

HOME Investment Partnerships Program Multi-Family Underwriting Template

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

Project Information	
Project Name:	11th & Madison Apartments
Address	11th & Madison
Developer:	Movin' Out, Inc.
Date of Analysis:	9/19/2012
City:	South Milwaukee
State:	Wisconsin
Development Type:	Acquistion New Construction Multifamily

INSTRUCTIONS FOR USE

This template is intended to be used in tandem with web-based training materials available on HUD's HOME Front Web page, <http://www.hud.gov/offices/cpd/affordablehousing/training/index.cfm>. Failure to consult the online training may result in inaccurate results.

The template is intended to assist in planning multifamily, not single-family, affordable housing.

[Link to HUD's HOME Front - Interactive Technical Support for the HOME Program.](#)

The U.S. Department of Housing and Urban Development and ICF Consulting assume no liability for the use, functionality, or content of this template. This template is for draft calculations only. All inputs, outcomes, and calculations should be independently verified.

Cells for data entry are flagged with Excel's comments feature and colored green. Do not change formulas within the template, as many of them track to other formulas.

Users must determine and enter into the template the minimum required number of HOME units given the level of HOME investment and the per unit HOME investment caps. The template does not automatically assume or calculate a specific number of HOME units.

This template does not automatically cap rents at HOME levels. Each user must do this, as applicable.

This template does not automatically cap the level of HOME investment using the investment limits. PJs must ensure that they do not invest more than the per unit investment limits would allow or more than is required by the project. PJs are encouraged to review Notice 98-02 for guidance on allocating costs and determining maximum investment and minimum HOME units.

Participating jurisdictions (PJs) must conduct a subsidy layering analysis for investment of HOME funds.

Upon completing this tab, proceed to the *Requirements* tab.

HOME and Other Affordable Housing Requirements

Enter data in
green cells
only

HOME Program Requirements

HOME Investment Limits

HOME per Unit Limit - 0 Bedroom	\$	53,624
HOME per Unit Limit - 1 Bedroom	\$	61,467
HOME per Unit Limit - 2 Bedroom	\$	74,749
HOME per Unit Limit - 3 Bedroom	\$	96,700
HOME per Unit Limit - 4 Bedroom	\$	106,147
HOME per Unit Limit - 5 Bedroom	\$	106,147

HOME Rent Limits (monthly)

Low 0 BR	Low 1 BR	Low 2 BR	Low 3 BR	Low 4 BR	Low 5 BR
\$608	\$686	\$823	\$951	\$1,062	\$1,171
High 0 BR	High 1 BR	High 2 BR	High 3 BR	High 4 BR	High 5 BR
\$608	\$725	\$866	\$1,091	\$1,124	\$1,293

HOME Utility Allowances (monthly)

0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
\$0	\$81	\$110	\$127	\$0	\$0

HOME Affordability Period

HOME-Eligible Rental Activity (select one)

Average Per-Unit HOME Subsidy (select one)

New Construction or Acquisition of New Housing

More than \$40,000

5

3

HOME Required Affordability Period (in years)

PJ's Required Affordability Period (in years)

PJ's Affordability Period in Compliance with HOME Program?

20

20

yes

(Advisory information only.)

(Must be at least as long as HOME requirement.)

Other Affordable Housing Program Requirements

Other Affordable Housing Program Name	"Other"
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Other Affordable Housing Rent Limits (monthly)

0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
\$0	\$0	\$0	\$0	\$0	\$0

Other Affordable Housing Utility Allowances (monthly)

0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
\$0	\$0	\$0	\$0	\$0	\$0

Other Affordable Housing Affordability Period

Other Affordable Housing Affordability Period (in years)	30
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Upon completing this tab, proceed to the *Rents and Income* tab.

Rents and Income

Enter data in green cells only

Unit Characteristics

	Number of Units	Square Footage per Unit	Gross Rent, per unit, per month	Monthly Utility Allowance	Net Rent After Utilities, per unit, per month	Monthly Rent After Utilities	Annual Rent After Utilities	Within Rent Limit?
0 BR High HOME Units	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	Yes
0 BR Low HOME Units	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	Yes
0 BR Market Rate Units	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	-
1 BR LIHTC 30% Units	5	700	\$ 396	\$ 81	\$ 315	\$ 1,575	\$ 18,900	No
1 BR LIHTC 50% Units	6	700	\$ 626	\$ 81	\$ 545	\$ 3,270	\$ 39,240	NA
1 BR LIHTC 30% & Low HOME Units	1	700	\$ 396	\$ 81	\$ 315	\$ 315	\$ 3,780	Yes
1 BR LIHTC 60% Units	3	700	\$ 711	\$ 81	\$ 630	\$ 1,890	\$ 22,680	NA
1 BR Market Rate Units & HOME	3	700	\$ 644	\$ -	\$ 644	\$ 1,932	\$ 23,184	NA
2 BR LIHTC 50% & High HOME Units	4	980	\$ 745	\$ 110	\$ 635	\$ 2,540	\$ 30,480	Yes
2 BR LIHTC 60% Units	5	1,060	\$ 895	\$ 110	\$ 785	\$ 3,925	\$ 47,100	NA
2 BR LIHTC 50% Units	6	980	\$ 745	\$ 110	\$ 635	\$ 3,810	\$ 45,720	NA
2 BR Market Rate Units	3	1,060	\$ 900	\$ -	\$ 900	\$ 2,700	\$ 32,400	NA
3 BR LIHTC 50% Units	1	1,250	\$ 862	\$ 127	\$ 735	\$ 735	\$ 8,820	Yes
3 BR LIHTC 50% & High HOME	3	1,250	\$ 862	\$ 127	\$ 735	\$ 2,205	\$ 26,460	Yes
3 BR Market Rate Units	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	-
3 BR "Other" Affordable Units	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	Yes
4 BR High HOME Units	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	Yes
4 BR Low HOME Units	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	Yes
4 BR Market Rate Units	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	-
4 BR "Other" Affordable Units	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	Yes
5 BR High HOME Units	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	Yes
5 BR Low HOME Units	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	Yes
5 BR Market Rate Units	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	-
5 BR "Other" Affordable Units	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	Yes
Total	40	10,080	NA		NA	\$ 24,897	\$ 298,764	

