

**CPC staff note:** This updated 29 January 2020 submission includes: cover letter, bank term sheet, and updated project financial tables. All other attachments submitted 2 January 2020 remain valid.



**NEWTON HOUSING AUTHORITY**  
**82 Lincoln Street**  
**Newton Highlands, Massachusetts 02461**

**Telephone:** (617) 552-5501  
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**Amy Zarechian**  
**Executive Director**

January 29, 2020

Community Preservation Committee  
Planning and Development Board  
C/o Amanda Berman, Director of Housing and Community Development  
Planning and Development Department  
City of Newton  
1000 Commonwealth Avenue  
Newton, MA 02459

Re: NHA Acquisition of CAN-DO Portfolio

Dear Ms. Berman,

Following its presentation to the Newton Housing Partnership on January 7, 2020, the Newton Housing Authority (NHA) has worked closely with the City of Newton's Department of Planning and Development staff and their consultant to address questions raised by the Newton Housing Partnership regarding the NHA's proposed acquisition of the 33-unit CAN-DO (Citizens for Affordable Housing in Newton Development Organization) real estate portfolio.

Through this collaborative effort, the NHA has made the following changes to its proposal and requests that this current version replace the full proposal previously submitted.

- NHA will acquire the CAN-DO portfolio in a transaction in which the existing private debt from the Village Bank, Cambridge Savings Bank, and the Boston Community Loan Fund will be paid down, and the NHA will assume all deferred financing and related affordable housing use agreements from various public agencies, including the City and CPA. No cash consideration will be paid to any party for the acquisition.
- At the suggestion of the City's Department of Planning and Development, the NHA has increased its request for CDBG funds to \$1,200,000 to address immediate capital needs and fund a portion of the elimination of existing private debt, allowing for a decrease in the amount of new private debt from the Village Bank to \$650,000, which will also fund a portion of the private debt elimination.
- In addition, the request for CPA funds to be used to fund the remaining portion of the private debt elimination has been reduced to \$1,105,000.
- In response to comments from the Newton Housing Partnership regarding potential under estimation of construction costs and service needs for the portfolio, the new proposal increases the capital budget by 15% and the supportive services budget to \$1,000 per unit per year.
- The new proposal also allows for an increase in the annual contribution to the replacement reserve to \$2,000 per unit per year from operating income and eliminates the need for proceeds from the new Village Bank debt to be placed into the replacement reserve.
- The new Village Bank debt will be used to create a \$250,000 operating reserve, as well as cover the predevelopment and closing costs.
- The Village Bank's generous \$250,000 grant and the NHA's own contribution of \$250,000 will continue to be placed into the replacement reserve in annual \$25,000 installments over a period of ten years.

The NHA is confident that this revised proposal responds to the concerns of the Newton Housing Partnership and the Department of Planning and Development, provides sufficient funds to address current and future capital needs and reduce debt, and ensures sustainable management of this important portfolio.

We look forward to meeting with the Community Preservation Committee and Planning and Development Board to discuss our proposal further.

Thank you for all your help through this process.

Sincerely,

A handwritten signature in cursive script that reads "Amy Zarechian".

Amy Zarechian  
Executive Director  
Newton Housing Authority  
82 Lincoln Street  
Newton Highlands, MA 02461



January 27, 2020

Amy Zarechian  
Executive Director  
Newton Housing Authority  
82 Lincoln Street  
Newton, MA 02461

Amy:

I am pleased to submit this Term Sheet for your consideration. The Village Bank (the "Bank") will provide Newton Housing Authority with financing and a grant for the CAN-DO properties as detailed below.

**1) Borrower:**

Newton Housing Authority

**2) Purpose:**

To provide partial financing for the purchase of the CAN-DO properties.

**3) Loan Amount:**

\$650,000

**4) Terms:**

Thirty (30) year maturity and thirty (30) year amortization

**5) Interest Rates:**

Fixed at 4.75%

**6) Fees:**

Whether or not the Loans close, the Borrower is responsible for paying all closing costs, including, but not limited to, legal, appraisal, recording, flood certification and tax service fees incurred by the Bank.

**7) Repayment:**

The loan will amortize over thirty (30) years. Monthly principal and interest payments will be approximately \$3,418. Payments will be made in arrears and interest on the unpaid balance shall be computed on a 365/360 basis; that is, by applying the ratio of the annual interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding.

**8) Security:**

First real estate mortgage and assignment of rents on:

12-13 Cambria Road, Newton

18-20 Cambria Road, Newton

163 Jackson Road, Newton

20-22 Falmouth Road, Newton

54 Eddy Street, Newton

2148 Commonwealth Avenue, Newton a/k/a Veterans House

**9) Guarantors:**

None

**10) Depository Account(s):**

The Borrower must maintain its main operating checking account(s) at the Bank.

