



**XIX. MHDC Form #2013**

**Estimate of Replacement Costs**

1) Site Work	\$322,868
2) Off-Site Improvement	\$0
3) Building Demolition	\$0
4) Interior Demolition	\$107,278
5) New Construction	\$0
6) Rehabilitation	\$4,350,555
7) Accessory Building	\$331,358
8) Bonding	\$26,106
9) Permits	\$59,130
10) General Requirements	\$306,724
11) Builder's Overhead	\$102,241
12) Builder's Profit	\$306,724
13) <b>Total Construction Costs (lines 1-12)</b>	<b>\$5,912,984</b>
14) Paid by owner - Construction Costs	
14a) Kansas City Plan Review Fee	\$30,000
14b) _____	\$0
15) <b>Total Construction Costs (lines 13-14)</b>	<b>\$5,942,984</b>
16) Architect's & Engineering Fee (Design)	\$200,000
17) Architect's Fee (Supervision)	\$50,000
18) Soil Report	\$0
19) Survey	\$35,000
20) Engineering	\$75,000
21) <b>Total For All Improvements (lines 15-20)</b>	<b>\$6,302,984</b>
22) Construction Loan Interest	\$195,379
23) Construction Period R. E. Taxes	\$50,000
24) Construction Period Insurance	\$40,000
25) MHDC Rental Production Application Fee	\$2,000
26) MHDC Construction Loan Fee	\$18,000
27) Other Construction Loan Fee	\$50,000
28) MHDC Construction Inspection Fee	\$13,500
29) Other Construction Inspection Fee	\$34,058
30) MHDC Permanent Financing Fee	\$18,000
31) Other Permanent Financing Fee	\$0
32) Environmental Study	\$45,000
33) Market Study	\$7,500
34) Appraisal	\$6,500
35) Title, Recording & Disbursing (Construction Loan)	\$35,000
36) Title, Recording & Disbursing (Permanent Loan)	\$5,000
37) Legal Costs (Construction)	\$75,000
38) Legal Costs (Permanent)	\$25,000
39) Organization (Legal/Fees)	\$15,000
40) Cost Certification	\$18,000
41) Accountant's Fee	\$30,000
42) Prepaid MIP (Risk Share only)	\$0
43) Contingency	\$575,000
44) Environmental Abatement	\$0
45) Historic Credit Fees	\$0
46) Relocation	\$315,415
47) FF & E	\$10,000
48) Other: (Describe) <u>MHDC Const Cost Analysis</u>	\$5,000
49) Other: (Describe) <u>Capital Needs Assessment</u>	\$4,500
50) Other: (Describe) <u>Energy Study Fee</u>	\$3,500
51) Other: (Describe) <u>HTF Environmental</u>	\$4,000
52) Other: (Describe) _____	\$0
53) <b>Replacement Cost w/o Acq (lines 21-52)</b>	<b>\$7,903,336</b>
54) Legal Acquisition & Recording	\$0
55) Acquisition Cost of Buildings	\$3,572,000
56) Other Acquisition Related Costs	\$142,000
57) Land	\$228,000
58) <b>Total Acquisition Cost (lines 54-57)</b>	<b>\$3,942,000</b>
59) <b>Total Replacement Cost (lines 53-57)</b>	<b>\$11,845,336</b>
60) Consultant's Fee (Before Completion)	\$161,000
61) Consultant's Fee (At/After Completion)	\$99,000
62) Developer's Fee (Before Completion)	\$400,000
63) Developer's Fee (At/After Completion)	\$590,000
64) Tax Credit Allocation Fee (7%)	\$41,532
65) Tax Credit Monitoring Fee	\$20,700
66) AHAP Application & Reservation Fee	\$0
67) Other:(Describe) <u>Operating Costs During Const</u>	\$95,295
68) Other:(Describe) _____	\$0
69) Other:(Describe) _____	\$0
70) Other:(Describe) _____	\$0
71) Other:(Describe) _____	\$0
72) Bond Related Costs (see Tab XIII)	\$300,000
73) Syndication Costs (see Tab X)	\$25,000
74) Lease-up/Marketing (from FIN-117, cash reserve)	\$16,600
75) Operating Reserve (cash escrow)	\$300,000
76) Replacement Reserve (cash escrow)	\$41,400
77) Other Escrow(s): <u>Social Services Reserve Dep</u>	\$35,000
78) Other Escrow(s): _____	\$0
79) Other Escrow(s): _____	\$0
80) Other Escrow(s): _____	\$0
81) Other Escrow(s): _____	\$0
82) <b>Total Development Cost (lines 59-81)</b>	<b>\$13,970,863</b>

