

Rhode Island Housing Underwriting Model

Project: Harris House Apartments

City: Cranston

Stage of Progress (Describe Stage, e.g. Initial Submittal to Committee, etc.)	Person Responsible	Date of Progress / Last Edit
RIH Update	Liberatore	January 15, 2020
Updated Reserves, Cost of Issuance, Loan Size limited to 90% LTV	Liberatore	January 30, 2020
Updated 2019 AFS	Liberatore	February 21, 2020
Update Unit Mix to include 1 x 1-bed at 60% AMI	Liberatore	March 19, 2020
Added appraisal and lowered vacancy to 4%, adjusted other revenue	Liberatore	March 27, 2020
Reserve Projection Updated	Liberatore	April 10, 2020
Updated Construction, Capital Needs and Replacement Reserves	Liberatore	April 17, 2020
Latest		April 17, 2020

Development/Rehabilitation Costs (USES)

Harris House Apartments

Current Model Progress Date: 4/17/2020

Description	Construction Type 1	Construction Type 2	Construction Type 3	Total	Each Item as a % of Subtotal	HOME Eligible Basis	Aggregate Basis plus Land
ACQUISITION COSTS							
Land Cost				\$0	0.0%		
Existing Structures				\$0	0.0%		
Off-site Improvements				\$0	0.0%		
Demolition				\$0	0.0%		
Loan Repayment 1	\$6,260,000			\$6,260,000	100.0%		
Loan Repayment 2				\$0	0.0%		
Other				\$0	0.0%		
TOTAL ACQUISITION	\$6,260,000	\$0	\$0	\$6,260,000	100.0%	\$0	\$0
CONSTRUCTION/REHAB. COSTS (input on Construction Cost tab)							
Buildings	\$192,500	\$0	\$0	\$192,500	56.2%		
Site Work	\$0	\$0	\$0	\$0	0.0%		
General Requirements: Typically 8%	\$0	\$0	\$0	\$0	0.0%		
Builders General Overhead: Typically 2%	\$0	\$0	\$0	\$0	0.0%		
Builders Profit: Typically 9%	\$0	\$0	\$0	\$0	0.0%		
Bond Premium	\$0	\$0	\$0	\$0	0.0%		
Other Fees	\$0	\$0	\$0	\$0	0.0%		
TOTAL HARD COSTS	\$192,500	\$0	\$0	\$192,500	56.2%	\$0	
Construction Contingency: Typically 10%	\$150,000			\$150,000	43.8%		
TOTAL CONSTRUCTION/REHABILITATION	\$342,500	\$0	\$0	\$342,500	100.0%	\$0	\$0
<i>Contingency Fee Currently Exceeds 10% of Hard Construction Costs</i>							
SOFT COSTS							
Architect Fee - Design	\$105,500			\$105,500	34.7%		
Architect Fee - Supervision				\$0	0.0%		
Survey	\$8,000			\$8,000	2.6%		
Environmental	\$15,000			\$15,000	4.9%		
Structural Engineering & Reports				\$0	0.0%		
Fire Code Compliance Report	\$7,000			\$7,000	2.3%		
Builders Risk Insurance				\$0	0.0%		
Clerk of the Works				\$0	0.0%		
Owner Legal Fees	\$50,000			\$50,000	16.4%		
RIH Legal Fees	\$35,000			\$35,000	11.5%		
Syndicator Legal				\$0	0.0%		
Title and Recording	\$55,000			\$55,000	18.1%		
Cost Certification	\$15,000			\$15,000	4.9%		
LIHTC Accounting				\$0	0.0%		
Appraisal	\$7,000			\$7,000	2.3%		
Market Study				\$0	0.0%		
Capital Needs Assessment	\$5,000			\$5,000	1.6%		
Furniture, Fixtures and Equipment				\$0	0.0%		
Marketing and Lease-up				\$0	0.0%		
Sewer, Water and Utility Hookups				\$0	0.0%		
Relocation				\$0	0.0%		
RE Tax Fee Set up	\$1,701			\$1,701	0.6%		
Credit Report				\$0	0.0%		
Other				\$0	0.0%		

Development/Rehabilitation Costs (USES)

Harris House Apartments

Current Model Progress Date: 4/17/2020

Description	Construction Type 1	Construction Type 2	Construction Type 3	Total	Each Item as a % of Subtotal
Other				\$0	0.0%
Other				\$0	0.0%
Other				\$0	0.0%
Soft Cost Contingency				\$0	0.0%
TOTAL SOFT COSTS	\$304,201	\$0	\$0	\$304,201	100.0%

