

Kendal Village 12 Unit Project

13-Feb-17

USES

| | <u>Total</u> | <u>Unit</u> | <u>GRFA</u> |
|--|------------------|-----------------|----------------|
| Acquisition (MassHousing Appraisal) | \$600,000 | \$50,000 | \$33.62 |

Construction Costs-Building Structural Costs (Hard Costs)

| | | | |
|--|--------------------|------------------|-----------------|
| Building Structure Costs | \$2,040,000 | \$170,000 | \$114.31 |
| Subtotal-Building Structural Costs (Hard Costs) | \$2,040,000 | \$170,000 | \$114.31 |

Construction Costs - Site Work (Hard Costs)

| | | | |
|---|------------------|-----------------|----------------|
| Earth Work | \$100,000 | \$8,333 | \$5.60 |
| Utilities: On Site | \$370,340 | \$30,862 | \$20.75 |
| Off-Site Improvements | \$20,000 | \$1,667 | \$1.12 |
| Roads and Walks | \$130,000 | \$10,833 | \$7.28 |
| Site Improvement | \$0 | \$0 | \$0.00 |
| Lawns and Planting | \$125,000 | \$10,417 | \$7.00 |
| Geotechnical Condition | \$0 | \$0 | \$0.00 |
| Environmental Remediation | \$0 | \$0 | \$0.00 |
| Demolition | \$20,000 | \$1,667 | \$1.12 |
| Unusual Site Conditions (Retaining Walls) | \$38,000 | \$3,167 | \$2.13 |
| Subtotal-Site Work (Hard Costs) | \$803,340 | \$66,945 | \$45.02 |

Construction Costs (General Conditions, Overhead and Profit)

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|---|------------------|-----------------|----------------|
| General Conditions | \$170,600 | \$14,217 | \$9.56 |
| Builder's Overhead | \$56,800 | \$4,733 | \$3.18 |
| Builder's Profit | \$122,260 | \$10,188 | \$6.85 |
| Subtotal-General Conditions, OH & Profit | \$349,660 | \$29,138 | \$19.59 |

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|-----------------------------------|------------------|-----------------|---------------|
| Hard Cost Contingency (5%) | \$159,650 | \$13,304 | \$8.95 |
|-----------------------------------|------------------|-----------------|---------------|

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|---------------------------------|--------------------|------------------|-----------------|
| Total Construction Costs | \$3,352,650 | \$279,388 | \$187.87 |
|---------------------------------|--------------------|------------------|-----------------|

General Development Costs (Soft Costs)

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|---------------------------------------|------------------|-----------------|----------------|
| Appraisal/Market Studies | \$10,000 | \$833 | \$0.56 |
| Marketing/Initial Rent Up/Model Units | \$25,000 | \$2,083 | \$1.40 |
| Real Estate Taxes | \$10,800 | \$900 | \$0.61 |
| Utility Usage | \$0 | \$0 | \$0.00 |
| Insurance | \$7,983 | \$665 | \$0.45 |
| Security | \$0 | \$0 | \$0.00 |
| Inspecting Engineer | \$4,650 | \$388 | \$0.26 |
| Construction Loan Interest | \$119,353 | \$9,946 | \$6.69 |
| Construction Lender Fees | \$0 | \$0 | \$0.00 |
| Permanent Lender Fees | \$0 | \$0 | \$0.00 |
| Architecture/Engineering | \$143,685 | \$11,974 | \$8.05 |
| Survey,Permits,etc | \$99,852 | \$8,321 | \$5.60 |
| Clerk of the Works | \$0 | \$0 | \$0.00 |
| Bond Premiums | \$31,984 | \$2,665 | \$1.79 |
| Legal | \$170,000 | \$14,167 | \$9.53 |
| Title | \$34,400 | \$2,867 | \$1.93 |
| Accounting and Cost Certification | \$30,000 | \$2,500 | \$1.68 |
| 40B Fees | \$27,260 | \$2,272 | \$1.53 |
| Financial Consultant | \$7,500 | \$625 | \$0.42 |
| Soft Cost Contingency | \$36,123 | \$3,010 | \$2.02 |
| Subtotal | \$758,590 | \$63,216 | \$42.51 |

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|----------------------|------------------|-----------------|----------------|
| Developer Fee | \$610,467 | \$50,872 | \$34.21 |
|----------------------|------------------|-----------------|----------------|

| | | | |
|--|-----------------|----------------|---------------|
| Capital Reserve (Septic System) | \$40,000 | \$3,333 | \$2.24 |
|--|-----------------|----------------|---------------|

