

			EDGEWATER VILLAGE APARTMENTS			
			9% Tax Credit Deal			
			Bank	BANK		
Nmbr	Type	Size	Rents	PRO-FORMA		
43	1-BR/1-BA	706	\$ 700	\$ 361,200		
156	2-BR/1BA	860	\$ 780	\$ 1,460,160		
24	3-BR/1-BA	1032	\$ 867	\$ 249,696		
				2,071,056		
Preliminary Proforma Analysis						
Edwater Apartments						
Edgewood, Maryland						
OPERATING			Stabilized			
Total Gross Potential Rent			\$ 2,071,056			
Vacancy/collection Loss		5%	\$ (103,553)			
EFFECTIVE GROSS INCOME			\$ 1,967,503			
TOTAL OPERATING EXPENSE			892,000			
	<i>Per Unit</i>		\$ 4,000			
Replacement Reserves			\$ 44,600			
TOTAL EXPENSES			\$ 936,600			
	<i>Per Unit</i>		\$ 4,200			
NET OPERATING INCOME			\$ 1,030,903			
Term Bank Loan	(\$10MM, 7.75%, 30 yrs)		\$ 859,694			
DSC			1.20			
Cash Flow/Loss			\$ 171,209			

EDGEWATER VILLAGE APARTMENTS

9% Tax Credit Deal -- All Equity At Closing

PROJECT BUDGET			
<u>SOURCES OF FUNDS</u>		<u>USES OF FUNDS</u>	
Bank Loan	\$ 10,000,000	Acquisition	\$ 4,750,000
Tax Credit Equity	\$ 3,850,000	Rehab	\$ 6,000,000
MHA	\$ 412,800	Contingency	\$ 600,000
		Architect and Engineer	\$ 330,000
		Legal and Accounting	\$ 60,000
		Bank Financing Fee (1%)	\$ 100,000
		Construction Pd. Interest	\$ 500,000
		Insurance	\$ 50,000
		RE Taxes	\$ 75,300
		Developer Fee	\$ 1,000,000
		Title/Recording	\$ 50,000
		Partnership Fees	\$ 7,500
		Marketing	\$ 10,000
		Transition Reserve	\$ 430,000
		Operating Reserve	\$ 300,000
TOTALS	\$ 14,262,800	TOTALS	\$ 14,262,800

EDGEWATER VILLAGE APARTMENTS
9% Tax Credit Deal
80% Equity At Closing

EDGEWATER VILLAGE APARTMENTS			
CONSTRUCTION PROJECT BUDGET			
<u>SOURCES OF FUNDS</u>		<u>USES OF FUNDS</u>	
Bank Loan	\$ 10,000,000	Acquisition	\$ 4,750,000
Tax Credit Equity	\$ 3,300,000	Rehab	\$ 6,000,000
MHA	\$ 137,800	Contingency	\$ 600,000
Gap	\$ 825,000	Architect and Engineer	\$ 330,000
		Legal and Accounting	\$ 60,000
		Bank Financing Fee (1%)	\$ 100,000
		Construction Pd. Interest	\$ 500,000
		Insurance	\$ 50,000
		RE Taxes	\$ 75,300
		Developer Fee	\$ 1,000,000
		Title/Recording	\$ 50,000
		Partnership Fees	\$ 7,500
		Marketing	\$ 10,000
		Transition Reserve	\$ 430,000
		Operating Reserve	\$ 300,000
TOTALS	\$ 14,262,800	TOTALS	\$ 14,262,800

TERM PROJECT BUDGET			
<u>SOURCES OF FUNDS</u>		<u>USES OF FUNDS</u>	
Bank Loan	\$ 10,000,000	Acquisition	\$ 4,750,000
Tax Credit Equity	\$ 4,125,000	Rehab	\$ 6,000,000
MHA	\$ 137,800	Contingency	\$ 600,000
		Architect and Engineer	\$ 330,000
		Legal and Accounting	\$ 60,000
		Bank Financing Fee (1%)	\$ 100,000
		Construction Pd. Interest	\$ 500,000
		Insurance	\$ 50,000
		RE Taxes	\$ 75,300
		Developer Fee	\$ 1,000,000
		Title/Recording	\$ 50,000
		Partnership Fees	\$ 7,500
		Marketing	\$ 10,000
		Transition Reserve	\$ 430,000
		Operating Reserve	\$ 300,000
TOTALS	\$ 14,262,800	TOTALS	\$ 14,262,800