HOME Eligible Basis	Aggregate Basis plus Land
\$0	\$0

Development/Rehabilitation Costs (USES)

Harris House Apartments

Current Model Progress Date: 4/17/2020

Description	Construction Type 1	Construction Type 2	Construction Type 3	Total	Each Item as a % of Subtotal	HOME Eligible Basis	Aggregate Basis plus Land
FINANCING							
Taxes During Construction				\$0	0.0%		
Risk Sharing Premium	\$20,700			\$20,700	4.3%		
Construction Loan Interest				\$0	0.0%		
Construction Loan Origination Fee				\$0	0.0%		
RIH Origination Fee	\$215,600			\$215,600	44.5%		
Other Lender Origination Fee				\$0	0.0%		
Cost of Issuance (bond deals only)	\$248,400			\$248,400	51.2%		
Tax Credit Allocation Fee: Typ. \$0				\$0	0.0%		
RIH Application Fee	\$0			\$0	0.0%		
Other	\$0			\$0	0.0%		
Other				\$0	0.0%		
Other				\$0	0.0%		
TOTAL FINANCING COSTS	\$484,700	\$0	\$0	\$484,700	100.0%	\$0	\$0
RESERVES							
1st Year Property Tax Escrow	\$84,973			\$84,973	4.5%		
1st Year Insurance Escrow	\$27,265			\$27,265	1.4%		
Operating Reserve: Typ. \$963,632	\$215,816.18			\$215,816	11.3%		
Replacement Reserve	\$1,573,500			\$1,573,500	82.7%		
Lease-up Reserve				\$0	0.0%		
Other				\$0	0.0%		
TOTAL RESERVES	\$1,901,555	\$0	\$0	\$1,901,555	555.2%	\$0	\$0
DEVELOPER FEE							
Base Developer Fee: Typ. \$426,140				\$0	#DIV/0!		
Eligible Incentive Developer Fee				\$0	#DIV/0!		
TOTAL DEVELOPER FEE	\$0	\$0	\$0	\$0	#DIV/0!	\$0	\$0
SUBTOTAL CONSTRUCTION & SOFT COSTS	\$3,032,956	\$0	\$0	\$3,032,956	N/A	\$0	\$0
TOTAL DEVELOPMENT COSTS	\$9,292,956	\$0	\$0	\$9,292,956	N/A	\$0	\$0

Proforma											
Harris House Apartments											

	Trends	Year 1 2021	Year 2 2022	Year 3 2023	Year 4 2024	Year 5 2025	Year 6 2026	Year 7 2027	Year 8 2028	Year 9 2029	Year 10 2030
Income											
Residential Affordable Income	2.0%	\$2,124,336	\$2,166,823	\$2,210,159	\$2,254,362	\$2,299,450	\$2,345,439	\$2,392,347	\$2,440,194	\$2,488,998	\$2,538,778
Residential Market Rate Income	2.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial Income	2.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total NH/Asst Living/Elderly Care	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Income	0.0%	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436
Gross Project Income		\$2,174,772	\$2,217,259	\$2,260,595	\$2,304,798	\$2,349,886	\$2,395,875	\$2,442,783	\$2,490,630	\$2,539,434	\$2,589,214
Vacancy Allowance Residential Affordable	4.0%	(\$84,973)	(\$86,673)	(\$88,406)	(\$90,174)	(\$91,978)	(\$93,818)	(\$95,694)	(\$97,608)	(\$99,560)	(\$101,551)
Vacancy Allowance Residential Market	5.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Allowance Commercial	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Allowance Other	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Gross Income		\$2,089,799	\$2,130,586	\$2,172,189	\$2,214,624	\$2,257,908	\$2,302,057	\$2,347,089	\$2,393,023	\$2,439,874	\$2,487,663