Rent Projections

	HOME Units	Market Rate Units	"Other" Affordable Units
Rent Increase per Year	2%	2%	2%
Vacancy Year 1 (Lease-Up)	38%	38%	38%
Stabilized Vacancy Rate (after Year 1)	7%	7%	7%

Other Revenue

Other (Commercial Income, Monthly*)	\$225
Annual Increase in Other Revenue	2%

Upon completing this tab, proceed to the *Development Costs* tab.

Development Costs

Enter data in green cells only

Cost	Amount	Cost Per Unit	Cost Per Square Foot	Other Information
Acquisition Costs				
Land	\$ 300,000	\$ 7,500	\$ 8.36	\$ 7,500 per unit
Existing Structures	\$ -	need data	need data	per unit
Other Acquisition Costs	\$ -	need data	need data	per unit
Site Work Costs (not included in construction contract)				
Demolition/Clearance	\$ -	need data	need data	
Site Remediation	\$ -	need data	need data	
Improvements	\$ 190,000	\$ 4,750	\$ 5.30	
Other Site Work Costs	\$ -	need data	need data	
Construction / Rehabilitation Costs (construction contract costs)				
Other Site Work	\$ -	need data	need data	
New Construction	\$ 3,367,925	\$ 84,198	\$ 93.87	
Rehabilitation	\$ -	need data	need data	
General Requirements	\$ 213,475	\$ 5,337	\$ 5.95	
Builder's Overhead	\$ 71,158	\$ 1,779	\$ 1.98	
Builder Profit	\$ 226,284	\$ 5,657	\$ 6.31	6% of construction costs
Performance Bond Premium	\$ -	need data	need data	
Construction Contingency	\$ 71,158	\$ 1,779	\$ 1.98	2% of construction costs
Other Construction / Rehabilitation Costs - Personal Property	\$ 60,000	\$ 1,500	\$ 1.67	2% of construction costs
Architectural and Engineering Fees				
Architect Fee -- Design	\$ 80,000	\$ 2,000	\$ 2.23	2% of construction costs
Architect Fee -- Construction Supervision	\$ 20,000	\$ 500	\$ 0.56	1% of construction costs
Engineering Fees	\$ 20,000	\$ 500	\$ 0.56	1% of construction costs
Other Architectural and Engineering Fees	\$ -	need data	need data	of construction costs
Other Owner Costs				
Project Consultant Fees	\$ 9,000	\$ 225	\$ 0.25	
Legal and Organizational Expenses	\$ 15,000	\$ 375	\$ 0.42	
Syndication Fees	\$ 12,000	\$ 300	\$ 0.33	0% of tax credit equity
Market Study	\$ 6,500	\$ 163	\$ 0.18	
Survey	\$ 7,500	\$ 188	\$ 0.21	
Appraisal Fees	\$ 6,000	\$ 150	\$ 0.17	
Soil Boring/Environmental Survey/Lead-Based Paint Evaluation	\$ 4,000	\$ 100	\$ 0.11	
Tap Fees and Impact Fees	\$ -	need data	need data	
Permitting Fees	\$ -	need data	need data	
Real Estate Attorney Fees	\$ 20,000	\$ 500	\$ 0.56	
Construction Loan Legal Fees	\$ -	need data	need data	
Other Owner Costs - Development Contingency	\$ 133,200	\$ 3,330	\$ 3.71	
Interim Financing Costs				
Construction Insurance	\$ 14,490	\$ 362	\$ 0.40	
Construction Interest	(see below)			
Construction Loan Origination Fee	\$ 36,310	\$ 908	\$ 1.01	
Title and Recording Costs (for the construction loan)	\$ -	need data	need data	
Other Interim Financing Costs	\$ -	need data	need data	
Permanent Financing Fees and Expenses				
Credit Report	\$ -	need data	need data	
Permanent Loan Origination Fees (Points)	(calculated separately)			
Tax Credit WHEDA Fees	\$ 44,798	\$ 1,120	\$ 1.25	
Title and Recording Costs (for permanent financing)	\$ 9,500	\$ 238	\$ 0.26	
Counsel's Fee	\$ 1,500	\$ 38	\$ 0.04	
Lender's Counsel Fee	\$ 12,000	\$ 300	\$ 0.33	
Other Permanent Financing Fees and Expenses - Accounting	\$ 13,000	\$ 325	\$ 0.36	
Developer's Fee	\$ 642,000	\$ 16,050	\$ 17.89	11% of total development costs
Initial Project Reserves				
Initial Rent-Up Reserve	\$ 94,000	\$ 2,350	\$ 2.62	31% of gross potential rents
Initial Operating Reserve	\$ 131,000	\$ 3,275	\$ 3.65	44% of gross potential rents
Initial Replacement Reserve	\$ -	need data	need data	of gross potential rents
Other Initial Project Reserves Costs	\$ -	need data	need data	of gross potential rents
Tenant Relocation Costs	\$ -	need data	need data	
Project Administration and Management Costs (during construction only)				
Marketing/Management	\$ 40,000	\$ 1,000	\$ 1.11	
Operating Expenses	\$ 37,000	\$ 925	\$ 1.03	
Taxes	\$ 10,000	\$ 250	\$ 0.28	
Insurance	\$ -	need data	need data	
Other Project Administration & Management Costs	\$ -	need data	need data	
Other Development Costs				
Other Development - WHEDA Compliance Fee	\$ 2,000	\$ 50	\$ 0.06	
Other Development Cost 2	\$ -	need data	need data	
Other Development Cost 3	\$ -	need data	need data	
Other Development Cost 4	\$ -	need data	need data	
Other Development Cost 5	\$ -	need data	need data	
Other Development Cost 6	\$ -	need data	need data	
Construction Interest Calculation				
Construction Loan Amount	\$ 3,631,000			
Interest Rate	5.0%			
Months of Construction	8			
Average Outstanding Balance	50.0%			
Construction Interest	\$ 60,517			
Total Development Costs (excluding points)*	\$ 5,981,315			

