

EXHIBIT “C”
Sources and Uses of Funds

Development Costs

Project Name - Avalon Commons Phase II : 44 Units

Cost	Amount	Cost Per Unit	Cost Per Square Foot
Acquisition Costs			
Land	\$1,000,062	\$22,729	\$25
Existing Structures	\$0	need data	need data
		need data	need data
Site Work Costs (not included in construction contract)			
Demolition/Clearance	\$0	need data	need data
Site Remediation	\$0	need data	need data
Off-Site Costs (these are not HOME eligible)	\$50,000		
Improvements	\$600,000	\$13,636	\$15
Construction Equipment (HOME eligible portion)	\$0	need data	need data
Construction Equipment (non-HOME eligible portion)	\$0	need data	need data
		need data	need data
		need data	need data
Construction / Rehabilitation Costs (construction)			
Site Work Included in Construction Contract	\$0	need data	need data
Construction Equipment (HOME eligible portion)	\$0	need data	need data
Construction Equipment (non-HOME eligible portion)	\$0	need data	need data
New Construction	\$19,263,457	\$437,806	\$473
Rehabilitation	\$0	need data	need data
General Requirements	\$380,000	\$8,636	\$9
Builder's Overhead	\$1,140,000	\$25,909	\$28
Builder Profit	\$1,330,000	\$30,227	\$33
Performance Bond Premium	\$165,000	\$3,750	\$4
Construction Contingency	\$950,000	\$21,591	\$23
		need data	need data
		need data	need data
Architectural and Engineering Fees			
Architect Fee -- Design	\$200,000	\$4,545	\$5
Architect Fee -- Construction Supervision	\$0	need data	need data
Engineering Fees	\$120,000	\$2,727	\$3
	\$0	need data	need data
Other Owner Costs			
Project Consultant Fees	\$0	need data	need data
Owner Attorney Fees (initial closing)	\$45,000	\$1,023	\$1
Owner Attorney Fees (final closing)	\$0	need data	need data
Syndication Costs	\$825,000	\$18,750	\$20
Other Owner Organizational Expenses	\$25,000	\$568	\$1
Market Study	\$5,000	\$114	\$0
Survey	\$0	need data	need data
Appraisal Fees	\$2,500	\$57	\$0
Environmental Studies	\$15,000	\$341	\$0
Capital Needs Assessment		need data	need data
		need data	need data
Tap Fees and Impact Fees	\$810,000	\$18,409	\$20
Building Permits and Fees	\$600,000	\$13,636	\$15
Tax Credit Fees	\$126,000	\$2,864	\$3
Accounting / Cost Certification / Audit	\$25,000	\$568	\$1
Soft Cost Contingency	\$150,000	\$3,409	\$4
		need data	need data
		need data	need data
Interim Financing Costs			
Construction Period Insurance		need data	need data
Construction Period Taxes		need data	need data
Construction Interest (see calculation below)	\$2,000,000	\$45,455	\$49
Construction Loan Origination Fee	\$50,000	\$1,136	\$1
Construction Loan Legal Fees		need data	need data

Other Construction Loan Fees		need data	need data
Bond Costs of Issuance		need data	need data
Title and Recording Costs (for the construction loan)	\$90,000	\$2,045	\$2
		need data	need data
		need data	need data
Permanent Financing Costs			
Credit Report		need data	need data
Lender Origination / Financing Fee	\$317,000	\$7,205	\$8
Lender's Counsel Fee		need data	need data
Other Lender Fees		need data	need data
Title and Recording Costs (for permanent financing)	\$10,000	\$227	\$0
Establish Tax and Insurance Escrows		need data	need data
		need data	need data
		need data	need data
Developer's Fee	\$2,200,000	\$50,000	\$54
Initial Project Reserves			
Initial Rent-Up Reserve (not HOME eligible)		need data	need data
Initial Operating Reserve (HOME-eligible portion)	\$74,509	\$1,693	\$2
Initial Operating Reserve (non-HOME-eligible portion)			
Initial Debt Service Reserve (not HOME eligible)		need data	need data
Initial Replacement Reserve (not HOME eligible)		need data	need data
		need data	need data
		need data	need data
Project Administration and Management Costs			
Marketing/Management	\$5,000	\$114	\$0
Operating Expenses		need data	need data
Furniture, Fixtures & Equipment	\$0	need data	need data
Tenant Relocation Costs	\$0	need data	need data
Prevailing Wage Compliance	\$100,000	\$2,273	\$2
		need data	need data
Other Development Costs			
		need data	need data
		need data	need data
		need data	need data
		need data	need data
		need data	need data
		need data	need data

Total Development Costs	\$32,673,528
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Construction Interest Calculation	
Construction Loan Amount	
Interest Rate	
Estimated First Draw Amount	
Months of Construction	
Months Const. Loan Outstanding After Completion	
Average Outstanding Balance	

Interest on first draw, during construction period	\$0
Interest on remaining funds, during construction	\$0
Construction interest after completion	\$0
Total Construction Interest	\$0

Notes:

- Construction Contingency is 4.9%
- General Requirements is 1.9% of construction costs
- Builder's Overhead is 5.6% of construction costs
- Builder Profit is 6.5% of construction costs

Developer's Fee is 7.2% of total development cost (excluding developer fee and initial reserves)

\$20,378,457	Construction Costs before Contractor Compensation
\$950,000	Construction Contingency
\$380,000	General Requirements
\$1,140,000	Builder's Overhead
\$1,330,000	Builder Profit
\$30,399,019	Developer Fee Base
\$2,200,000	Developer's Fee