**11) Prepayment**

There is no prepayment penalty

**12) Grant:**

The Bank will provide Newton Housing Authority with a \$250,000 grant payable \$25,000 annually for ten years. The first grant payment will be made in 2020. The use of the grant will be restricted to funding replacement reserves for the properties securing the subject loans.

Sincerely,



Andrew Franklin  
Senior Vice President

**NHA Acceptance of CAN-DO Portfolio, CPA/CDBG PROPOSAL REVISIONS**

**SOURCES FOR USES**

**Can-Do Developments**

25-01-20

SOURCES	
NHA Grant over 10 Years	250,000
TVB Grant over 10 Years	250,000
New TVB Loan	650,000 <sup>1</sup>
City CPA	1,105,000
City CDBG	1,200,000
<b>TOTAL SOURCES</b>	<b>3,455,000</b>

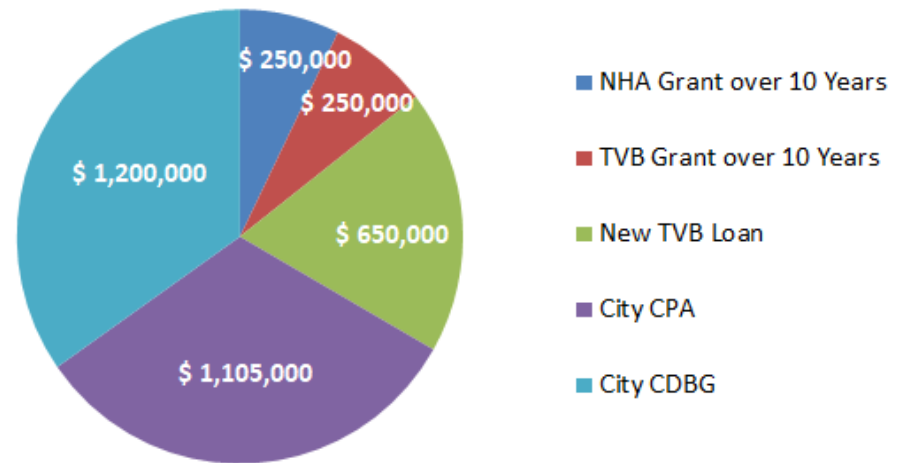
USES	
TVB Loan Repayment	1,498,784
CSB Loan Repayment	343,486
BCLF Loan Repayment	80,378
Replacement Reserve	500,000
Operating Reserve	250,000
Capital Improvements	551,352 <sup>2</sup>
Financing Fees (1%)	6,500
Legal Fees	150,000
Title & Recording	40,000
Development Consultant	30,000
Appraisal	4,500
<b>TOTAL USES</b>	<b>3,455,000</b>

**SURPLUS / (DEFICIT) 0**

<sup>1</sup> New TVB Debt at 4.75%, 30 year amortization.

<sup>2</sup> To fund capital needs in 2020.

**CAN DO DEVELOPMENTS**



**NHA Acceptance of CAN-DO Portfolio, CPA/CDBG PROPOSAL REVISIONS 29 January 2020**

<b>USES FOR SOURCES</b>						
<b>Can-Do Developments</b>						<b>25-01-20</b>
<b>SOURCES</b>	<b>NHA</b>	<b>TVB</b>	<b>New TVB Loan</b>	<b>City CPA</b>	<b>City CDBG</b>	<b>TOTAL SOURCES</b>
TVB Loan Repayment			169,000	681,136	648,648	1,498,784
CSB Loan Repayment				343,486		343,486
BCLF Loan Repayment				80,378		80,378
Replacement Reserve	250,000	250,000				500,000
Operating Reserve			250,000			250,000
Capital Improvements					551,352	551,352
Financing Fees (1%)			6,500			6,500
Legal Fees			150,000			150,000
Title & Recording			40,000			40,000
Development Consultant			30,000			30,000
Appraisal			4,500			4,500
<b>USES</b>	<b>250,000</b>	<b>250,000</b>	<b>650,000</b>	<b>1,105,000</b>	<b>1,200,000</b>	<b>3,455,000</b>
<b>SURPLUS / (DEFICIT)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0</b>