* Permanent loan origination fees (points) are calculated on the Financing Sources tab.

Upon completing this tab, proceed to the Operating Expenses tab.

Operating Expenses

Enter data in green cells only

Expense	Annual Cost	Monthly Cost	Additional Information	
Management Expenses				
Management Fee	\$ 16,822	\$ 1,402	6% of monthly GPR	
Management Administrative Payroll Costs	\$ -	\$ -	per unit per year	
Legal Fees	\$ -	\$ -	per unit per year	
Accounting / Audit Fees	\$ 6,500	\$ 542	\$ 163	per unit per year
Advertising / Marketing	\$ 4,000	\$ 333	\$ 100	per unit per year
Telephone	\$ -	\$ -	per unit per year	
Office Expenses	\$ 3,500	\$ 292	\$ 88	per unit per year
Other Administrative Expenses - telephone	\$ 3,600	\$ 300	\$ 90	per unit per year
Other Management Expense -	\$ -	\$ -	per unit per year	
Operations and Maintenance Expenses				
Security	\$ -	\$ -	per unit per year	
Operations and Maintenance Administrative Payroll Costs	\$ 21,624	\$ 1,802	\$ 541	per unit per year
Elevator (if any)	\$ 3,000	\$ 250	\$ 75	per unit per year
Other Mechanical Equipment	\$ -	\$ -	per unit per year	
Interior Painting - turnover	\$ 4,400	\$ 367	\$ 110	per unit per year
Routine Repairs and Supplies	\$ 25,000	\$ 2,083	\$ 625	per unit per year
Exterminating	\$ 480	\$ 40	\$ 12	per unit per year
Lawn and Landscaping	\$ 4,000	\$ 333	\$ 100	per unit per year
Garbage Removal	\$ 3,400	\$ 283	\$ 85	per unit per year
Snow Removal	\$ 5,000	\$ 417	\$ 125	per unit per year
Resident Service Cost	\$ -	\$ -	per unit per year	
Other Maintenance Costs	\$ -	\$ -	per unit per year	
Operations and Maintenance Expenses	\$ -	\$ -	per unit per year	
Utilities Paid by the Property				
Electricity	\$ 15,000	\$ 1,250	\$ 375	per unit per year
Natural Gas, Oil, Other Fuel	\$ 14,000	\$ 1,167	\$ 350	per unit per year
Sewer and Water	\$ 12,000	\$ 1,000	\$ 300	per unit per year
Other Utilities Paid by the Property (internet)	\$ 8,000	\$ 667	\$ 200	per unit per year
Taxes / Insurance / Reserves / Other Expenses				
Real Estate Taxes	\$ 31,624	\$ 2,635	11.1% of EGI (Year 2)	
Other Taxes and Licenses	\$ -	\$ -	of EGI (Year 2)	
Property Insurance	\$ 9,600	\$ 800	\$ 240	per unit per year
Reserve for Replacement	\$ 12,000	\$ 1,000	\$ 300	per unit per year
Operating Reserve	\$ -	\$ -	per unit per year	
Other Operating Expense -WHEDA Compliance Fee	\$ 1,600	\$ 133	\$ 40	per unit per year
Other Operating Expense 2	\$ -	\$ -	per unit per year	
Other Operating Expense 3	\$ -	\$ -	per unit per year	
Other Operating Expense 4	\$ -	\$ -	per unit per year	
Other Operating Expense 5	\$ -	\$ -	per unit per year	
Other Operating Expense 6	\$ -	\$ -	per unit per year	
TOTAL	\$ 205,150	\$ 17,096	71.7% of EGI (Year 2)	

