



David B. Cohen
Mayor

City of Newton, Massachusetts
Community Preservation Committee

#31-05

TO: Honorable Board Of Aldermen
FROM: Jennifer M. Goldson, AICP, CPA Program Manager *JMG*
DATE: 25 February 2005
RE: Falmouth/Jackson - Additional Information

At its meeting on February 14, the Board's Committee on Community Preservation (CCP) requested additional information regarding the development budget for the Falmouth/Jackson CPA funding request. Please find attached the project's development budget submitted in November 2004 to substitute the development budget that was included in the October 2004 CPA application.

Please contact me at 671-796-1131 if you need further information regarding this matter. Thank you.

ALL

FALMOUTH/JACKSON		10/1/04		
ITEM				
DEVELOPMENT BUDGET				
ACQUISITION COSTS:			\$	1,320,000
LAND				
BUILDING				
SUBTOTAL - ACQUISITION COST			\$	1,320,000
CONSTRUCTION COSTS:				
Direct Construction Costs			\$	269,970
Construction Contingency			\$	26,997
Subtotal: Construction			\$	296,967
GENERAL DEVELOPMENT COSTS				
Architecture & Engineering			\$	10,000
Survey and Permits			\$	5,022
Legal			\$	7,000
Title and Recording			\$	1,000
Accounting & Cost Cert.			\$	500
Real Estate Taxes			\$	8,022
Liability Insurance			\$	12,000
Builder's Risk insurance			\$	5,000
Appraisal			\$	600
Interest		6% 12 months	\$	63,000
Origination Fee			\$	5,250
Other: Consultant			\$	10,000
Subtotal soft costs			\$	127,394
Soft Cost Contingency		5%	\$	6,370
Subtotal: Gen. Dev.			\$	133,764
Subtotal:Acquis.,Const., and Gen. Development			\$	1,750,731
>Developer Overhead		3%	\$	52,522
>Developer Fee		3%	\$	52,522
Total Development Cost			\$	1,855,775
PAYOFF MHIC			\$	1,050,000
TOTAL			\$	2,905,775

REVISED 9/28/04

ALL

FUNDING SOURCES:			
City of Newton Purchase Rehab		\$	400,000
MHIC		\$	1,050,000
NHRF Lead Paint Grant		\$	30,000
NHRF Asbestos Grant		\$	16,000
CPA		\$	550,000
FHLB		\$	100,000
BANK		\$	600,000
NHRF		\$	160,000
TOTAL		\$	2,906,000

Updated

12/7/04

FALMOUTH-JACKSON OPERATING BUDGET

INCOME:	MONTHLY		ANNUAL	
2-2 Bedroom-1566	\$ 3,132	12	\$	37,584
2 - 3 Bedroom -1967	\$ 3,934	12	\$	47,208
TOTAL			\$	84,792
VACANCY (1%)			\$	848
ANNUAL RENTAL INCOME			\$	83,944
TOTAL INCOME				\$ 83,944
EXPENSES				
Administrative				
Management Fee @ 3% of annual income				
Payroll, Taxes & Benefits				
CAN-DO Administration				
Legal			\$	300
Audit			\$	500
Telephone/Supplies/Postage			\$	200
TOTAL ADMINISTRATIVE				\$ 1,000
Maintenance:				
Janitorial Supplies			\$	500
Landscaping/Snow Removal			\$	1,500
Decorating/Repairs			\$	1,000
Exterminating			\$	300
Plumbing			\$	500
Lock and Key			\$	200
TOTAL MAINTENANCE				\$ 4,000
Utilities:				
Heat			\$	6,000
Common area electric			\$	600
Water/Sewer			\$	4,000
TOTAL UTILITIES				\$ 10,600
Replacement Reserve @\$500 per unit			\$	2,000
Operating Reserve @ 500 per unit			\$	2,000
Insurance			\$	4,000
Real Estate taxes			\$	8,022
				\$ 16,022
TOTAL OPERATING COSTS				\$ 31,622
Debt Service (Interest & Principal)				
BANK	600,000@.05.0		\$	45,084
NHRF	160,000@.00.0		\$	5,400
TOTAL OPERATING & DEBT SERVICE				\$ 82,106
NET CASH FLOW				\$ 1,838