**Estimate of Annual Expenses**

1) Conventions & Meetings	#6203	\$1,500
2) Management Consultants	#6204	\$0
3) Advertising & Marketing	#6210	\$1,500
4) Other Renting Expenses	#6250	\$1,850
5) Office Salaries	#6310	\$8,998
6) Office Expenses, Supplies & Postage	#6311	\$2,100
7) Office or Model Apt. Rent	#6312	\$0
8) Leased Furniture	#6313	\$1,200
9) Management Fees	#6320	\$38,916
10) Manager or Superintendent Salaries	#6330	\$51,103
11) Administrative Rent Free Unit	#6331	\$0
12) Legal Expenses (Project)	#6340	\$4,000
13) Audit Expenses (Accounting)	#6350	\$10,000
14) Telephone	#6360	\$1,200
15) Bad Debts	#6370	\$2,000
16) Misc. Administrative Expenses	#6390	\$7,500
17) <b>Total Administrative Expenses</b>	<b>#6263T</b>	<b>\$131,867</b>
18) Electricity	<u>Owner Paid</u>	#6450 \$18,000
19) Water	<u>Owner Paid</u>	#6451 \$28,000
20) Gas	<u>Owner Paid</u>	#6452 \$30,000
21) Sewer	<u>Owner Paid</u>	#6453 \$48,000
21) Cable T.V. / Internet Access	#6454	\$500
22) <b>Total Utilities Expenses</b>	<b>#6400T</b>	<b>\$124,500</b>
23) O & M Payroll	#6510	\$69,628
24) O & M Supplies	#6515	\$8,500
25) O & M Contracts	#6520	\$7,400
26) O & M Rent Free Unit	#6521	\$0
27) Garbage & Trash	<u>Owner Paid</u>	#6525 \$20,000
28) Security Payroll / Contract	#6530	\$10,506
29) Security Rent Free Unit	#6531	\$0
30) Heating & Cooling Repair Contract	#6546	\$5,500
31) Snow Removal (Supplies & Contracts)	#6548	\$4,500
32) O & M Tools & Equipment	#6571	\$1,500
33) Pool (Supplies, Maintenance & Contracts)	#6520	\$0
34) Exterminating	#6515	\$3,500
35) Elevator Maintenance	#6520	\$0
36) Vacant Unit Prep (Carpets, Painting, Etc.)	#6580	\$5,000
37) Misc. Operating & Maintenance Exp.	#6590	\$550
38) <b>Total Operating &amp; Maint Expenses</b>	<b>#6500T</b>	<b>\$136,584</b>
39) Real Estate Taxes	#6710	\$50,000
40) Property & Liability Insurance	#6720	\$25,000
41) Health Insurance	#6723	\$0
42) Workers Comp	#6722	\$0
43) MIP Insurance	#6850	\$0
44) Fidelity Bond	#6721	\$0
45) Other Tax Assessments		\$0
46) Other: (Describe) _____		\$0
47) <b>Total Fixed Expenses</b>		<b>\$75,000</b>
48) Replacement Reserves		\$20,700
49) <b>Total Expenses</b>		<b>\$488,651</b>
50) No. of Units		69
51) <b>Expenses per Unit</b>		<b>\$7,082</b>

**Annual Income Computations**

1) Estimated Project Gross Income	\$754,818
2) Occupancy (93% family or 95% elderly)	93%
3) <b>Effective Gross Income (line 1 X line 2)</b>	<b>\$701,980</b>
4) Total Project Expenses	\$488,651
5) <b>Net Income to Project (line 3 - line 4)</b>	<b>\$213,329</b>
6) MHDC Debt Service	\$141,066
7) Other Hard Debt Service	\$0
8) Total Hard Debt Service	\$141,066
9) Cash Flow (line 5 - line 8)	\$72,263
10) <b>Debt Service Coverage (hard debt)</b>	<b>1.51</b>



