

San Marcos Apartments Development Summary

216 Units New Construction
100% Percent Affordable
\$ 39,587,639 Total Building Costs
\$ 24,690,985 HUD 221 (d)(4)
\$ 13,872,057 Tax Credit Equity
\$ 1,024,597 Deferred Developer Fee
\$ 3,583,253 Paid Developer Fee
4.20% APR
40 Amortization
62% Loan to Cost
\$1,594,282 NOI
1.17 DSC
\$ 1,361,844 Annual Debt Service
\$232,438 Year 1 Net Cash Flow

Fees and Cash flow to the SMHA

\$250,000 payment at close
25% of \$3,583,253 fee payable from loan close to
cost cert
25% of project cash flow after fee is paid - see
Proforma for increasing cash flow figures
Preferential buyout option at Year 15

15 Year Rental Housing Operating Pro Forma

All Programs Must Complete the following:

The pro forma should be based on the operating income and expense information for the base year (first year of stabilized occupancy using today's best estimates of market rents, restricted rents, rental income and expenses), and principal and interest debt service. The Department uses an annual growth rate of 2% for income and 3% for expenses. Written explanation for any deviations from these growth rates or for assumptions other than straight-line growth made during the proforma period should be attached to this exhibit.

INCOME	Sep-22	Sep-23	Sep-24	Sep-25	Sep-26	Sep-27	Sep-28	Sep-29	Sep-30	Sep-31	Sep-32	Sep-33	Sep-34	Sep-35	Sep-36
POTENTIAL GROSS ANNUAL RENTAL INCOME	\$2,883,960	\$2,941,639	\$3,000,472	\$3,060,481	\$3,121,691	\$3,184,125	\$3,247,807	\$3,312,764	\$3,379,019	\$3,446,599	\$3,515,531	\$3,585,842	\$3,657,559	\$3,730,710	\$3,805,324
Secondary Income	\$ 51,840	\$ 52,877	\$ 53,934	\$ 55,013	\$ 56,113	\$ 57,236	\$ 58,380	\$ 59,548	\$ 60,739	\$ 61,954	\$ 63,193	\$ 64,457	\$ 65,746	\$ 67,061	\$ 68,402
POTENTIAL GROSS ANNUAL INCOME	\$2,935,800	\$2,994,516	\$3,054,406	\$3,115,494	\$3,177,804	\$3,241,360	\$3,306,188	\$3,372,311	\$3,439,758	\$3,508,553	\$3,578,724	\$3,650,298	\$3,723,304	\$3,797,770	\$3,873,726
Provision for Vacancy & Collection Loss	(\$205,506)	(\$209,616)	(\$213,808)	(\$218,085)	(\$222,446)	(\$226,895)	(\$231,433)	(\$236,062)	(\$240,783)	(\$245,599)	(\$250,511)	(\$255,521)	(\$260,631)	(\$265,844)	(\$271,161)
Rental Concessions	\$0														
EFFECTIVE GROSS ANNUAL INCOME	\$2,730,294	\$2,784,900	\$2,840,598	\$2,897,410	\$2,955,358	\$3,014,465	\$3,074,754	\$3,136,250	\$3,198,975	\$3,262,954	\$3,328,213	\$3,394,777	\$3,462,673	\$3,531,926	\$3,602,565
EXPENSES															
General & Administrative Expenses	\$42,000	\$43,260	\$44,558	\$45,895	\$47,271	\$48,690	\$50,150	\$51,655	\$53,204	\$54,800	\$56,444	\$58,138	\$59,882	\$61,678	\$63,529