Expenses											
Administrative	3.0%	\$116,885	\$120,392	\$124,003	\$127,723	\$131,555	\$135,502	\$139,567	\$143,754	\$148,066	\$152,508
Management Fee	5.0%	\$104,490	\$106,529	\$108,609	\$110,731	\$112,895	\$115,103	\$117,354	\$119,651	\$121,994	\$124,383
Utilities	3.0%	\$242,860	\$250,146	\$257,650	\$265,380	\$273,341	\$281,541	\$289,988	\$298,687	\$307,648	\$316,877
Operations & Maintenance	3.0%	\$243,365	\$250,666	\$258,186	\$265,932	\$273,909	\$282,127	\$290,591	\$299,308	\$308,288	\$317,536
Real Estate Taxes	2.0%	\$169,947	\$173,346	\$176,813	\$180,349	\$183,956	\$187,635	\$191,388	\$195,216	\$199,120	\$203,102
Property & Liability Insurance	3.0%	\$54,530	\$56,166	\$57,851	\$59,586	\$61,374	\$63,215	\$65,112	\$67,065	\$69,077	\$71,149
Other Taxes & Insurance	3.0%	\$77,821	\$80,156	\$82,560	\$85,037	\$87,588	\$90,216	\$92,922	\$95,710	\$98,581	\$101,539
Replacement Reserve	2.0%	\$39,900	\$40,698	\$41,512	\$42,342	\$43,189	\$44,053	\$44,934	\$45,833	\$46,749	\$47,684
Total Expenses		\$1,049,798	\$1,078,098	\$1,107,185	\$1,137,080	\$1,167,808	\$1,199,392	\$1,231,855	\$1,265,223	\$1,299,523	\$1,334,779

Management Fee is calculated as a percentage of EGI

Net Operating Income		\$1,040,001	\$1,052,488	\$1,065,004	\$1,077,543	\$1,090,099	\$1,102,665	\$1,115,234	\$1,127,799	\$1,140,352	\$1,152,884
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Debt Service Financing											
RIH First Mortgage		\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467
Mortgage Insurance Premium		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RIH Second Mortgage		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Debt Service		\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467
Cash Flow		\$162,534	\$175,021	\$187,537	\$200,076	\$212,632	\$225,199	\$237,768	\$250,332	\$262,885	\$275,417
Debt Coverage Ratio		1.19	1.20	1.21	1.23	1.24	1.26	1.27	1.29	1.30	1.31

Cash Flow Financing											
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Cash Flow Debt		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Remaining Cash Flow		\$162,534	\$175,021	\$187,537	\$200,076	\$212,632	\$225,199	\$237,768	\$250,332	\$262,885	\$275,417

Proforma
Harris House Apartments

		Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Income	Trends	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Residential Affordable Income	2.0%	\$2,589,554	\$2,641,345	\$2,694,172	\$2,748,055	\$2,803,016	\$2,859,077	\$2,916,258	\$2,974,583	\$3,034,075	\$3,094,756
Residential Market Rate Income	2.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial Income	2.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total NH/Asst Living/Elderly Care	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Income	0.0%	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436
Gross Project Income		\$2,639,990	\$2,691,781	\$2,744,608	\$2,798,491	\$2,853,452	\$2,909,513	\$2,966,694	\$3,025,019	\$3,084,511	\$3,145,192
Vacancy Allowance Residential Affordable	4.0%	(\$103,582)	(\$105,654)	(\$107,767)	(\$109,922)	(\$112,121)	(\$114,363)	(\$116,650)	(\$118,983)	(\$121,363)	(\$123,790)
Vacancy Allowance Residential Market	5.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Allowance Commercial	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Allowance Other	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Gross Income		\$2,536,408	\$2,586,127	\$2,636,841	\$2,688,569	\$2,741,332	\$2,795,149	\$2,850,044	\$2,906,036	\$2,963,148	\$3,021,402

Expenses

Administrative	3.0%	\$157,084	\$161,796	\$166,650	\$171,650	\$176,799	\$182,103	\$187,566	\$193,193	\$198,989	\$204,959
Management Fee	5.0%	\$126,820	\$129,306	\$131,842	\$134,428	\$137,067	\$139,757	\$142,502	\$145,302	\$148,157	\$151,070
Utilities	3.0%	\$326,384	\$336,175	\$346,260	\$356,648	\$367,348	\$378,368	\$389,719	\$401,411	\$413,453	\$425,856
Operations & Maintenance	3.0%	\$327,062	\$336,874	\$346,980	\$357,390	\$368,111	\$379,155	\$390,529	\$402,245	\$414,313	\$426,742
Real Estate Taxes	2.0%	\$207,164	\$211,308	\$215,534	\$219,844	\$224,241	\$228,726	\$233,301	\$237,967	\$242,726	\$247,581
Property & Liability Insurance	3.0%	\$73,284	\$75,482	\$77,747	\$80,079	\$82,482	\$84,956	\$87,505	\$90,130	\$92,834	\$95,619
Other Taxes & Insurance	3.0%	\$104,585	\$107,722	\$110,954	\$114,283	\$117,711	\$121,243	\$124,880	\$128,626	\$132,485	\$136,460
Replacement Reserve	2.0%	\$48,638	\$49,611	\$50,603	\$51,615	\$52,647	\$53,700	\$54,774	\$55,870	\$56,987	\$58,127
Total Expenses		\$1,371,021	\$1,408,275	\$1,446,570	\$1,485,937	\$1,526,406	\$1,568,008	\$1,610,776	\$1,654,743	\$1,699,944	\$1,746,413

