15 YEAR PRO-FORMA

(25% @ Low, 25% @ Median 50% @ Moderate AMI)

TAX EXEMPT MCLA FUNDS ($10M)

ASSUMPTIONS:

a. Annual Rental Increases: 3%
b. Vacancy 5%
c. Annual Expense Increase: 5%

Maximum Monthly Rental Rates				
Unit Size	**Low-80%**	**Med-100%**	**Mod-120%**	**Mid -140%**
2 Bedrooms	**1,571**	**1,965**	**2,358**	**2,751**
Per City Ord. Sec. 122-1466				

SCHEDULE OF RENTAL/OTHER INCOME

Market Income

Unit Type	# Units	Rents	Total	Annual Income
2BR-1.5BA @ 80%	40	$1,571	$62,840	$754,080
2BR-1.5BA @ 100%	38	$1,965	$74,670	$896,040
2BR-1.5BA @ 120%	79	$2,358	$186,282	$2,235,384
Subtotal	157		$323,792	$3,885,504
TOTAL	157		$323,792	$3,885,504
Interest Income				
Miscellaneous Income & Excess Utilities			$240,200	
TOTAL OTHER INCOME				$240,200
TOTAL INCOME				$4,125,704

SCHEDULE OF DEBT SERVICE

Mortgage Amt. (Tax Exempt)	Mo. P & I	
$46,000,000	$206,561	
ANNUAL DEBT SERVICE		**$2,478,726.68**
First Mortgage Assumption:		
Rate:	3.50%	
Constant:	0.0539	
Term:	30 years	

Sale Price:	$55,000,000.00
Reserve:	$500,000.00
Closing Cost:	$500,000.00
Sub-total:	$56,000,000.00
MCLA	**-$10,000,000.00**
Total	$46,000,000.00

Mortgage Amt.	Mo. P & I	
	$0	
ANNUAL DEBT SERVICE		$0.00
2nd Mortgage Assumption:		
Rate:	0.00%	
Constant:	#DIV/0!	
Term	30 years	

TOTAL ANNUAL DEBT SERVICE: **$2,478,726.68**

15 YEAR PRO-FORMA

(25% @ Low, 25% @ Median 50% @ Moderate AMI)

TAX EXEMPT MCLA FUNDS ($10M)