CAN DO vs. NHA OPERATING										25-01-20
	CAN DO				NHA				Footnotes (p. 2)	Higher of Can Do & NHA
	Audit 2017	Per 33 Units	Unaudited 2018	Per 33 Units	NHA 12-31-18	NHA 57 Units	NHA with Can Do	Per 90 Units		
<b>Can-Do Developments</b>										
<b>Rental Income</b>										
Rental Subsidy	555,933	16,846	580,915	17,603	-	-	-	-		-
Vacancies & Bad Debt	(15,068)	(457)	(1,744)	(53)	-	-	-	-		-
Laundry & Miscellaneous	3,822	116	3,905	118	-	-	-	-		-
<b>Rental Income</b>	<b>544,687</b>	<b>16,506</b>	<b>583,076</b>	<b>17,669</b>	-	-	-	-		-
<b>Rental Expenses</b>										
Salaries	21,045	638	62,797	1,903	-	-	-	-		-
Taxes & Benefits	5,789	175	4,930	149	-	-	-	-		-
Consultants	19,788	600	-	-	-	-	-	-		-
Office Rent	-	-	-	-	-	-	-	-		-
Condo Fees	8,971	272	5,900	179	-	-	-	-		-
Advertising & Marketing	-	-	400	12	-	-	-	-		-
Telephone & Internet	613	19	-	-	-	-	-	-		-
Audit & Payroll Services	-	-	-	-	-	-	-	-		-
Filing Fees	-	-	500	15	-	-	-	-		-
Bank Charges	-	-	306	9	-	-	-	-		-
Supplies	-	-	87	3	-	-	-	-		-
Miscellaneous	914	28	137	4	-	-	-	-		-
<b>Subtotal Administrative</b>	<b>57,120</b>	<b>1,731</b>	<b>75,056</b>	<b>2,274</b>	<b>233,176</b>	<b>4,091</b>	<b>308,176</b>	<b>3,424</b>	1	<b>3,424</b>
Maintenance	128,546	3,895	71,987	2,181	-	-	-	-		-
Janitorial	-	-	-	-	-	-	-	-		-
Repairs	-	-	50,251	1,523	-	-	-	-		-
Landscaping & Snow Removal	-	-	-	-	-	-	-	-		-
Extermination	-	-	150	5	-	-	-	-		-
Vehicle Expense	-	-	-	-	-	-	-	-		-
<b>Subtotal Maintenance</b>	<b>128,546</b>	<b>3,895</b>	<b>122,388</b>	<b>3,709</b>	<b>158,514</b>	<b>2,781</b>	<b>277,714</b>	<b>3,316</b>	2	<b>3,709</b>
Supportive Services	5,544	168	2,970	90	-	-	33,000	1,000	3	1,000
Security	-	-	-	-	-	-	-	-		-
Utilities	61,957	1,877	75,580	2,290	113,849	1,997	179,762	1,997	4	2,290
Real Estate Taxes	71,379	2,163	66,927	2,028	-	-	-	-		-
Insurance	26,110	791	34,018	1,031	42,314	742	66,812	742	5	1,031
<b>Rental Expenses</b>	<b>350,656</b>	<b>10,626</b>	<b>376,939</b>	<b>11,422</b>	<b>547,853</b>	<b>9,611</b>	<b>865,463</b>	<b>10,480</b>		<b>11,454</b>

NHA Acceptance of CAN-DO Portfolio, CPA/CDBG PROPOSAL REVISIONS 29 January 2020									
CAN DO vs. NHA OPERATING									25-01-20
<sup>1</sup> Adds \$70,000 to Administrative salaries + \$5,000 to Legal prorated over 90 units.									
<sup>2</sup> Adds \$80,000 + 34% Taxes & Benefits to Maintenance salaries prorated over 90 units + \$12,000 Turnover prorated over 33 units only.									
<sup>3</sup> Supportive Service prorated over 33 units only.									
<sup>4</sup> Utilities prorated over 90 units.									
<sup>5</sup> Insurance prorated over 90 units.									