Management Fee is calculated as a percentage of EGI

Net Operating Income		\$1,165,387	\$1,177,852	\$1,190,271	\$1,202,632	\$1,214,926	\$1,227,141	\$1,239,268	\$1,251,293	\$1,263,204	\$1,274,989
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Debt Service Financing

RIH First Mortgage		\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467
Mortgage Insurance Premium		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RIH Second Mortgage		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Debt Service		\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467
Cash Flow		\$287,920	\$300,386	\$312,804	\$325,165	\$337,459	\$349,675	\$361,801	\$373,826	\$385,737	\$397,523
Debt Coverage Ratio		1.33	1.34	1.36	1.37	1.38	1.40	1.41	1.43	1.44	1.45

Cash Flow Financing

0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Cash Flow Debt		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Remaining Cash Flow		\$287,920	\$300,386	\$312,804	\$325,165	\$337,459	\$349,675	\$361,801	\$373,826	\$385,737	\$397,523

Proforma
Harris House Apartments

		Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30
Income	Trends	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
Residential Affordable Income	2.0%	\$3,156,652	\$3,219,785	\$3,284,180	\$3,349,864	\$3,416,861	\$3,485,198	\$3,554,902	\$3,626,000	\$3,698,520	\$3,772,491
Residential Market Rate Income	2.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial Income	2.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total NH/Asst Living/Elderly Care	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Income	0.0%	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436
Gross Project Income		\$3,207,088	\$3,270,221	\$3,334,616	\$3,400,300	\$3,467,297	\$3,535,634	\$3,605,338	\$3,676,436	\$3,748,956	\$3,822,927
Vacancy Allowance Residential Affordable	4.0%	(\$126,266)	(\$128,791)	(\$131,367)	(\$133,995)	(\$136,674)	(\$139,408)	(\$142,196)	(\$145,040)	(\$147,941)	(\$150,900)
Vacancy Allowance Residential Market	5.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Allowance Commercial	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Allowance Other	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Gross Income		\$3,080,821	\$3,141,429	\$3,203,249	\$3,266,305	\$3,330,623	\$3,396,226	\$3,463,142	\$3,531,396	\$3,601,016	\$3,672,027

Expenses

Administrative	3.0%	\$211,107	\$217,441	\$223,964	\$230,683	\$237,603	\$244,731	\$252,073	\$259,635	\$267,424	\$275,447
Management Fee	5.0%	\$154,041	\$157,071	\$160,162	\$163,315	\$166,531	\$169,811	\$173,157	\$176,570	\$180,051	\$183,601
Utilities	3.0%	\$438,632	\$451,791	\$465,345	\$479,305	\$493,684	\$508,495	\$523,750	\$539,462	\$555,646	\$572,315
Operations & Maintenance	3.0%	\$439,544	\$452,731	\$466,313	\$480,302	\$494,711	\$509,552	\$524,839	\$540,584	\$556,802	\$573,506
Real Estate Taxes	2.0%	\$252,532	\$257,583	\$262,734	\$267,989	\$273,349	\$278,816	\$284,392	\$290,080	\$295,882	\$301,799
Property & Liability Insurance	3.0%	\$98,487	\$101,442	\$104,485	\$107,620	\$110,848	\$114,174	\$117,599	\$121,127	\$124,761	\$128,504
Other Taxes & Insurance	3.0%	\$140,553	\$144,770	\$149,113	\$153,586	\$158,194	\$162,940	\$167,828	\$172,863	\$178,049	\$183,390
Replacement Reserve	2.0%	\$59,289	\$60,475	\$61,685	\$62,918	\$64,177	\$65,460	\$66,769	\$68,105	\$69,467	\$70,856
Total Expenses		\$1,794,187	\$1,843,303	\$1,893,801	\$1,945,719	\$1,999,097	\$2,053,979	\$2,110,407	\$2,168,426	\$2,228,081	\$2,289,419

Management Fee is calculated as a percentage of EGI

Net Operating Income		\$1,286,635	\$1,298,126	\$1,309,448	\$1,320,587	\$1,331,525	\$1,342,247	\$1,352,735	\$1,362,970	\$1,372,935	\$1,382,608
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Debt Service Financing