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|-------------------------------|--------------------|------------------|-----------------|
| Total Development Cost | \$5,361,707 | \$446,809 | \$300.44 |
|-------------------------------|--------------------|------------------|-----------------|

SOURCES

| | |
|------------------------|--------------------|
| Mortgage Loan | \$3,307,131 |
| Deferred Developer Fee | \$610,467 |
| Equity | \$1,444,109 |
| Total Sources | \$5,361,707 |

Kendal Village

Proposed Unit Mix and Operating Assumptions

Municipality: Weston
Date: 2/13/2017

| Unit Mix | | | | | | | Annual Income | Monthly Total Rent | Utility Allowance (MBHP) | Gross Monthly Rent | Net Monthly Rent/SF |
|---|--------|----------------------------------|--------------------|-------------------|--------------------|---------------|---------------------|----------------------|--------------------------|--------------------|---------------------|
| | Units | %total | NSF | Total NSF | | | | | | | |
| 2 BR | 2 BA | affordable 80% | 2 | 17% | 1,338 | 2,676 | \$33,620 | \$2,802 | \$160 | \$1,561 | \$1.17 |
| 2 BR | 2 BA | Moderate | 0 | 0% | 0 | 0 | \$0 | \$0 | | \$0 | \$0.00 |
| 2 BR | 2 BA | Market | 8 | 67% | 1,338 | 10,702 | \$294,432 | \$24,536 | | \$3,067 | \$2.29 |
| Sub-Total 2 BR | | | 10 | 83% | | 13,378 | \$328,052 | \$27,338 | | | |
| 3 BR | 2.5 BA | affordable 80% | 1 | 8% | 1,809 | 1,809 | \$19,333 | \$1,611 | \$193 | \$1,804 | \$1.00 |
| 3 BR | 2.5 BA | Moderate | 0 | 0% | 0 | 0 | \$0 | \$0 | | \$0 | \$0.00 |
| 3 BR | 2.5 BA | Market | 1 | 8% | 1,809 | 1,809 | \$50,400 | \$4,200 | | \$4,200 | \$2.32 |
| Sub-Total 3 BR | | | 2 | 17% | | 3,618 | \$69,733 | \$5,811 | | | |
| Total Units | | | 12 | 100% | | 16,996 | \$397,785 | \$33,149 | | | |
| Unit Summary | | | Total Units | % of Units | of Units/SF | | | | | | |
| | | Total 80% | 3 | 25% | 26% | | \$52,953 | | | | |
| | | Total Moderate | 0 | 0% | 0% | | \$0 | | | | |
| | | Total Market | 9 | 75% | 74% | | \$344,832 | | | | |
| | | % of Units LIHTC-Eligible | | 0% | 0% | | | | | | |
| GROSS POTENTIAL RESIDENTIAL INCOME | | | | | | | \$397,785 | | | | |
| Vacancy | | | | | | | | | | | |
| | | Affordable | 5% | | | | \$2,648 | | | | |
| | | Market/Mod | 5% | | | | \$17,242 | | | | |
| | | Other Income | 5% | | | | \$0 | | | | |
| | | Commercial | 0% | | | | \$0 | | | | |
| EFFECTIVE RESIDENTIAL RENTAL INCOME | | | | | | | \$377,896 | | | | |
| Residential Operating Expenses | | | | | | | Annual Total | Monthly Total | Per Unit Annual | | |
| Total Residential Operating expenses | | | | | | | | | | | |
| Management Fee | | 4% | | | | | \$15,116 | \$1,260 | | \$1,260 | |
| Administrative | | | | | | | \$16,900 | \$1,408 | | \$1,408 | |
| Maintenance | | | | | | | \$32,382 | \$2,699 | | \$2,699 | |
| Resident Services | | | | | | | \$0 | \$0 | | \$0 | |
| Utilities | | | | | | | \$7,465 | \$622 | | \$622 | |
| Taxes | | | | | | | \$32,832 | \$2,736 | | \$2,736 | |
| Insurance | | | | | | | \$3,900 | \$325 | | \$325 | |
| Replacement Res. | | \$250 | | | | | \$3,000 | \$250 | | \$250 | |
| Total Expenses | | | | | | | \$111,595 | \$9,300 | | \$9,300 | |
| Net Operating Income | | | | | | | \$266,301 | | | | |
| Debt Service (assumes 5%/30 yr amortization) | | | | | | | \$213,041 | | | | |
| Cash Flow | | | | | | | \$53,260 | | | | |