NHA Acceptance of CAN-DO Portfolio, CPA/CDBG PROPOSAL REVISIONS 29 January 2020

2019 NOI assuming NHA Operating													01-25-20	
Can-Do Developments	10-11 Cambria Road		11-13 Cambria Road		18-20 Cambria Road		163 Jackson Road		20-22 Falmouth Road		61 Pearl Street Park House		14 Nonantum Place Garfield House	
Number of Units	2	units	2	units	2	units	2	units	2	units	3	units	3	units
Monthly Rent	1,575	NHA	916	NHA	1,700	MBHP	1,600	NHA	1,625	NHA	1,255	N/A	2,100	NHA
	1,691	NHA	1,573	WHA	2,330	NHA	2,000	NHA	1,608	MBHP	1,255	N/A	2,327	NHA
											1,464	NHA	2,419	NHA
<b>Gross Possible Rent</b>	<b>39,192</b>		<b>29,868</b>		<b>48,360</b>		<b>43,200</b>		<b>38,796</b>		<b>47,688</b>		<b>82,152</b>	
Vacancy (15%)	(5,879)		(4,480)		(7,254)		(6,480)		(5,819)		(7,153)		(12,323)	
<b>Net Effective Income</b>	<b>33,313</b>		<b>25,388</b>		<b>41,106</b>		<b>36,720</b>		<b>32,977</b>		<b>40,535</b>		<b>69,829</b>	
<b>Max Can Do or NHA Expenses</b>														
Administrative	6,848		6,848		6,848		6,848		6,848		10,273		10,273	
Maintenance	7,417		7,417		7,417		7,417		7,417		11,126		11,126	
Supportive Services	2,000		2,000		2,000		2,000		2,000		3,000		3,000	
Replacement Reserve	4,000		4,000		4,000		4,000		4,000		6,000		6,000	
Utilities	4,581		4,581		4,581		4,581		4,581		6,871		6,871	
Real Estate Taxes	-		-		-		-		-		-		-	
Insurance	2,062		2,062		2,062		2,062		2,062		3,093		3,093	
<b>Total Expenses</b>	<b>26,908</b>		<b>26,908</b>		<b>26,908</b>		<b>26,908</b>		<b>26,908</b>		<b>40,362</b>		<b>40,362</b>	
<b>Net Operating Income</b>	<b>6,405</b>		<b>(1,520)</b>		<b>14,198</b>		<b>9,812</b>		<b>6,068</b>		<b>173</b>		<b>29,467</b>	
<b>Debt Service</b>														
TVB	-		16,202	5.00%	20,768	5.75%	20,992	5.25%	19,619	4.50%	-		9,417	6.00%
TVB Balance					199,486		189,838		219,492		216,424			97,672
CSB	-		-		6,896	4.50%	-		-		14,644	4.50%	-	
CSB Balance							109,987						233,499	
BCLF	-		-		-		-		-		-		-	
BCLF Balance														
<b>Total Debt Service</b>	<b>-</b>		<b>16,202</b>		<b>27,663</b>		<b>20,992</b>		<b>19,619</b>		<b>14,644</b>		<b>9,417</b>	
<b>Net Cash Flow</b>	<b>6,405</b>		<b>(17,723)</b>		<b>(13,465)</b>		<b>(11,180)</b>		<b>(13,551)</b>		<b>(14,471)</b>		<b>20,050</b>	
														<b>CEDAC HIF</b>
<b>Loan Balances</b>	<b>01-01-20</b>													
TVB	1,498,784													
CSB	343,486													
BCLF	80,378													
<b>Loan Balances</b>	<b>1,922,648</b>													

NHA Acceptance of CAN-DO Portfolio NHA Acceptance of CAN-DO Portfolio, CPA/CDBG PROPOSAL REVISIONS 29 January 2020

2019 NOI assuming NHA Operating													25-01-20
	<b>90 Christina Street</b>		<b>2148 Commonwealth</b>						<b>228 Webster Street</b>				<b>2019</b>
<b>Can-Do Developments</b>	<b>Kayla House</b>		<b>Veterans House</b>		<b>54 Eddy Street</b>		<b>54 Taft Avenue</b>		<b>Webster House</b>				<b>TOTAL</b>
Number of Units	5	units	2	units	2	units	2	units	6	respite units		33	units
Monthly Rent	1,926	NHA	1,612	CHA	1,392	MBHP	2,112	NHA	975	NWW - NHA			
	1,926	NHA	1,826	BHA	2,000	NHA	938	MBHP	895	NWW - NHA			
	1,926	NHA							895	NWW - NHA			
	1,811	NHA							895	NWW - NHA			
	1,811	NHA							895	NWW - NHA			<b>Per Unit</b>
									895	NWW - NHA			
<b>Gross Possible Rent</b>	<b>112,800</b>		<b>41,256</b>		<b>40,704</b>		<b>36,600</b>		<b>65,400</b>			<b>626,016</b>	<b>18,970</b>
Vacancy (15%)	(16,920)		(6,188)		(6,106)		(5,490)		(9,810)			(93,902)	(2,846)
<b>Net Effective Income</b>	<b>95,880</b>		<b>35,068</b>		<b>34,598</b>		<b>31,110</b>		<b>55,590</b>			<b>532,114</b>	<b>16,125</b>
<b>Max Can Do or NHA Expenses</b>													
Administrative	17,121		6,848		6,848		6,848		20,545			112,998	3,424
Maintenance	18,544		7,417		7,417		7,417		22,252			122,388	3,709
Supportive Services	5,000		2,000		2,000		2,000		6,000			33,000	1,000
Replacement Reserve	10,000		4,000		4,000		4,000		12,000			66,000	2,000
Utilities	11,451		4,581		4,581		4,581		13,742			75,580	2,290
Real Estate Taxes	-		-		-		-		-			-	-
Insurance	5,154		2,062		2,062		2,062		6,185			34,018	1,031
<b>Total Expenses</b>	<b>67,270</b>		<b>26,908</b>		<b>26,908</b>		<b>26,908</b>		<b>80,724</b>			<b>443,984</b>	<b>13,454</b>
<b>Net Operating Income</b>	<b>28,610</b>		<b>8,159</b>		<b>7,690</b>		<b>4,202</b>		<b>(25,134)</b>			<b>88,130</b>	<b>2,671</b>
<b>Debt Service</b>													
TVB	18,877	5.25%	22,935	5.00%	7,353	4.50%	-		18,095	5.25%		154,259	
TVB Balance			173,574	132,643		107,209							1,498,784
CSB	-		-		-		-		-			21,539	
CSB Balance													343,486
BCLF	8,135	7.00%	-		-		-		-			8,135	
BCLF Balance			80,378										80,378
<b>Total Debt Service</b>	<b>27,013</b>		<b>22,935</b>		<b>7,353</b>		<b>-</b>		<b>18,095</b>			<b>183,934</b>	
<b>Net Cash Flow</b>	<b>1,597</b>		<b>(14,776)</b>		<b>337</b>		<b>4,202</b>		<b>(43,229)</b>			<b>(95,804)</b>	<b>0.48</b>
													<b>DSCR</b>
													<b>0.48</b>
		<b>CEDAC HIF</b>		<b>FHLB</b>					<b>FHLB, AHTE, CEDAC FCF</b>				
<b>Loan Balances</b>	<b>01-01-20</b>												
TVB	1,498,784												
CSB	343,486												
BCLF	80,378												
<b>Loan Balances</b>	<b>1,922,648</b>												