Operating Expense Increase per Year	3.0%
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Rent Increase per Year*

	HOME Units	Market Rate Units	Affordable Units
Rent Increase per Year	2%	2%	2%

* NOTE: Rent increase information is entered on the Rents and Income tab. The information is presented here to allow users to compare increases in rent to increases in operating expenses.

Tests of the Adequacy of Reserve for Replacement**

Average Capital Needs for Operations per Year	\$ -
Reserve for Replacement per Year	\$ 12,000

Average Capital Needs Test: need data

\$720 per Unit, per Year Test: Reserve insufficient to meet \$720 per unit, per year criterion.

** NOTE: This information is presented for informational purposes only. If the reserve for replacement is insufficient to cover average annual capital needs or meet the \$720 per unit per year benchmark, increase contributions toward the reserve for replacement.

Additional Reserve for Replacement Funds (Years 1-5)***

Year 1	\$ -
Year 2	\$ -
Year 3	\$ -
Year 4	\$ -
Year 5	\$ -

*** Some properties may draw larger-than-average amounts from their reserve for replacement during the first few years of operations. If this will be the case for this project, enter the additional amounts you expect to withdraw from the reserve for replacement for Years 1-5.

Upon completing this tab, proceed to the *Financing Sources* tab.

Financing Sources

Enter data in green cells only

First Mortgage Characteristics

Minimum Debt Service Coverage	1.20
Maximum Loan to Value	66.5%
Points	1.5%
Interest Rate	6.25%
Loan Term (years)	30
First Mortgage Source (e.g., HOME, Private Lender)	Private Lender

For financing with complex or atypical payment schedules, enter information on the 'Custom Loans' tab.

Junior Loan Characteristics

Amortizing Second Mortgage	\$0
Amortizing Second Mortgage Source	Enter Source
Points	0.0%
Interest Rate	0.0%
Loan Term (years)	0

Deferred Payment Loan 1	\$33,000
Deferred Payment Loan 1 Source	Alt Gap Financing
Deferred Payment Loan 1 Interest Rate	0.0%
Deferred Payment Loan 1 Year of Pay-Out*	0

Deferred Payment Loan 2	\$0
Deferred Payment Loan 2 Source	Enter Source
Deferred Payment Loan 2 Interest Rate	0.0%
Deferred Payment Loan 2 Year of Pay-Out*	0

* Deferred loan years of payout should not occur after the project is sold.

Equity

Developer Investment	\$100
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Other Funding Sources

Tax Credit Equity	\$3,765,814
Grant or Donated Land 1	\$156,000
Grant or Donated Land 1 Source	City TIF
Grant or Donated Land 2	\$36,651
Grant or Donated Land 2 Source	Deferred Fees
Other Financing (not amortized)	\$450,000
Other Financing Source	City 0% Loan

Project Characteristics

Years to Sale*	16
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* Years to Sale is used by the Template to determine the final year of the Pro-Forma.

Lender's Appraised Value for the Project	\$1,128,198
Capitalization Rate	8.0%
Value of Project at Sale**	\$0

** If Value of Project at Sale is left blank, the Template will use the Capitalization Rate to determine the project's value when sold.

FIRST MORTGAGE CONSTRAINTS	Amount
Maximum Loan by Debt Service Coverage	\$844,284
Maximum Loan by Loan to Value	\$750,000
Amount of First Mortgage (lowest of above)	\$750,000

(Uses Year 2 NOI.)

(Based on Lender's Appraised Value for the Project.)

FUNDING SOURCES SUMMARY	Amount	Percent of Total Funding	Funding Source
First Mortgage	\$750,000	14%	Private Lender
Amortizing Second Mortgage	\$0	0%	Enter Source
Deferred Payment Loan 1	\$33,000	1%	Alt Gap Financing
Deferred Payment Loan 2	\$0	0%	Enter Source
Developer Investment	\$100	0%	Private
Tax Credit Equity	\$3,765,814	73%	Tax Credit
Grant or Donated Land 1	\$156,000	3%	City TIF
Grant or Donated Land 2	\$36,651	1%	Deferred Fees
Other Financing (not amortized)	\$450,000	9%	City 0% Loan
Custom Loan 1***	\$0	0%	Enter Source
Custom Loan 2***	\$0	0%	Enter Source
Total	\$5,191,565		

*** For financing with complex or atypical payment schedules, enter information on the 'Custom Loans' tab.

Upon completing this tab, proceed to the *Custom Loans* tab.

