

Project Profile for New Const. Project in Beacon at Market, with Current BMR Ordinance; Proposed BMR Ordinance and Proposed with Subsidy

Project Location:	EXAMPLE: 40 Unit New Construction Project , Beacon, NY		
Project Description:	New ground up construction of a 40 unit rental building with surface parking, on-site storage, fitness center, in unit laundry small fitness/community room. Upon completion there will be a total of 15 one-bedroom and 31 two-bedroom units. Inclusive of 4 BMR units -2 one bedroom and 2 two bedroom at 30% of 100% of AMI. All units will have upgraded finishes, HW Floors, etc.		
Target Market:	The project is a mixed income project with 10% or 4 units at the City of Beacon BMR current ordinance @30% of 100% of AMI Also calcuated at Proposed Ordinance @30% of 70% of AMI; 30% of 80% AMI; 30% of 60% AMI; Proposed Density Bonus +2 Mkt Rate & +4 BMR		
Projected Rent Levels: (Underwritten)	BMR one-bedroom units will be \$1,530 (Max \$1,634 - \$104 utility allowance) @100% AMI BMR two-bedroom units will be \$1,826 (Max \$1,960-\$134 utility allowance) @100% AMI	BMR one-bedroom units will be \$1,097 (Max \$1,231 - \$104 utility allow) @80AMI BMR two-bedroom units will be \$1,345 (Max \$1,479-\$134 utility allow) @80% AMI	
	BMR one-bedroom units will be \$1,040 (Max \$1,094 - \$104 utility allowance) @70% AMI BMR two-bedroom units will be \$1,238 (Max \$1,372-\$134 utility allowance) @70% AMI	BMR one-bedroom units will be \$876 (Max \$980 - \$104 utility allow) @60% AMI BMR two-bedroom units will be \$1,072 (Max \$1,176-\$134 utility allow) @60% AMI	

Market Rate One Bedroom will be \$1,625; Market Rate Two Bedroom \$2,250 ALL Market Rate Rents are per GAR Market Study for Beacon dated 10/2016

Development Budget Costs:	40 Units	Approx. 65,000sf		100% Market Rate		Development Budget Costs-46 units (+2Mkt +4BMR)	
	Use of Funds			Source of Funds		Use of Funds	
Acquisition	\$1,300,000	12%	Developer Equity	\$2,800,000	26%	Acquisition	\$1,300,000 11%
Construction	\$129/sf \$8,400,000	78%	Bank Loan/Mortgage	\$8,000,000	74%	Construction	\$9,660,000 79%
Professional Fees	\$299,500	3%				Professional Fees	\$402,500 3%
Closing & Soft Costs	\$285,500	3%				Closing & Soft Costs	\$328,325 3%
Carrying Costs	\$515,000	5%				Carrying Costs	\$592,250 5%
Total	\$10,800,000			\$10,800,000		Total	\$12,283,075
Cost Per Unit	\$270,000					Cost per Unit	\$267,023

Operating Budget/Costs:	100% Market	Current Ordinance @100%	Proposed Ordinance @70% AMI	Suggested Ordinance @ 80% AMI	Proposed Ordinance + Gap Subsidy	HOME	Proposed Ordinance @70% With Bonus Density for Additional 2 Market Rate
							46 Units
BMR Units	100% Market	10%@30% of 100% AMI	10%@30% of 70% of AMI	10%@30% of 80% of AMI	10%@30% of 60% of AMI		10%@30% of 70% of AMI
BMR Rents	n/a	1-bed \$1,530-2-bed \$1,826	1-bed \$1,040 2-bed \$1,238	1-bed \$1,097 2-bed \$1,345	1-bed \$876 2-bed \$1,072		1-bed \$1,040 2-bed \$1,238
	No BMR	4 BMR Units	4 BMR Units	4 BMR Units	4 BMR Units		8 BMR Units
SOURCE of FUNDS:							
Max Perm Debt @5% Rate	\$8,000,000	\$7,800,000	\$7,500,000	\$7,600,000	\$7,450,000		\$8,100,000
Developer Equity Needed:	\$2,800,000	\$3,000,000	\$3,300,000	\$3,200,000	\$3,150,000		\$4,183,075
GAP/Dutchess Co HOME					\$200,000		
Total	\$10,800,000	\$10,800,000	\$10,800,000	\$10,800,000	\$10,800,000		\$12,283,075
Equity %	26%	28%	31%	30%	29%		34%
Cost per Unit	270,000						267,023
BMR Preferences Allowed:	n/a	Yes	Yes	Yes	No*		Yes
BMR Term	n/a	50 years	50 years	50 years	City Grant 50 years 20 years		50 years

\* No preferences with Grant Funds

Rental Income	\$967,500	\$955,044	\$929,172	\$933,828	\$921,252	\$1,030,344
Parking/Storage Income	\$70,800	\$70,800	\$70,800	\$70,800	\$70,800	\$70,800
Less Vacancy & Loss	(\$55,455)	(\$54,832)	(\$53,539)	(\$53,771)	(\$53,143)	(\$58,597)
Total Income	\$982,845	\$971,012	\$946,433	\$950,857	\$938,909	\$1,042,547
Projected RE Taxes \$3600/unit	\$144,000	\$144,000	\$144,000	\$144,000	\$144,000	\$165,000
Operating Expenses	\$156,839	\$156,839	\$156,839	\$156,839	\$156,839	\$160,177
Total Expenses	\$300,839	\$300,839	\$300,839	\$300,839	\$300,839	\$325,177
Net Operating Income	\$682,006	\$670,173	\$645,594	\$650,018	\$638,070	\$717,370
Debt Payment @5%	\$561,206	\$547,176	526,131	\$533,146	522,623	\$575,237
Income after Debt	\$120,800	\$122,997	\$119,463	\$116,872	\$115,447	\$142,133
Cash on Cash Retun on Equity	4.31%	4.10%	3.62%	3.65%	3.66%	3.40%
Est. Market Value at 6% CAP	\$ 10,912,096	\$ 10,722,768	\$ 10,329,504	\$ 10,400,288	\$ 10,209,120	\$ 11,477,920