NHA Acceptance of CAN-DO Portfolio, CPA/CDBG PROPOSAL REVISIONS 29 January 2020

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	Number of Units	2	units	2	units	2	units	2	units	2	units	3	units	3
Monthly Rent	1,575	NHA	916	NHA	1,700	MBHP	1,600	NHA	1,625	NHA	1,255	N/A	2,100	NHA
	1,691	NHA	1,573	WHA	2,330	NHA	2,000	NHA	1,608	MBHP	1,255	N/A	2,327	NHA
											1,464	NHA	2,419	NHA
<b>Gross Possible Rent</b>	<b>39,192</b>		<b>29,868</b>		<b>48,360</b>		<b>43,200</b>		<b>38,796</b>		<b>47,688</b>		<b>82,152</b>	
Vacancy (15%)	(5,879)		(4,480)		(7,254)		(6,480)		(5,819)		(7,153)		(12,323)	
<b>Net Effective Income</b>	<b>33,313</b>		<b>25,388</b>		<b>41,106</b>		<b>36,720</b>		<b>32,977</b>		<b>40,535</b>		<b>69,829</b>	
<b>Max Can Do or NHA Expenses</b>														
Administrative	6,848		6,848		6,848		6,848		6,848		10,273		10,273	
Maintenance	7,417		7,417		7,417		7,417		7,417		11,126		11,126	
Supportive Services	2,000		2,000		2,000		2,000		2,000		3,000		3,000	
Replacement Reserve	4,000		4,000		4,000		4,000		4,000		6,000		6,000	
Utilities	4,581		4,581		4,581		4,581		4,581		6,871		6,871	
Real Estate Taxes	-		-		-		-		-		-		-	
Insurance	2,062		2,062		2,062		2,062		2,062		3,093		3,093	
<b>Total Expenses</b>	<b>26,908</b>		<b>26,908</b>		<b>26,908</b>		<b>26,908</b>		<b>26,908</b>		<b>40,362</b>		<b>40,362</b>	
<b>Net Operating Income</b>	<b>6,405</b>		<b>(1,520)</b>		<b>14,198</b>		<b>9,812</b>		<b>6,068</b>		<b>173</b>		<b>29,467</b>	
<b>Debt Service</b>														
New TVB Debt Service	-		-		-		-		-		-		-	
New TVB Loan Amount														
<b>Total Debt Service</b>	<b>-</b>		<b>-</b>		<b>-</b>		<b>-</b>		<b>-</b>		<b>-</b>		<b>-</b>	
<b>Net Cash Flow</b>	<b>6,405</b>		<b>(1,520)</b>		<b>14,198</b>		<b>9,812</b>		<b>6,068</b>		<b>173</b>		<b>29,467</b>	

CEDAC HIF

NHA Acceptance of CAN-DO Portf NHA Acceptance of CAN-DO Portfolio, CPA/CDBG PROPOSAL REVISIONS 29 January 2020										
2019 NOI assuming New TVB Loan										01-25-20
	90 Christina Street		2148 Commonwealth						228 Webster Street	
Can-Do Developments	Kayla House		Veterans House		54 Eddy Street		54 Taft Avenue		Webster House	
									2019	
Number of Units	5	units	2	units	2	units	2	units	6	respice units
Monthly Rent	1,926	NHA	1,612	CHA	1,392	MBHP	2,112	NHA	975	NWW - NHA
	1,926	NHA	1,826	BHA	2,000	NHA	938	MBHP	895	NWW - NHA
	1,926	NHA							895	NWW - NHA
	1,811	NHA							895	NWW - NHA
	1,811	NHA							895	NWW - NHA
									895	NWW - NHA
										Per Unit
Gross Possible Rent	112,800		41,256		40,704		36,600		65,400	
Vacancy (15%)	(16,920)		(6,188)		(6,106)		(5,490)		(9,810)	
Net Effective Income	95,880		35,068		34,598		31,110		55,590	
Max Can Do or NHA Expenses										
Administrative	17,121		6,848		6,848		6,848		20,545	
Maintenance	18,544		7,417		7,417		7,417		22,252	
Supportive Services	5,000		2,000		2,000		2,000		6,000	
Replacement Reserve	10,000		4,000		4,000		4,000		12,000	
Utilities	11,451		4,581		4,581		4,581		13,742	
Real Estate Taxes	-		-		-		-		-	
Insurance	5,154		2,062		2,062		2,062		6,185	
Total Expenses	67,270		26,908		26,908		26,908		80,724	
Net Operating Income	28,610		8,159		7,690		4,202		(25,134)	
Debt Service										New TVB Loan
New TVB Debt Service	-		-		-		-		-	40,688
New TVB Loan Amount										650,000
Total Debt Service	-		-		-		-		-	40,688
										650,000
Net Cash Flow	28,610		8,159		7,690		4,202		(25,134)	47,441
	CEDAC HIF		FHLB						FHLB, AHTF, CEDAC FCF	

