\$ 22,275	\$ 23,753	\$ 25,181	\$ 26,554	\$ 27,870	\$ 29,124	\$ 30,314	\$ 31,434	\$ 32,480	\$ 33,449	\$ 34,336	\$ 35,136
Remaining Cash Flow	\$ 2,998	\$ 3,590	\$ 4,173	\$ 4,745	\$ 5,307	\$ 5,857	\$ 6,393	\$ 6,917	\$ 7,425	\$ 7,918	\$ 8,394	\$ 8,851	\$ 9,290	\$ 9,708	\$ 10,105	\$ 10,478	\$ 10,827	\$ 11,150	\$ 11,445	\$ 11,712
Debt Coverage Ratio	1.01	1.01	1.02	1.02	1.02	1.02	1.03	1.03	1.03	1.03	1.03	1.03	1.04	1.04	1.04	1.04	1.04	1.04	1.04	1.04