NewView Place II

0

15 Year Cash-Flow Analysis (Income 2% Annual Increase - Expenses 3% Annual Increase - Replacement Reserves 3% Annual Increase)

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	Yr 11	Yr 12	Yr 13	Yr 14	Yr 15
Total Potential Rent Income	\$752,700	\$767,754	\$783,109	\$798,771	\$814,747	\$831,042	\$847,662	\$864,616	\$881,908	\$899,546	\$917,537	\$935,888	\$954,606	\$973,698	\$993,172
Other Income	\$2,118	\$2,160	\$2,203	\$2,247	\$2,292	\$2,338	\$2,385	\$2,432	\$2,481	\$2,531	\$2,581	\$2,633	\$2,686	\$2,739	\$2,794
Gross Potential Income	\$754,818	\$769,914	\$785,312	\$801,018	\$817,039	\$833,380	\$850,047	\$867,048	\$884,389	\$902,077	\$920,118	\$938,521	\$957,291	\$976,437	\$995,966
Vacancy Allowance	\$52,837	\$53,894	\$54,972	\$56,071	\$57,193	\$58,337	\$59,503	\$60,693	\$61,907	\$63,145	\$64,408	\$65,696	\$67,010	\$68,351	\$69,718
Effective Income	\$701,980	\$716,020	\$730,340	\$744,947	\$759,846	\$775,043	\$790,544	\$806,355	\$822,482	\$838,932	\$855,710	\$872,824	\$890,281	\$908,086	\$926,248
Operating Expenses	\$467,951	\$481,990	\$496,449	\$511,343	\$526,683	\$542,484	\$558,758	\$575,521	\$592,786	\$610,570	\$628,887	\$647,754	\$667,186	\$687,202	\$707,818
Replacement Reserves	\$20,700	\$21,321	\$21,961	\$22,619	\$23,298	\$23,997	\$24,717	\$25,458	\$26,222	\$27,009	\$27,819	\$28,654	\$29,513	\$30,399	\$31,311
Net Operating Income	\$213,329	\$212,709	\$211,930	\$210,985	\$209,865	\$208,563	\$207,069	\$205,376	\$203,473	\$201,353	\$199,004	\$196,417	\$193,581	\$190,486	\$187,120
Less Debt Service	\$141,066	\$141,066	\$141,066	\$141,066	\$141,066	\$141,066	\$141,066	\$141,066	\$141,066	\$141,066	\$141,066	\$141,066	\$141,066	\$141,066	\$141,066
<b>DCR</b>	<b>1.51</b>	<b>1.51</b>	<b>1.50</b>	<b>1.50</b>	<b>1.49</b>	<b>1.48</b>	<b>1.47</b>	<b>1.46</b>	<b>1.44</b>	<b>1.43</b>	<b>1.41</b>	<b>1.39</b>	<b>1.37</b>	<b>1.35</b>	<b>1.33</b>
Cash Flow	\$72,263	\$71,643	\$70,864	\$69,918	\$68,799	\$67,496	\$66,003	\$64,309	\$62,407	\$60,286	\$57,938	\$55,351	\$52,515	\$49,419	\$46,053

Uses of Cash Flow

Description	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	Yr 11	Yr 12	Yr 13	Yr 14	Yr 15
1. Supportive Services Reserve	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
2. LP Asset Management Fee	\$6,900	\$7,038	\$7,179	\$7,322	\$7,469	\$7,618	\$7,771	\$7,926	\$8,084	\$8,246	\$8,411	\$8,579	\$8,751	\$8,926	\$9,104
3. Deferred Dev Fee	\$25,126	\$24,368	\$23,448	\$22,359	\$21,093	\$19,641	\$1,860	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4.															
5.															
Distributable Cash Flow	\$10,237	\$10,237	\$10,237	\$10,237	\$10,237	\$10,237	\$26,372	\$26,383	\$24,322	\$22,040	\$19,526	\$16,771	\$13,764	#REF!	\$6,949

**Deferred Dev Fee: \$137,895**