**NHA Acceptance of CAN-DO Portfolio, CPA/CDBG PROPOSAL REVISIONS 29 January 2020**

<b>20 YEAR PROJECTION</b>												
<b>Can-Do Developments</b>												<b>25-01-20</b>
Trend: 2% Income			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
Trend: 3% Expense	<b>2019</b>	<b>Per Unit</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
<b>Gross Possible Rent</b>	<b>626,016</b>	<b>18,970</b>	<b>638,536</b>	<b>651,307</b>	<b>664,333</b>	<b>677,620</b>	<b>691,172</b>	<b>704,996</b>	<b>719,096</b>	<b>733,478</b>	<b>748,147</b>	<b>763,110</b>
Vacancy	(93,902)	(2,846)	(95,780)	(97,696)	(79,720)	(81,314)	(69,117)	(70,500)	(57,528)	(58,678)	(59,852)	(61,049)
Vacancy Rate	15%	15%	15%	15%	12%	12%	10%	10%	8%	8%	8%	8%
<b>Net Effective Income</b>	<b>532,114</b>	<b>16,125</b>	<b>542,756</b>	<b>553,611</b>	<b>584,613</b>	<b>596,305</b>	<b>622,055</b>	<b>634,496</b>	<b>661,568</b>	<b>674,799</b>	<b>688,295</b>	<b>702,061</b>
<b>Max Can Do or NHA Expenses</b>												
Administrative	112,998	3,424	116,388	119,879	123,476	127,180	130,995	134,925	138,973	143,142	147,437	151,860
Maintenance	122,388	3,709	126,059	129,841	133,736	137,748	141,881	146,137	150,521	155,037	159,688	164,479
Supportive Services	33,000	1,000	33,990	35,010	36,060	37,142	38,256	39,404	40,586	41,803	43,058	44,349
Replacement Reserve	66,000	2,000	67,980	70,019	72,120	74,284	76,512	78,807	81,172	83,607	86,115	88,698
Utilities	75,580	2,290	77,847	80,183	82,588	85,066	87,618	90,246	92,954	95,742	98,614	101,573
Real Estate Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	34,018	1,031	35,039	36,090	37,173	38,288	39,437	40,620	41,838	43,094	44,386	45,718
<b>Total Expenses</b>	<b>443,984</b>	<b>13,454</b>	<b>457,303</b>	<b>471,022</b>	<b>485,153</b>	<b>499,708</b>	<b>514,699</b>	<b>530,140</b>	<b>546,044</b>	<b>562,425</b>	<b>579,298</b>	<b>596,677</b>
<b>Net Operating Income</b>	<b>88,130</b>	<b>2,671</b>	<b>85,453</b>	<b>82,589</b>	<b>99,460</b>	<b>96,598</b>	<b>107,356</b>	<b>104,356</b>	<b>115,524</b>	<b>112,374</b>	<b>108,997</b>	<b>105,384</b>
<b>Debt Service</b>												
New TVB Debt Service	40,688		40,688	40,688	40,688	40,688	40,688	40,688	40,688	40,688	40,688	40,688
New TVB Loan Amount		650,000	-	-	-	-	-	-	-	-	-	-
<b>Total Debt Service</b>	<b>40,688</b>		<b>40,688</b>	<b>40,688</b>	<b>40,688</b>	<b>40,688</b>	<b>40,688</b>	<b>40,688</b>	<b>40,688</b>	<b>40,688</b>	<b>40,688</b>	<b>40,688</b>
<b>Net Cash Flow</b>	<b>47,441</b>		<b>44,764</b>	<b>41,900</b>	<b>58,772</b>	<b>55,909</b>	<b>66,668</b>	<b>63,668</b>	<b>74,835</b>	<b>71,686</b>	<b>68,309</b>	<b>64,696</b>
<b>Debt Service Coverage Ratio</b>	<b>2.17</b>		<b>2.10</b>	<b>2.03</b>	<b>2.44</b>	<b>2.37</b>	<b>2.64</b>	<b>2.56</b>	<b>2.84</b>	<b>2.76</b>	<b>2.68</b>	<b>2.59</b>