	157 Units		FIFTEEN (15) YEAR OPERATING PROFORMA													
INCOME	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**	**Year 7**	**Year 8**	**Year 9**	**Year 10**	**Year 11**	**Year 12**	**Year 13**	**Year 14**	**Year 15**	1ST Year Per Unit
Gross Rental Income	3,885,504	4,002,069	4,122,131	4,245,795	4,373,169	4,504,364	4,639,495	4,778,680	4,922,040	5,069,701	5,221,792	5,378,446	5,539,800	5,705,994	5,877,173	24,748
Other Income	240,200	247,406	254,828	262,473	270,347	278,458	286,811	295,416	304,278	313,407	322,809	332,493	342,468	352,742	363,324	1,530
SUBTOTAL	4,125,704	4,249,475	4,376,959	4,508,268	4,643,516	4,782,822	4,926,306	5,074,096	5,226,318	5,383,108	5,544,601	5,710,939	5,882,267	6,058,735	6,240,497	26,278
Minus Vacancy (5%)	(206,285)	(212,474)	(218,848)	(225,413)	(232,176)	(239,141)	(246,315)	(253,705)	(261,316)	(269,155)	(277,230)	(285,547)	(294,113)	(302,937)	(312,025)	-1,314
(A) Income	**3,919,419**	**4,037,001**	**4,158,111**	**4,282,855**	**4,411,340**	**4,543,681**	**4,679,991**	**4,820,391**	**4,965,002**	**5,113,953**	**5,267,371**	**5,425,392**	**5,588,154**	**5,755,799**	**5,928,473**	24,964
OPERATING EXPENSES																0
Payroll (Property Mgr)	65,000	68,250	71,663	75,246	79,008	82,958	87,106	91,462	96,035	100,836	105,878	111,172	116,731	122,567	128,696	414
Utilities	226,000	237,300	249,165	261,623	274,704	288,440	302,862	318,005	333,905	350,600	368,130	386,537	405,864	426,157	447,465	1,439
Grounds	82,000	86,100	90,405	94,925	99,672	104,655	109,888	115,382	121,151	127,209	133,569	140,248	147,260	154,623	162,354	522
Repairs & Maintenance	219,800	230,790	242,330	254,446	267,168	280,527	294,553	309,281	324,745	340,982	358,031	375,933	394,729	414,466	435,189	1,400
Advertising/Marketing	1,000	1,050	1,103	1,158	1,216	1,276	1,340	1,407	1,477	1,551	1,629	1,710	1,796	1,886	1,980	6
Administrative	26,000	27,300	28,665	30,098	31,603	33,183	34,842	36,585	38,414	40,335	42,351	44,469	46,692	49,027	51,478	166
Management Fees - 4%	156,777	161,480	166,324	171,314	176,454	181,747	187,200	192,816	198,600	204,558	210,695	217,016	223,526	230,232	237,139	999
PILOT	85,000	89,250	93,713	98,398	103,318	108,484	113,908	119,604	125,584	131,863	138,456	145,379	152,648	160,280	168,294	541
Insurance	277,200	291,060	305,613	320,894	336,938	353,785	371,475	390,048	409,551	430,028	451,530	474,106	497,811	522,702	548,837	1,766
Replacement Reserve	78,500	78,500	78,500	78,500	78,500	78,500	78,500	78,500	78,500	78,500	78,500	78,500	78,500	78,500	78,500	500
(B) EXPENSES	**1,217,277**	**1,271,080**	**1,327,479**	**1,386,602**	**1,448,581**	**1,513,556**	**1,581,674**	**1,653,088**	**1,727,961**	**1,806,462**	**1,888,769**	**1,975,069**	**2,065,557**	**2,160,439**	**2,259,932**	7,753
Expense per unit	**7,753**	**8,096**	**8,455**	**8,832**	**9,227**	**9,640**	**10,074**	**10,529**	**11,006**	**11,506**	**12,030**	**12,580**	**13,156**	**13,761**	**14,394**	49
NET OPERATING INCOME																0
(A) Income	3,919,419	4,037,001	4,158,111	4,282,855	4,411,340	4,543,681	4,679,991	4,820,391	4,965,002	5,113,953	5,267,371	5,425,392	5,588,154	5,755,799	5,928,473	24,964
(B) Expenses	(1,217,277)	(1,271,080)	(1,327,479)	(1,386,602)	(1,448,581)	(1,513,556)	(1,581,674)	(1,653,088)	(1,727,961)	(1,806,462)	(1,888,769)	(1,975,069)	(2,065,557)	(2,160,439)	(2,259,932)	-7,753
NET OPERATING INCOME	**2,702,142**	**2,765,921**	**2,830,632**	**2,896,253**	**2,962,760**	**3,030,125**	**3,098,317**	**3,167,303**	**3,237,041**	**3,307,490**	**3,378,602**	**3,450,323**	**3,522,597**	**3,595,359**	**3,668,541**	17,211
																0
DEBT SERVICE COVERAGE																0
(A) Net Operating Income	2,702,142	2,765,921	2,830,632	2,896,253	2,962,760	3,030,125	3,098,317	3,167,303	3,237,041	3,307,490	3,378,602	3,450,323	3,522,597	3,595,359	3,668,541	17,211
(B) Annual Debt Service	2,478,727	2,478,727	2,478,727	2,478,727	2,478,727	2,478,727	2,478,727	2,478,727	2,478,727	2,478,727	2,478,727	2,478,727	2,478,727	2,478,727	2,478,727	3,279
(C) NET INCOME	**223,415**	**287,195**	**351,905**	**417,526**	**484,033**	**551,398**	**619,591**	**688,576**	**758,314**	**828,763**	**899,875**	**971,597**	**1,043,870**	**1,116,633**	**1,189,814**	
(D) Debt Service Coverage	**1.09**	**1.12**	**1.14**	**1.17**	**1.20**	**1.22**	**1.25**	**1.28**	**1.31**	**1.33**	**1.36**	**1.39**	**1.42**	**1.45**	**1.48**	0