RIH First Mortgage		\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467
Mortgage Insurance Premium		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RIH Second Mortgage		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Debt Service		\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467
Cash Flow		\$409,168	\$420,659	\$431,981	\$443,120	\$454,058	\$464,780	\$475,268	\$485,503	\$495,468	\$505,141
Debt Coverage Ratio		1.47	1.48	1.49	1.50	1.52	1.53	1.54	1.55	1.56	1.58

Cash Flow Financing

0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Cash Flow Debt		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Remaining Cash Flow		\$409,168	\$420,659	\$431,981	\$443,120	\$454,058	\$464,780	\$475,268	\$485,503	\$495,468	\$505,141

Proforma											
<i>Harris House Apartments</i>											
		Year 31	Year 32	Year 33	Year 34	Year 35	Year 36	Year 37	Year 38	Year 39	Year 40
Income	Trends	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060
Residential Affordable Income	2.0%	\$3,847,941	\$3,924,899	\$4,003,397	\$4,083,465	\$4,165,135	\$4,248,437	\$4,333,406	\$4,420,074	\$4,508,476	\$4,598,645
Residential Market Rate Income	2.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial Income	2.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total NH/Asst Living/Elderly Care	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Income	0.0%	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436	\$50,436
Gross Project Income		\$3,898,377	\$3,975,335	\$4,053,833	\$4,133,901	\$4,215,571	\$4,298,873	\$4,383,842	\$4,470,510	\$4,558,912	\$4,649,081
Vacancy Allowance Residential Affordable	4.0%	(\$153,918)	(\$156,996)	(\$160,136)	(\$163,339)	(\$166,605)	(\$169,937)	(\$173,336)	(\$176,803)	(\$180,339)	(\$183,946)
Vacancy Allowance Residential Market	5.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Allowance Commercial	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Allowance Other	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Gross Income		\$3,744,459	\$3,818,339	\$3,893,698	\$3,970,563	\$4,048,965	\$4,128,936	\$4,210,506	\$4,293,707	\$4,378,573	\$4,465,135
Expenses											
Administrative	3.0%	\$283,711	\$292,222	\$300,989	\$310,018	\$319,319	\$328,898	\$338,765	\$348,928	\$359,396	\$370,178
Management Fee	5.0%	\$187,223	\$190,917	\$194,685	\$198,528	\$202,448	\$206,447	\$210,525	\$214,685	\$218,929	\$223,257
Utilities	3.0%	\$589,485	\$607,170	\$625,385	\$644,146	\$663,471	\$683,375	\$703,876	\$724,992	\$746,742	\$769,144
Operations & Maintenance	3.0%	\$590,711	\$608,432	\$626,685	\$645,486	\$664,850	\$684,796	\$705,340	\$726,500	\$748,295	\$770,744
Real Estate Taxes	2.0%	\$307,835	\$313,992	\$320,272	\$326,677	\$333,211	\$339,875	\$346,672	\$353,606	\$360,678	\$367,892
Property & Liability Insurance	3.0%	\$132,359	\$136,329	\$140,419	\$144,632	\$148,971	\$153,440	\$158,043	\$162,784	\$167,668	\$172,698
Other Taxes & Insurance	3.0%	\$188,892	\$194,559	\$200,396	\$206,407	\$212,600	\$218,978	\$225,547	\$232,313	\$239,283	\$246,461
Replacement Reserve	2.0%	\$72,273	\$73,719	\$75,193	\$76,697	\$78,231	\$79,796	\$81,392	\$83,019	\$84,680	\$86,373
Total Expenses		\$2,352,488	\$2,417,339	\$2,484,023	\$2,552,592	\$2,623,100	\$2,695,603	\$2,770,160	\$2,846,828	\$2,925,670	\$3,006,747
<i>Management Fee is calculated as a percentage of EGI</i>											
Net Operating Income		\$1,391,971	\$1,401,000	\$1,409,675	\$1,417,971	\$1,425,865	\$1,433,332	\$1,440,346	\$1,446,879	\$1,452,903	\$1,458,389
Debt Service Financing											
RIH First Mortgage		\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$365,611
Mortgage Insurance Premium		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RIH Second Mortgage		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Debt Service		\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$877,467	\$365,611
Cash Flow		\$514,504	\$523,533	\$532,208	\$540,504	\$548,399	\$555,865	\$562,879	\$569,412	\$575,436	\$1,092,778
Debt Coverage Ratio		1.59	1.60	1.61	1.62	1.62	1.63	1.64	1.65	1.66	3.99
Cash Flow Financing											
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash Flow Debt		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Remaining Cash Flow		\$514,504	\$523,533	\$532,208	\$540,504	\$548,399	\$555,865	\$562,879	\$569,412	\$575,436	\$1,092,778