<b>NHA Acceptance of CAN-DCNHA Acceptance of CAN-DO Portfolio, CPA/CDBG PROPOSAL REVISIONS 29 January 2020</b>										
<b>20 YEAR PROJECTION</b>										
<b>Can-Do Developments</b>										<b>25-01-20</b>
Trend: 2% Income	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b>
Trend: 3% Expense	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>
<b>Gross Possible Rent</b>	<b>778,372</b>	<b>793,940</b>	<b>809,818</b>	<b>826,015</b>	<b>842,535</b>	<b>859,386</b>	<b>876,574</b>	<b>894,105</b>	<b>911,987</b>	<b>930,227</b>
Vacancy	(62,270)	(63,515)	(64,785)	(66,081)	(67,403)	(68,751)	(70,126)	(71,528)	(72,959)	(74,418)
Vacancy Rate	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%
<b>Net Effective Income</b>	<b>716,102</b>	<b>730,424</b>	<b>745,033</b>	<b>759,934</b>	<b>775,132</b>	<b>790,635</b>	<b>806,448</b>	<b>822,577</b>	<b>839,028</b>	<b>855,809</b>
<b>Max Can Do or NHA Expenses</b>										
Administrative	156,415	161,108	165,941	170,919	176,047	181,328	186,768	192,371	198,142	204,087
Maintenance	169,413	174,496	179,730	185,122	190,676	196,396	202,288	208,357	214,607	221,046
Supportive Services	45,680	47,050	48,462	49,915	51,413	52,955	54,544	56,180	57,866	59,602
Replacement Reserve	91,359	94,100	96,923	99,831	102,826	105,911	109,088	112,361	115,731	119,203
Utilities	104,620	107,759	110,991	114,321	117,751	121,283	124,922	128,669	132,530	136,505
Real Estate Taxes	-	-	-	-	-	-	-	-	-	-
Insurance	47,090	48,502	49,957	51,456	53,000	54,590	56,227	57,914	59,652	61,441
<b>Total Expenses</b>	<b>614,577</b>	<b>633,015</b>	<b>652,005</b>	<b>671,565</b>	<b>691,712</b>	<b>712,464</b>	<b>733,837</b>	<b>755,853</b>	<b>778,528</b>	<b>801,884</b>
<b>Net Operating Income</b>	<b>101,525</b>	<b>97,410</b>	<b>93,028</b>	<b>88,368</b>	<b>83,420</b>	<b>78,171</b>	<b>72,610</b>	<b>66,724</b>	<b>60,500</b>	<b>53,925</b>
<b>Debt Service</b>										
New TVB Debt Service	40,688	40,688	40,688	40,688	40,688	40,688	40,688	40,688	40,688	40,688
New TVB Loan Amount	-	-	-	-	-	-	-	-	-	-
<b>Total Debt Service</b>	<b>40,688</b>	<b>40,688</b>	<b>40,688</b>	<b>40,688</b>	<b>40,688</b>	<b>40,688</b>	<b>40,688</b>	<b>40,688</b>	<b>40,688</b>	<b>40,688</b>
<b>Net Cash Flow</b>	<b>60,837</b>	<b>56,721</b>	<b>52,339</b>	<b>47,680</b>	<b>42,732</b>	<b>37,483</b>	<b>31,922</b>	<b>26,036</b>	<b>19,811</b>	<b>13,236</b>
<b>Debt Service Coverage Ratio</b>	<b>2.50</b>	<b>2.39</b>	<b>2.29</b>	<b>2.17</b>	<b>2.05</b>	<b>1.92</b>	<b>1.78</b>	<b>1.64</b>	<b>1.49</b>	<b>1.33</b>