Custom Loans

Custom Loan 1

Custom Loan 1 Name	Custom Loan 1
Custom Loan 1 Source	Enter Source
Custom Loan 1 Amount	\$ -

Custom Loan 1 Payment Schedule

Project Year	1	2	3	4	5	6	7	8
Payments on Custom Loan 1**	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Custom Loan 2

Custom Loan 2 Name	Custom Loan 2
Custom Loan 2 Source	Enter Source
Custom Loan 2 Amount	\$ -

Custom Loan 2 Payment Schedule*

Project Year	1	2	3	4	5	6	7	8
Payments on Custom Loan 2**	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

** Enter payments as positive numbers. Payments should not occur after the year the project is sold.

Upon completing this tab, proceed to the Operating Pro-Forma tab.

Enter data in green cells only

Custom Loans

Custom Loan 1

Custom Loan 1 Name	
Custom Loan 1 Source	
Custom Loan 1 Amount	

Custom Loan 1 Payment Schedule

Project Year	9	10	11	12	13	14	15	16	17
Payments on Custom Loan 1**	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Custom Loan 2

Custom Loan 2 Name	
Custom Loan 2 Source	
Custom Loan 2 Amount	

Custom Loan 2 Payment Schedule*

Project Year	9	10	11	12	13	14	15	16	17
Payments on Custom Loan 2**	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

** Enter payments as positive numbers. Paymer

Upon completing this tab, proceed to the
Operating Pro-Forma tab.

Custom Loans

Custom Loan 1

Custom Loan 1 Name	
Custom Loan 1 Source	
Custom Loan 1 Amount	

Custom Loan 1 Payment Schedule

Project Year	18	19	20	21	22	23	24	25	26
Payments on Custom Loan 1**	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Custom Loan 2

Custom Loan 2 Name	
Custom Loan 2 Source	
Custom Loan 2 Amount	

Custom Loan 2 Payment Schedule*

Project Year	18	19	20	21	22	23	24	25	26
Payments on Custom Loan 2**	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

** Enter payments as positive numbers. Paymer

Upon completing this tab, proceed to the
Operating Pro-Forma tab.

Custom Loans

Custom Loan 1

Custom Loan 1 Name
Custom Loan 1 Source
Custom Loan 1 Amount

Custom Loan 1 Payment Schedule

Project Year	27	28	29	30
Payments on Custom Loan 1**	\$ -	\$ -	\$ -	\$ -

Custom Loan 2

Custom Loan 2 Name
Custom Loan 2 Source
Custom Loan 2 Amount

Custom Loan 2 Payment Schedule*

Project Year	27	28	29	30
Payments on Custom Loan 2**	\$ -	\$ -	\$ -	\$ -

** Enter payments as positive numbers. Paymer

Upon completing this tab, proceed to the
Operating Pro-Forma tab.

Operating Pro-Forma

"## #" indicates that the columns should be widened.

This tab contains calculations based on data entered on previous tabs and does not contain data entry cells.

PROJECT TIMELINE																	
Project Year	1	2	3	4	5	6	7	8	9								
Gross Potential Rent (GPR) Projections																	
HOME Rents	\$155,880	\$158,998	\$162,178	\$165,421	\$168,730	\$172,104	\$175,546	\$179,057	\$182,638								
Market Rents	\$68,400	\$69,768	\$71,163	\$72,587	\$74,038	\$75,519	\$77,030	\$78,570	\$80,142								
"Other" Affordable Rents	\$74,484	\$75,974	\$77,493	\$79,043	\$80,624	\$82,236	\$83,881	\$85,559	\$87,270								
Gross Potential Rent	\$298,764	\$304,740	\$310,834	\$317,051	\$323,392	\$329,859	\$336,457	\$343,186	\$350,050								
Effective Gross Income (EGI) Projections																	
Vacancy Loss	(\$114,526)	(\$21,332)	(\$21,758)	(\$22,194)	(\$22,637)	(\$23,090)	(\$23,552)	(\$24,023)	(\$24,504)								
Other Revenue	\$2,700	\$2,754	\$2,809	\$2,865	\$2,923	\$2,981	\$3,041	\$3,101	\$3,163								
Effective Gross Income	\$186,938	\$286,162	\$291,885	\$297,722	\$303,678	\$309,750	\$315,946	\$322,264	\$328,709								
Expense and Net Operating Income (NOI) Projections																	
Management Expenses	\$34,422	\$35,455	\$36,519	\$37,615	\$38,743	\$39,905	\$41,102	\$42,335	\$43,605								
Operations and Maintenance Expenses	\$66,904	\$68,911	\$70,978	\$73,107	\$75,300	\$77,559	\$79,886	\$82,283	\$84,751								
Utilities Paid by Property	\$49,000	\$50,470	\$51,984	\$53,544	\$55,150	\$56,805	\$58,509	\$60,264	\$62,072								
Taxes/Insurance/Reserves/Other Expenses	\$54,824	\$56,469	\$58,163	\$59,908	\$61,705	\$63,556	\$65,463	\$67,427	\$69,450								
Additional Reserve for Replacement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0								
Total Expenses	(\$205,150)	(\$211,305)	(\$217,644)	(\$224,174)	(\$230,898)	(\$237,825)	(\$244,960)	(\$252,309)	(\$259,878)								
Net Operating Income	(\$18,212)	\$74,857	\$74,241	\$73,548	\$72,780	\$71,925	\$70,986	\$69,955	\$68,831								
Debt Service																	
First Mortgage Debt Service	(\$55,416)	(\$55,416)	(\$55,416)	(\$55,416)	(\$55,416)	(\$55,416)	(\$55,416)	(\$55,416)	(\$55,416)								
Second Mortgage Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0								
Deferred Payment 1 Loan Payoff	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0								
Deferred Payment 2 Loan Payoff	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0								
Custom Loan 1 Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0								
Custom Loan 2 Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0								
Cash Flow (After Debt Service)																	
Cash Flow	(\$73,628)	\$19,441	\$18,825	\$18,132	\$17,364	\$16,509	\$15,570	\$14,539	\$13,415								
Proceeds from Property Sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0								
Net Cash Return	(\$73,628)	\$19,441	\$18,825	\$18,132	\$17,364	\$16,509	\$15,570	\$14,539	\$13,415								
Developer Return on Equity																	
Cash on Cash	-73628.00%	19441.00%	18825.00%	18132.00%	17364.00%	16509.00%	15570.00%	14539.00%	13415.00%								
Project Value based on Capitalization Rate	\$0	\$935,713	\$928,013	\$919,350	\$909,750	\$899,063	\$887,325	\$874,438	\$860,388								
NOTE: Value equals \$0 if income is negative.																	
<table><tr><td colspan="2">IRR (Year 1 through sale of project)</td><td>IRR</td><td># NUM!</td></tr><tr><td colspan="2"></td><td></td><td></td></tr></table>										IRR (Year 1 through sale of project)		IRR	# NUM!				
IRR (Year 1 through sale of project)		IRR	# NUM!														
Debt at Year End																	
First Mortgage Remaining	\$8,894,771	\$8,782,523	\$8,663,055	\$8,535,903	\$8,400,572	\$8,256,536	\$8,103,235	\$7,940,074	\$7,766,419								
Second Mortgage Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0								
Deferred Payment Loan 1 Remaining	\$33,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0								
Deferred Payment Loan 2 Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0								

