

Cambria Development Budget

<b>CAN-DO: 11-13 Cambria Rd, West Newton, MA</b>				
Created:	5-Jan-06			
Revised:	23-Mar-06			
<b>Property Description:</b>	Two family house: 2 - two bedroom rental units for hshlds @ 50% mi; or, 1 du @ 50% mi, 1 du @ <80% mi.			
<b>Development Proforma</b>	<b>Acquisition</b>			
Square Feet (lot)	6,039			
Total Number of Units	2			
<b>Uses of Funds</b>	<b>Residential</b>	<b>% of TDC</b>	<b>Comments/Notes</b>	
Acquisition	625,000	74.71%	Purchased 11/30/05	
<b>Acquisition Total</b>	<b>625,000</b>	<b>74.71%</b>		
Construction Cost	80,000	9.56%	Deleading, renovations & repairs, electrical upgrade, window replacement	
Construction Contingency @ 10%	8,000	0.96%		
<b>Construction Total</b>	<b>88,000</b>	<b>10.52%</b>		
Architecture/Engineering	6,500	0.78%		
Permits	125	0.01%		
Survey	0	0.00%		
Clerk of the Works/ConstruMgr	0	0.00%		
Enviro&Geotech Engineering	0	0.00%		
Bond Premium	0	0.00%		
Legal	5,000	0.60%	MHIC+PermLender	
Title / Recording	4,760	0.57%		
Acct & Cost Certification	0	0.00%	Is certification required by any lender?	
Market Study & Rent-up	0	0.00%		
Real Estate Taxes	5,424	0.65%		
Insurance	5,193	0.62%	Quote or estimate?	
Appraisal	300	0.04%	Actual or estimate?	
Security	0	0.00%		
Predev&Constr&Bridge Loan Interest	45,625	5.45%	LISC @ 6% 1 yr, MHIC 7.5%-8% vari, 1 Yr	
Inspecting Engineer/Plan Review	0	0.00%		
Development Consultant	0	0.00%		
Fees	LIHTC	0	0.00%	
Other Fees	Const/Perm+Bridge	4,579	0.55%	MHIC and LISC fees
Other Fees	Lenders' Legal	0	0.00%	
Other	W&S, utilities	0	0.00%	
Other	Insur & RE Escrows	0	0.00%	
Other		3,500	0.42%	Village Bank+
Soft Cost Contingency @ 5%	4,050	0.48%		
<b>Soft Costs Total</b>	<b>85,056</b>	<b>10.17%</b>		
<b>Subtotal: Acq. + Const. + Soft</b>	<b>798,056</b>	<b>95.40%</b>		
Capitalized Operating&Debt Reserve	10,000	1.20%		
Developer Overhead	12,000	1.43%		
Developer Fee	16,500	1.97%		
<b>Total Development Cost</b>	<b>836,556</b>	<b>100.00%</b>		
<b>Sources of Funds</b>				
<b>Acquisition + Predevelopment Sources</b>				
MHIC	580,500	69.39%	7%, 1 yr term	
LISC	26,600	3.18%	LISC 6%, 1yr	
Newton CDBG	200,000	23.91%		
CAN-DO Loan	29,456	3.52%		
<b>Total Construction Period Sources</b>	<b>836,556</b>	<b>100.00%</b>		
less Total Development Cost	(836,556)			
<b>Construction Period Surplus/(Deficit)</b>	<b>(0)</b>	<b>0.00%</b>		
<b>Construction+Permanent Sources</b>				
1st Mortgage-TBD	140,000	16.74%		
Newton CPA	350,000	41.84%	Applied for	
Newton CDBG	200,000	23.91%		
Newton Hsg Rehab-Lead Grant	30,000	3.59%	Closing In Feb	
Newton Hsg Rehab Direct Loan	50,000	5.98%	Closing In Feb	
Charlesbank Grant	40,000	4.78%	April '06	
CAN-DO Loan/deferred developer fee	26,556	3.17%		
<b>Total Permanent Sources</b>	<b>836,556</b>	<b>100.00%</b>		
less Total Development Cost	(836,556)			
<b>Permanent Surplus/(Deficit)</b>	<b>(0)</b>	<b>0.00%</b>		