EDGEWATER VILLAGE APARTMENTS

CONSTRUCTION PROJECT BUDGET

SOURCES OF FUNDS

Bank Loan	\$ 10,000,000
Tax Credit Equity	\$ 3,300,000
MHA	\$ 137,800
Deferred Developer Fee (paid at conversion)	\$ 395,000

TOTALS **\$ 13,832,800**

USES OF FUNDS

Acquisition	\$ 4,750,000
Rehab	\$ 6,000,000
Contingency	\$ 600,000
Architect and Engineer	\$ 330,000
Legal and Accounting	\$ 60,000
Bank Financing Fee (1%)	\$ 100,000
Construction Pd. Interest	\$ 500,000
Insurance	\$ 50,000
RE Taxes	\$ 75,300
Developer Fee	\$ 1,000,000
Title/Recording	\$ 50,000
Partnership Fees	\$ 7,500
Marketing	\$ 10,000
Transition Reserve	\$ -
Operating Reserve	\$ 300,000
TOTALS	\$ 13,832,800

TERM PROJECT BUDGET

SOURCES OF FUNDS

Bank Loan	\$ 10,000,000
Tax Credit Equity	\$ 4,125,000
MHA	\$ 137,800

TOTALS **\$ 14,262,800**

USES OF FUNDS

Acquisition	\$ 4,750,000
Rehab	\$ 6,000,000
Contingency	\$ 600,000
Architect and Engineer	\$ 330,000
Legal and Accounting	\$ 60,000
Bank Financing Fee (1%)	\$ 100,000
Construction Pd. Interest	\$ 500,000
Insurance	\$ 50,000
RE Taxes	\$ 75,300
Developer Fee	\$ 1,000,000
Title/Recording	\$ 50,000
Partnership Fees	\$ 7,500
Marketing	\$ 10,000
Transition Reserve	\$ 430,000
Operating Reserve	\$ 300,000
TOTALS	\$ 14,262,800

EDGEWATER VILLAGE APARTMENTS

CONSTRUCTION PROJECT BUDGET

SOURCES OF FUNDS

Bank Loan	\$ 10,000,000
Tax Credit Equity	\$ 3,300,000
MHA	\$ -
Deferred Developer Fee (Some paid at conversion)	\$ 532,800

TOTALS **\$ 13,832,800**

USES OF FUNDS

Acquisition	\$ 4,750,000
Rehab	\$ 6,000,000
Contingency	\$ 600,000
Architect and Engineer	\$ 330,000
Legal and Accounting	\$ 60,000
Bank Financing Fee (1%)	\$ 100,000
Construction Pd. Interest	\$ 500,000
Insurance	\$ 50,000
RE Taxes	\$ 75,300
Developer Fee	\$ 1,000,000
Title/Recording	\$ 50,000
Partnership Fees	\$ 7,500
Marketing	\$ 10,000
Transition Reserve	\$ -
Operating Reserve	\$ 300,000

TOTALS **\$ 13,832,800**

TERM PROJECT BUDGET

SOURCES OF FUNDS

Bank Loan	\$ 10,000,000
Tax Credit Equity	\$ 4,125,000
MHA	\$ -
Deferred Fee (Paid from Cash Flow)	\$ 137,800

TOTALS **\$ 14,262,800**

USES OF FUNDS

Acquisition	\$ 4,750,000
Rehab	\$ 6,000,000
Contingency	\$ 600,000
Architect and Engineer	\$ 330,000
Legal and Accounting	\$ 60,000
Bank Financing Fee (1%)	\$ 100,000
Construction Pd. Interest	\$ 500,000
Insurance	\$ 50,000
RE Taxes	\$ 75,300
Developer Fee	\$ 1,000,000
Title/Recording	\$ 50,000
Partnership Fees	\$ 7,500
Marketing	\$ 10,000
Transition Reserve	\$ 430,000
Operating Reserve	\$ 300,000

TOTALS **\$ 14,262,800**