Upon completing review of this tab, proceed to the Gap Analysis tab.

Operating Pro-Forma

PROJECT TIMELINE									
Project Year	10	11	12	13	14	15	16	17	18
Gross Potential Rent (GPR) Projections									
HOME Rents	\$186,291	\$190,017	\$193,817	\$197,694	\$201,647	\$205,680	\$209,794	\$0	\$0
Market Rents	\$81,744	\$83,379	\$85,047	\$86,748	\$88,483	\$90,252	\$92,057	\$0	\$0
"Other" Affordable Rents	\$89,015	\$90,796	\$92,611	\$94,464	\$96,353	\$98,280	\$100,246	\$0	\$0
Gross Potential Rent	\$357,050	\$364,192	\$371,475	\$378,906	\$386,483	\$394,212	\$402,097	\$0	\$0
Effective Gross Income (EGI) Projection									
Vacancy Loss	(\$24,994)	(\$25,493)	(\$26,003)	(\$26,523)	(\$27,054)	(\$27,595)	(\$28,147)	\$0	\$0
Other Revenue	\$3,227	\$3,291	\$3,357	\$3,424	\$3,493	\$3,563	\$3,634	\$0	\$0
Effective Gross Income	\$335,283	\$341,990	\$348,829	\$355,807	\$362,922	\$370,180	\$377,584	\$0	\$0
Expense and Net Operating Income (NOI)									
Management Expenses	\$44,913	\$46,260	\$47,648	\$49,077	\$50,549	\$52,065	\$53,627	\$0	\$0
Operations and Maintenance Expenses	\$87,294	\$89,913	\$92,610	\$95,388	\$98,250	\$101,198	\$104,234	\$0	\$0
Utilities Paid by Property	\$63,934	\$65,852	\$67,828	\$69,863	\$71,959	\$74,118	\$76,342	\$0	\$0
Taxes/Insurance/Reserves/Other Expenses	\$71,534	\$73,680	\$75,890	\$78,167	\$80,512	\$82,927	\$85,415	\$0	\$0
Additional Reserve for Replacement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses	(\$267,675)	(\$275,705)	(\$283,976)	(\$292,495)	(\$301,270)	(\$310,308)	(\$319,618)	\$0	\$0
Net Operating Income	\$67,608	\$66,285	\$64,853	\$63,312	\$61,652	\$59,872	\$57,966	\$0	\$0
Debt Service									
First Mortgage Debt Service	(\$55,416)	(\$55,416)	(\$55,416)	(\$55,416)	(\$55,416)	(\$55,416)	(\$6,867,032)	\$0	\$0
Second Mortgage Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment 1 Loan Payoff	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment 2 Loan Payoff	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Custom Loan 1 Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Custom Loan 2 Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow (After Debt Service)									
Cash Flow	\$12,192	\$10,869	\$9,437	\$7,896	\$6,236	\$4,456	(\$6,809,066)	\$0	\$0
Proceeds from Property Sale	\$0	\$0	\$0	\$0	\$0	\$0	\$724,575	\$0	\$0
Net Cash Return	\$12,192	\$10,869	\$9,437	\$7,896	\$6,236	\$4,456	(\$6,084,491)	\$0	\$0
Developer Return on Equity									
Cash on Cash	12192.00%	10869.00%	9437.00%	7896.00%	6236.00%	4456.00%	-6084491.00%	0.00%	0.00%
Project Value based on Capitalization Rate	\$845,100	\$828,563	\$810,663	\$791,400	\$770,650	\$748,400	\$724,575	\$0	\$0
NOTE: Value equals \$0 if income is negative.									
Debt at Year End									
First Mortgage Remaining	\$7,581,593	\$7,384,879	\$7,175,512	\$6,952,678	\$6,715,511	\$6,463,089	\$0	\$0	\$0
Second Mortgage Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment Loan 1 Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment Loan 2 Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Upon completing review of this tab, proceed to the *Gap Analysis* tab.