Management Fee	\$ 109,212	\$ 111,396	\$ 113,624	\$ 115,896	\$ 118,214	\$ 120,579	\$ 122,990	\$ 125,450	\$ 127,959	\$ 130,518	\$ 133,129	\$ 135,791	\$ 138,507	\$ 141,277	\$ 144,103
Payroll, Payroll Tax & Employee Benefits	\$ 350,000	\$ 360,500	\$ 371,315	\$ 382,454	\$ 393,928	\$ 405,746	\$ 417,918	\$ 430,456	\$ 443,370	\$ 456,671	\$ 470,371	\$ 484,482	\$ 499,016	\$ 513,987	\$ 529,406
Repairs & Maintenance	\$ 85,000	\$ 87,550	\$ 90,177	\$ 92,882	\$ 95,668	\$ 98,538	\$ 101,494	\$ 104,539	\$ 107,675	\$ 110,906	\$ 114,233	\$ 117,660	\$ 121,190	\$ 124,825	\$ 128,570
Electric & Gas Utilities	\$ 100,000	\$ 103,000	\$ 106,090	\$ 109,273	\$ 112,551	\$ 115,927	\$ 119,405	\$ 122,987	\$ 126,677	\$ 130,477	\$ 134,392	\$ 138,423	\$ 142,576	\$ 146,853	\$ 151,259
Water, Sewer & Trash Utilities	\$ 275,000	\$ 283,250	\$ 291,748	\$ 300,500	\$ 309,515	\$ 318,800	\$ 328,364	\$ 338,215	\$ 348,362	\$ 358,813	\$ 369,577	\$ 380,664	\$ 392,084	\$ 403,847	\$ 415,962
Annual Property Insurance Premiums	\$ 75,000	\$ 77,250	\$ 79,568	\$ 81,955	\$ 84,413	\$ 86,946	\$ 89,554	\$ 92,241	\$ 95,008	\$ 97,858	\$ 100,794	\$ 103,818	\$ 106,932	\$ 110,140	\$ 113,444
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve for Replacements	\$ 64,800	\$ 66,744	\$ 68,746	\$ 70,809	\$ 72,933	\$ 75,121	\$ 77,375	\$ 79,696	\$ 82,087	\$ 84,549	\$ 87,086	\$ 89,698	\$ 92,389	\$ 95,161	\$ 98,016
Other Expenses	\$ 35,000	\$ 36,050	\$ 37,132	\$ 38,245	\$ 39,393	\$ 40,575	\$ 41,792	\$ 43,046	\$ 44,337	\$ 45,667	\$ 47,037	\$ 48,448	\$ 49,902	\$ 51,399	\$ 52,941
TOTAL ANNUAL EXPENSES	\$1,136,012	\$1,169,000	\$1,202,956	\$1,237,908	\$1,273,887	\$1,310,921	\$1,349,043	\$1,388,284	\$1,428,679	\$1,470,259	\$1,513,062	\$1,557,122	\$1,602,478	\$1,649,167	\$1,697,230
NET OPERATING INCOME	\$1,594,282	\$1,615,900	\$1,637,642	\$1,659,501	\$1,681,471	\$1,703,544	\$1,725,711	\$1,747,965	\$1,770,296	\$1,792,695	\$1,815,151	\$1,837,655	\$1,860,195	\$1,882,759	\$1,905,335
DEBT SERVICE															
First Deed of Trust Annual Loan Payment	\$1,275,426	\$1,275,426	\$1,275,426	\$1,275,426	\$1,275,426	\$1,275,426	\$1,275,426	\$1,275,426	\$1,275,426	\$1,275,426	\$1,275,426	\$1,275,426	\$1,275,426	\$1,275,426	\$1,275,426
Other Annual Required Payment	86,418	86,418	86,418	86,418	86,418	86,418	86,418	86,418	86,418	86,418	86,418	86,418	86,418	86,418	86,418
ANNUAL NET CASH FLOW	\$232,438	\$254,056	\$275,798	\$297,657	\$319,627	\$341,700	\$363,867	\$386,121	\$408,452	\$430,851	\$453,307	\$475,811	\$498,351	\$520,915	\$543,491
CUMULATIVE NET CASH FLOW	\$232,438	\$486,494	\$762,291	\$1,059,948	\$1,379,575	\$1,721,275	\$2,085,142	\$2,471,263	\$2,879,715	\$3,310,566	\$3,763,873	\$4,239,683	\$4,738,034	\$5,258,949	\$5,802,440
Debt Coverage Ratio	1.17	1.19	1.20	1.22	1.23	1.25	1.27	1.28	1.30	1.32	1.33	1.35	1.37	1.38	1.40