Cambria Operating Budget

CAN-DO: 11-13 Cambria Rd		Inflation	1	2	3	4	5	6	7
Sec 8-<50% mi, (up to 80% non-S8)		2.0%	31,200	31,824	32,460	33,110	33,772	34,447	35,136
(Rents are \$1,300/mo)									
Gross Residential Income			31,200	31,824	32,460	33,110	33,772	34,447	35,136
Residential Vacancy @ 1%			(312)	(318)	(325)	(331)	(338)	(344)	(351)
<b>Effective Gross Residential Income</b>			<b>30,888</b>	<b>31,506</b>	<b>32,136</b>	<b>32,779</b>	<b>33,434</b>	<b>34,103</b>	<b>34,785</b>
<b>Expenses</b>									
Mgmt. Fee @ 5% EGRI		3.00%	1,544	1,591	1,638	1,688	1,738	1,790	1,844
R.E. Tax		3.00%	4,834	4,979	5,128	5,282	5,441	5,604	5,772
Insurance		3.00%	2,636	2,715	2,797	2,880	2,967	3,056	3,148
Maintenance+Repair+Decorating		3.00%	3,550	3,657	3,766	3,879	3,996	4,115	4,239
Admin		3.00%	650	670	690	710	732	754	776
Water & Sewer 5%		3.00%	3,000	3,150	3,308	3,473	3,647	3,756	3,869
Comon Area Elec/Utilities		3.00%	250	258	265	273	281	290	299
Other Operating Expenses		3.00%	0	0	0	0	0	0	0
Operating Reserve		0.00%	0	0	0	0	0	0	0
Replacement Reserve @ \$/du		0.00%	300	300	300	300	300	300	300
<b>Total Residential Expenses</b>			<b>16,764</b>	<b>17,318</b>	<b>17,892</b>	<b>18,486</b>	<b>19,101</b>	<b>19,665</b>	<b>20,246</b>
per unit op		2	8,382	8,659	8,946	9,243	9,550	9,832	10,123
<b>Net Operating Income</b>			<b>14,124</b>	<b>14,187</b>	<b>14,244</b>	<b>14,293</b>	<b>14,333</b>	<b>14,438</b>	<b>14,539</b>
<b>Debt Service</b>		Amort.	Term						
<b>1st Mortgage/Bank</b>									
140,000	7.00%	30	15	11,177	11,177	11,177	11,177	11,177	11,177
<b>1st Mort/NewtonRehab</b>									
\$50,000	0.00%	30	20	1,667	1,667	1,667	1,667	1,667	1,667
<b>Total Debt Service</b>				<b>12,844</b>	<b>12,844</b>	<b>12,844</b>	<b>12,844</b>	<b>12,844</b>	<b>12,844</b>
<b>Debt Coverage Ratio</b>				<b>1.10</b>	<b>1.10</b>	<b>1.11</b>	<b>1.11</b>	<b>1.12</b>	<b>1.13</b>
<b>Residential Net Cash Flow</b>			<b>1,280</b>	<b>1,344</b>	<b>1,400</b>	<b>1,449</b>	<b>1,490</b>	<b>1,594</b>	<b>1,695</b>
<b>Operating Reserve Acct.</b>									
Opening Balance			10,000	10,150	10,302	10,457	10,666	10,879	11,097
Interest 1.50%		2.00%	150	152	155	209	213	218	222
Deposits from cash flow 0%		0%	0	0	0	0	0	0	0
Draws			0	0	0	0	0	0	0
<b>Balance</b>			<b>10,150</b>	<b>10,302</b>	<b>10,457</b>	<b>10,666</b>	<b>10,879</b>	<b>11,097</b>	<b>11,319</b>
<b>Payments from Cash Flow</b>									
CAN-DO Loan \$26,556 (w/out interest)			1,280	1,344	1,400	1,449	1,490	1,594	1,695

Cambria Operating Budget

8	9	10	11	12	13	14	15	
35,839	36,556	37,287	38,033	38,793	39,569	40,361	41,168	
35,839	36,556	37,287	38,033	38,793	39,569	40,361	41,168	
(358)	(366)	(373)	(380)	(388)	(396)	(404)	(412)	
35,481	36,190	36,914	37,652	38,405	39,173	39,957	40,756	
1,899	1,956	2,015	2,076	2,138	2,202	2,268	2,336	
5,945	6,124	6,307	6,496	6,691	6,892	7,099	7,312	
3,242	3,339	3,439	3,543	3,649	3,758	3,871	3,987	
4,366	4,497	4,632	4,771	4,914	5,061	5,213	5,370	
799	823	848	874	900	927	955	983	
3,985	4,104	4,227	4,354	4,485	4,619	4,758	4,901	
307	317	326	336	346	356	367	378	
0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	
300	300	300	300	300	300	300	300	
20,844	21,460	22,095	22,749	23,423	24,116	24,831	25,567	
10,422	10,730	11,048	11,375	11,711	12,058	12,415	12,783	
14,636	14,730	14,819	14,903	14,983	15,057	15,126	15,189	
11,177	11,177	11,177	11,177	11,177	11,177	11,177	11,177	
1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	
12,844	12,844	12,844	12,844	12,844	12,844	12,844	12,844	
1.14	1.15	1.15	1.16	1.17	1.17	1.18	1.18	
1,793	1,886	1,975	2,059	2,139	2,213	2,282	2,346	
11,319	11,545	11,776	12,012	12,252	12,497	12,747	13,002	
226	231	236	240	245	250	255	260	
0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	
11,545	11,776	12,012	12,252	12,497	12,747	13,002	13,262	
1,793	1,886	1,975	2,059	2,139	2,213	2,282	1,966	26,566