Operating Pro-Forma

PROJECT TIMELINE											
Project Year	19	20	21	22	23	24	25	26	27	28	
Gross Potential Rent (GPR) Projections											
HOME Rents	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Market Rents	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
"Other" Affordable Rents	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gross Potential Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Gross Income (EGI) Projection											
Vacancy Loss	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Gross Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expense and Net Operating Income (NOI)											
Management Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operations and Maintenance Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utilities Paid by Property	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Taxes/Insurance/Reserves/Other Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Additional Reserve for Replacement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Operating Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service											
First Mortgage Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Second Mortgage Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment 1 Loan Payoff	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment 2 Loan Payoff	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Custom Loan 1 Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Custom Loan 2 Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow (After Debt Service)											
Cash Flow	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds from Property Sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Cash Return	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer Return on Equity											
Cash on Cash	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Project Value based on Capitalization Rate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NOTE: Value equals \$0 if income is negative.											
Debt at Year End											
First Mortgage Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Second Mortgage Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment Loan 1 Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment Loan 2 Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Upon completing review of this tab, proceed to the *Gap Analysis* tab.

Operating Pro-Forma

PROJECT TIMELINE			
Project Year	29	30	

Gross Potential Rent (GPR) Projections			
HOME Rents	\$0	\$0	\$0
Market Rents	\$0	\$0	\$0
"Other" Affordable Rents	\$0	\$0	\$0
Gross Potential Rent	\$0	\$0	\$0

Effective Gross Income (EGI) Projection			
Vacancy Loss	\$0	\$0	\$0
Other Revenue	\$0	\$0	\$0
Effective Gross Income	\$0	\$0	\$0

Expense and Net Operating Income (NOI)			
Management Expenses	\$0	\$0	\$0
Operations and Maintenance Expenses	\$0	\$0	\$0
Utilities Paid by Property	\$0	\$0	\$0
Taxes/Insurance/Reserves/Other Expenses	\$0	\$0	\$0
Additional Reserve for Replacement	\$0	\$0	\$0
Total Expenses	\$0	\$0	\$0
Net Operating Income	\$0	\$0	\$0

Debt Service			
First Mortgage Debt Service	\$0	\$0	\$0
Second Mortgage Debt Service	\$0	\$0	\$0
Deferred Payment 1 Loan Payoff	\$0	\$0	\$0
Deferred Payment 2 Loan Payoff	\$0	\$0	\$0
Custom Loan 1 Debt Service	\$0	\$0	\$0
Custom Loan 2 Debt Service	\$0	\$0	\$0

Cash Flow (After Debt Service)			
Cash Flow	\$0	\$0	\$0
Proceeds from Property Sale	\$0	\$0	\$0
Net Cash Return	\$0	\$0	\$0

Developer Return on Equity			
Cash on Cash	0.00%	0.00%	0.00%
Project Value based on Capitalization Rate	\$0	\$0	\$0

NOTE: Value equals \$0 if income is negative.

Debt at Year End			
First Mortgage Remaining	\$0	\$0	\$0
Second Mortgage Remaining	\$0	\$0	\$0
Deferred Payment Loan 1 Remaining	\$0	\$0	\$0
Deferred Payment Loan 2 Remaining	\$0	\$0	\$0

Upon completing review of this tab, proceed to the Gap Analysis tab.

Gap Analysis

This tab contains calculations based on data entered on previous tabs and does not contain data entry cells.

FUNDING SOURCES SUMMARY	Amount	Funding Source
First Mortgage	\$ 750,000	Private Lender
Amortizing Second Mortgage	\$ -	Enter Source
Deferred Payment Loan 1	\$ 33,000	Alt Gap Financing
Deferred Payment Loan 2	\$ -	Enter Source
Developer Investment	\$ 100	Private
Tax Credit Equity	\$ 3,765,814	Tax Credit
Grant or Donated Land 1	\$ 156,000	City TIF
Grant or Donated Land 2	\$ 36,651	Deferred Fees
Other financing (not amortized)	\$ 450,000	City 0% Loan
Custom Loan 1	\$ -	Enter Source
Custom Loan 2	\$ -	Enter Source
Total	\$ 5,191,565	

