

Fresno Edison Apartments - Phase I

Pro Forma Sources and Uses		
Sources of Funds	<i>Amount</i>	<i>Per Unit</i>
Conventional Mortgage Loan	\$717,400	\$11,209
Low Income Housing Tax Credit Equity	\$9,563,226	\$149,425
Fresno Housing Authority	\$939,000	\$14,672
City of Fresno (RDA Successor)	\$5,393,000	\$84,266
Other	\$0	\$0
Total Sources of Funds	\$16,612,626	\$259,572
Uses of Funds	<i>Amount</i>	<i>Per Unit</i>
Acquisition Costs	\$393,000	\$6,141
Construction Costs	\$10,287,110	\$160,736
Offsite Construction Costs	\$1,300,000	\$20,313
Contingencies	\$670,000	\$10,469
Soft Costs (permits/impact fees/etc.)	\$935,514	\$14,617
Professional Fees	\$383,000	\$5,984
Const/Perm Loan Fees and Costs	\$460,607	\$7,197
Reserves	\$183,395	\$2,866
Developer Fees	\$2,000,000	\$31,250
Total Uses of Funds	\$16,612,626	\$259,572

Draft as of 2/13/2015

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Projected Stabilized Operating Budget

Unit Type	# Units	% AMI	SF/Unit	Net Rent Per Unit	Ann. Rent Total
1 Bedroom	1	30-50%	670	\$ 266	\$ 3,192
2 Bedroom	3	30-50%	895	\$ 316	\$ 11,376
3 Bedroom	2	30-50%	1,095	\$ 361	\$ 8,664
4 Bedroom	1	30-50%	1,235	\$ 401	\$ 4,812
1 Bedroom	6	30-50%	670	\$ 317	\$ 22,824
2 Bedroom	4	30-50%	895	\$ 377	\$ 18,096
3 Bedroom	0	30-50%	1,095	\$ 432	\$ -
4 Bedroom	0	30-50%	1,235	\$ 480	\$ -
1 Bedroom	0	30-50%	670	\$ 471	\$ -
2 Bedroom	11	30-50%	895	\$ 562	\$ 74,184
3 Bedroom	12	30-50%	1,095	\$ 645	\$ 92,880
4 Bedroom	3	30-50%	1,235	\$ 718	\$ 25,848
1 Bedroom	0	60%	670	\$ 574	\$ -
2 Bedroom	8	60%	895	\$ 685	\$ 65,760
3 Bedroom	2	60%	1,095	\$ 785	\$ 18,840
4 Bedroom	0	60%	1,235	\$ 877	\$ -
1 Bedroom	1	Market Rate*	670	\$ 574	\$ 6,888
2 Bedroom	6	Market Rate*	895	\$ 685	\$ 49,320
3 Bedroom	3	Market Rate*	1,095	\$ 785	\$ 28,260
4 Bedroom	0	Market Rate*	1,235	\$ 877	\$ -
3 Bedroom - Mgr Unit	1	Market Rate*	895	\$ -	\$ -
Community Building			4500		
TOTALS	64		65,140		\$ 430,944

* Market rate units are unrestricted.

RESIDENTIAL OPERATING EXPENSES	Per Unit	TOTAL
Management Fee	473	30,240
Advertising/Marketing	78	5,000
Legal and Accounting	223	14,260
Utilities (water, trash, electricity, gas, etc.)	672	43,000
Payroll: Onsite Manager(s)/Staff	1,267	81,100
Maintenance/Repairs	1,008	64,500
Insurance	391	25,000
Services Amenities	400	25,600
Investor Fees	117	7,500
Security	89	5,700
Total Operating Expenses	4,717	301,900
Replacement Reserves	300	19,200
Total Operating and Reserve Budget	5,017	321,100

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15 Year Proforma

INCOME FROM HOUSING UNITS	Inflation	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
Schedule Rental Income	2.5%	\$ 430,944	\$ 441,718	\$ 452,761	\$ 464,080	\$ 475,682	\$ 487,574	\$ 499,763	\$ 512,257	\$ 525,063	\$ 538,190	\$ 551,645	\$ 565,436	\$ 579,572	\$ 594,061	\$ 608,913
Misc. Income		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GROSS POTENTIAL INCOME - HOUSING		\$ 430,944	\$ 441,718	\$ 452,761	\$ 464,080	\$ 475,682	\$ 487,574	\$ 499,763	\$ 512,257	\$ 525,063	\$ 538,190	\$ 551,645	\$ 565,436	\$ 579,572	\$ 594,061	\$ 608,913
VACANCY ASSUMPTIONS																
Vacancy Loss	-7.0%	\$ (30,166)	\$ (30,920)	\$ (31,693)	\$ (32,486)	\$ (33,298)	\$ (34,130)	\$ (34,983)	\$ (35,858)	\$ (36,754)	\$ (37,673)	\$ (38,615)	\$ (39,581)	\$ (40,570)	\$ (41,584)	\$ (42,624)
EFFECTIVE GROSS INCOME		\$ 400,778	\$ 410,797	\$ 421,067	\$ 431,594	\$ 442,384	\$ 453,443	\$ 464,780	\$ 476,399	\$ 488,309	\$ 500,517	\$ 513,030	\$ 525,855	\$ 539,002	\$ 552,477	\$ 566,289
OPERATING EXPENSES & RESERVE DEPOSITS																
Operating Expenses	3.5%	\$ 301,900	\$ 312,467	\$ 323,403	\$ 334,722	\$ 346,437	\$ 358,562	\$ 371,112	\$ 384,101	\$ 397,545	\$ 411,459	\$ 425,860	\$ 440,765	\$ 456,192	\$ 472,158	\$ 488,684
Replacement Reserve		\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200
TOTAL EXPENSES & RESERVES		\$ 321,100	\$ 331,667	\$ 342,603	\$ 353,922	\$ 365,637	\$ 377,762	\$ 390,312	\$ 403,301	\$ 416,745	\$ 430,659	\$ 445,060	\$ 459,965	\$ 475,392	\$ 491,358	\$ 507,884
NET OPERATING INCOME		\$ 79,678	\$ 79,131	\$ 78,464	\$ 77,672	\$ 76,747	\$ 75,681	\$ 74,467	\$ 73,098	\$ 71,564	\$ 69,858	\$ 67,970	\$ 65,891	\$ 63,610	\$ 61,118	\$ 58,405
DEBT SERVICE																
Bank Loan		\$ 51,614	\$ 51,614	\$ 51,614	\$ 51,614	\$ 51,614	\$ 51,614	\$ 51,614	\$ 51,614	\$ 51,614	\$ 51,614	\$ 51,614	\$ 51,614	\$ 51,614	\$ 51,614	\$ 51,614
Net Cash Flow		\$ 28,064	\$ 27,517	\$ 26,850	\$ 26,058	\$ 25,133	\$ 24,067	\$ 22,853	\$ 21,484	\$ 19,950	\$ 18,244	\$ 16,356	\$ 14,277	\$ 11,996	\$ 9,504	\$ 6,791
Residual Cash Flow Distribution		1.54	1.53	1.52	1.50	1.49	1.47	1.44	1.42	1.39	1.35	1.32	1.28	1.23	1.18	1.13