Project Summary
Harris House Apartments
 Current Model Progress Date:

4/17/2020

RIH Program Type: **Refinancing**

SOURCES	Total	Per Unit	Per NRSF
Permanent Loans			
RIH First Mortgage	\$ 16,560,000	\$ 124,511	\$ 219.47
RIH Second Mortgage	\$ -	\$ -	\$ -
0	\$ -	\$ -	\$ -
0	\$ -	\$ -	\$ -
0	\$ -	\$ -	\$ -
0	\$ -	\$ -	\$ -
0	\$ -	\$ -	\$ -
0	\$ -	\$ -	\$ -
Total Loans	\$ 16,560,000	\$ 124,511	\$ 219.47
Equity			
LIHTC Proceeds	\$ -	\$ -	\$ -
Fed. Historic Tax Credit Proceeds	\$ -	\$ -	\$ -
General Partner Capital	\$ -	\$ -	\$ -
State Historic TC Proceeds	\$ -	\$ -	\$ -
Other (Describe)	\$ -	\$ -	\$ -
Total Equity	\$ -	\$ -	\$ -
Grants			
Operating Reserve	\$ 438,530	\$ 3,297	\$ 5.81
Replacement Reserve	\$ 729,373	\$ 5,484	\$ 9.67
None	\$ -	\$ -	\$ -
None	\$ -	\$ -	\$ -
None	\$ -	\$ -	\$ -
Total Grants	\$ 1,167,903	\$ 8,781	\$ 15.48
TOTAL SOURCES	\$ 17,727,903	\$ 133,293	\$ 234.95

USES	Total	Per Unit	Per NRSF
Acquisition	\$ 6,260,000	\$ 47,068	\$ 82.96
Construction	\$ 192,500	\$ 1,447	\$ 2.55
Contingency	\$ 150,000	\$ 1,128	\$ 1.99
Soft Costs	\$ 304,201	\$ 2,287	\$ 4.03
Financing	\$ 484,700	\$ 3,644	\$ 6.42
Replacement Cost	\$ 7,391,401	\$ 55,574	\$ 97.96
Base Developer Fee	\$ -	\$ -	\$ -
Approved Cost	\$ 7,391,401	\$ 55,574	\$ 97.96
Incentive Developer Fee	\$ -	\$ -	\$ -
TDC Net of Reserves	\$ 7,391,401	\$ 55,574	\$ 97.96
Operating Reserve	\$ 215,816	\$ 1,623	\$ 2.86
Replacement Reserve	\$ 1,573,500	\$ 11,831	\$ 20.85
Tax + Insurance	\$ 112,238	\$ 844	\$ 1.49
Lease-up Reserve	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -
TDC Including Reserves	\$ 9,292,956	\$ 69,872	\$ 123.16
TOTAL USES	\$ 9,292,956	\$ 69,872	\$ 123.16
Total Hard Costs incl. Contingency	\$ 342,500	\$ 2,575	\$ 4.54
Year 1 Operating Expenses	\$ 1,049,798	\$ 7,893	\$ 13.91
PROJECT SURPLUS	\$8,434,947	\$63,421	\$112

UNDERWRITER ASSUMPTIONS

Debt Service Coverage Ratio	1.15	
Syndication Credit Detail:	\$000 per year at \$0.000 per Credit	
First Year of Operations/Pro Forma Yr. 1	2021	
Number of Units (Total)	133	
Type Detail	Market	LIHTC
SRO/EFF	0	0
1 Bedroom	0	123
2 Bedrooms	0	10
3 Bedrooms	0	0
4 Bedrooms	0	0
5 Bedrooms	0	0
Totals by Type	0	133

Mortgage (Yes or No)?	Yes
Risk Sharing (Yes or No)?	Yes
Historic Credits (Yes or No)?	No
Mortgage Interest Rate	4.375%
Mortgage Term	40
Second Mortgage Not Applicable	
Financing Status is Taxable	
Loan to Value	90%
Vacancy Rates	
Residential Market Rate	5.00%
Residential Affordable Rate	4.00%
Commercial Market Rate	0.00%
NH/Assisted/Congregate Market Rate	0.00%