DEVELOPMENT USES SUMMARY	Amount
Acquisition Costs	\$ 300,000
Site Work Costs	\$ 190,000
Construction / Rehabilitation Costs	\$ 4,010,000
Architectural and Engineering Fees	\$ 120,000
Other Owner Costs	\$ 213,200
Interim Financing Costs	\$ 111,317
Permanent Financing Fees and Expenses	\$ 92,048
Developer's Fee	\$ 642,000
Initial Project Reserves	\$ 225,000
Tenant Relocation Costs	\$ -
Project Administration and Management Costs	\$ 87,000
Other Development Costs	\$ 2,000
Total	\$ 5,992,565

GAP IN FINANCING*	\$ 801,000
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* Positive values indicate inadequate financing. Negative Values for the Gap in Financing indicate that the project is oversubsidized using HOME funds and should reallocate financing, accordingly.

Upon completing this tab, proceed to the *Summary* tab.

PROJECT SUMMARY

Project Name:	11th & Madison Apartments
Address:	11th & Madison
Developer:	Movin' Out, Inc.
Date of Analysis:	09/19/12
City:	South Milwaukee
State:	Wisconsin
Development Type:	Acquisition New Construction Multifamily

DEVELOPMENT SOURCES SUMMARY

Funding Sources	Amount	Funding Source	Percent of Total Funding
First Mortgage	\$ 750,000	Private Lender	14%
Amortizing Second Mortgage	\$ -	Enter Source	0%
Deferred Payment Loan 1	\$ 33,000	Alt Gap Financing	1%
Deferred Payment Loan 2	\$ -	Enter Source	0%
Developer Investment	\$ 100	Private	0%
Tax Credit Equity	\$ 3,765,814	Tax Credit	73%
Grant or Donated Land 1	\$ 156,000	City TIF	3%
Grant or Donated Land 2	\$ 36,651	Deferred Fees	1%
Other Financing (not amortized)	\$ 450,000	City 0% Loan	9%
Custom Loan 1	\$ -	Enter Source	0%
Custom Loan 2	\$ -	Enter Source	0%
Total	\$ 5,191,565		

Total Development Costs \$ 5,992,565

DEVELOPMENT USES SUMMARY

Development Uses	Amount	Percent of Total Funding
Acquisition Costs	\$ 300,000	5%
Site Work Costs	\$ 190,000	3%
Construction / Rehabilitation Costs	\$ 4,010,000	67%
Architectural and Engineering Fees	\$ 120,000	2%
Other Owner Costs	\$ 213,200	4%
Interim Financing Costs	\$ 111,317	2%
Permanent Financing Fees and Expenses	\$ 92,048	2%
Developer's Fee	\$ 642,000	11%
Initial Project Reserves	\$ 225,000	4%
Tenant Relocation Costs	\$ -	0%
Project Administration and Management Costs	\$ 87,000	1%
Other Development Costs	\$ 2,000	0%
Total	\$ 5,992,565	100%

UNIT SUMMARY

Unit Types	Number of Units	Total Rents (Year 1, without vacancy)
High HOME Units	11	\$ 78,540
Low HOME Units	9	\$ 77,340
Market Rate Units	9	\$ 68,400
"Other" Affordable Units	11	\$ 74,484
Total	40	\$ 298,764

OPERATIONS SUMMARY

Project Income	Year 1	Year 2	Year 5	Year 10	Year 15	Year 30
HOME Rents	\$ 155,880	\$ 158,998	\$ 168,730	\$ 186,291	\$ 205,680	\$ -
Market Rents	\$ 68,400	\$ 69,768	\$ 74,038	\$ 81,744	\$ 90,252	\$ -
"Other" Affordable Rents	\$ 74,484	\$ 75,974	\$ 80,624	\$ 89,015	\$ 98,280	\$ -
Gross Potential Rent	\$ 298,764	\$ 304,740	\$ 323,392	\$ 357,050	\$ 394,212	\$ -
Vacancy Loss	\$ (114,526)	\$ (21,332)	\$ (22,637)	\$ (24,994)	\$ (27,595)	\$ -
Other Revenue	\$ 2,700	\$ 2,754	\$ 2,923	\$ 3,227	\$ 3,563	\$ -
Effective Gross Income	\$ 186,938	\$ 286,162	\$ 303,678	\$ 335,283	\$ 370,180	\$ -
Total Expenses	\$ (205,150)	\$ (211,305)	\$ (230,898)	\$ (267,675)	\$ (310,308)	\$ -
Net Operating Income	\$ (18,212)	\$ 74,857	\$ 72,780	\$ 67,608	\$ 59,872	\$ -
Total Debt Service	\$ (55,416)	\$ (55,416)	\$ (55,416)	\$ (55,416)	\$ (55,416)	\$ -
Cash Flow (After Debt Service)	\$ (73,628)	\$ 19,441	\$ 17,364	\$ 12,192	\$ 4,456	\$ -

RETURNS SUMMARY

Developer Returns on Equity	Year 1	Year 2	Year 5	Year 10	Year 15	Year 30
Cash on Cash	-73628.00%	19441.00%	17364.00%	12192.00%	4456.00%	0.00%
IRR (Year 1 through sale of project)	#NUM!					