<b>NHA Acceptance of CAN-DO Portfolio, CPA/CDBG PROPOSAL REVISIONS 29 January 2020</b>										
<b>REPLACEMENT RESERVE BALANCE (without CDBG funding)</b>										<b>25-01-20</b>
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
<b>Can-Do Developments</b>	<b><u>1</u></b>	<b><u>2</u></b>	<b><u>3</u></b>	<b><u>4</u></b>	<b><u>5</u></b>	<b><u>6</u></b>	<b><u>7</u></b>	<b><u>8</u></b>	<b><u>9</u></b>	<b><u>10</u></b>
Starting Replacement Reserve	-	(439,191)	(377,024)	(363,028)	(321,068)	(239,803)	(183,764)	(92,704)	(68,074)	33,107
Monthly Contribution at 3%	5,500	5,665	5,835	6,010	6,190	6,376	6,567	6,764	6,967	7,176
Yearly Contribution at 3%	66,000	67,980	70,019	72,120	74,284	76,512	78,807	81,172	83,607	86,115
Total Replacement Reserve	66,000	(371,211)	(307,005)	(290,908)	(246,785)	(163,291)	(104,957)	(11,533)	15,533	119,222
Interest on Reserve at 1.5%	495	(6,078)	(5,130)	(4,905)	(4,259)	(3,023)	(2,165)	(782)	(394)	1,142
Total Funds Available	66,495	(377,289)	(312,135)	(295,812)	(251,044)	(166,314)	(107,122)	(12,314)	15,139	120,364
<b>NHA &amp; TVB Grants</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>
Capital Needs	555,686	49,735	100,893	75,256	38,760	67,450	35,582	105,760	32,032	111,091
Reserve Balance	(439,191)	(377,024)	(363,028)	(321,068)	(239,803)	(183,764)	(92,704)	(68,074)	33,107	59,273
<b>Over 20 Years</b>										
Yearly Contributions	1,773,445									
Interest on Reserve @ 1.5%	(21,779)									
Capital Needs	(2,391,184)									
<b>NHA &amp; TVB Grants</b>	<b>500,000</b>									
Reserve Balance in Year 20	(139,517)									

NHA Acceptance of CAN-DO Portfolio NHA Acceptance of CAN-DO Portfolio, CPA/CDBG PROPOSAL REVISIONS 29 January 2020										
REPLACEMENT RESERVE BALANCE (without CDBG funding)										25-01-20
	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Can-Do Developments	<u>11</u>	<u>12</u>	<u>13</u>	<u>14</u>	<u>15</u>	<u>16</u>	<u>17</u>	<u>18</u>	<u>19</u>	<u>20</u>
Starting Replacement Reserve	59,273	33,028	67,167	89,871	100,871	12,584	(130,626)	(112,212)	(211,901)	(195,141)
Monthly Contribution at 3%	7,392	7,613	7,842	8,077	8,319	8,569	8,826	9,091	9,363	9,644
Yearly Contribution at 3%	88,698	91,359	94,100	96,923	99,831	102,826	105,911	109,088	112,361	115,731
Total Replacement Reserve	147,971	124,388	161,267	186,795	200,701	115,410	(24,715)	(3,124)	(99,540)	(79,410)
Interest on Reserve at 1.5%	1,554	1,181	1,713	2,075	2,262	960	(1,165)	(865)	(2,336)	(2,059)
Total Funds Available	149,526	125,569	162,980	188,870	202,963	116,370	(25,880)	(3,989)	(101,876)	(81,469)
<b>NHA &amp; TVB Grants</b>	-	-	-	-	-	-	-	-	-	-
Capital Needs	116,497	58,402	73,109	87,999	190,379	246,996	86,332	207,912	93,265	58,049
Reserve Balance	33,028	67,167	89,871	100,871	12,584	(130,626)	(112,212)	(211,901)	(195,141)	(139,517)
<b>Over 20 Years</b>										
Yearly Contributions			1,773,445							
Interest on Reserve @ 1.5%			(21,779)							
Capital Needs			(2,391,184)							
<b>NHA &amp; TVB Grants</b>			500,000							
Reserve Balance in Year 20			(139,517)							



**NHA Acceptance of CAN-DO Portfolio, CPA/CDBG PROPOSAL REVISIONS 29 January 2020**

<b>REPLACEMENT RESERVE BALANCE (with CDBG funding)</b>										<b>25-01-20</b>
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
<b>Can-Do Developments</b>	<b><u>1</u></b>	<b><u>2</u></b>	<b><u>3</u></b>	<b><u>4</u></b>	<b><u>5</u></b>	<b><u>6</u></b>	<b><u>7</u></b>	<b><u>8</u></b>	<b><u>9</u></b>	<b><u>10</u></b>
Starting Replacement Reserve	-	112,161	182,598	204,989	255,469	345,382	410,199	510,168	543,841	654,201
Monthly Contribution at 3%	5,500	5,665	5,835	6,010	6,190	6,376	6,567	6,764	6,967	7,176
Yearly Contribution at 3%	66,000	67,980	70,019	72,120	74,284	76,512	78,807	81,172	83,607	86,115
Total Replacement Reserve	66,000	180,141	252,618	277,109	329,752	421,894	489,006	591,340	627,448	740,316
Interest on Reserve at 1.5%	495	2,192	3,264	3,616	4,389	5,755	6,744	8,261	8,785	10,459
Total Funds Available	66,495	182,334	255,882	280,725	334,141	427,648	495,750	599,601	636,233	750,774
<b>NHA &amp; TVB Grants</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>
<b>City CDBG</b>	<b>551,352</b>	-	-	-	-	-	-	-	-	-
Capital Needs	555,686	49,735	100,893	75,256	38,760	67,450	35,582	105,760	32,032	111,091
Reserve Balance	112,161	182,598	204,989	255,469	345,382	410,199	510,168	543,841	654,201	689,683
<b>Over 20 Years</b>										
Yearly Contributions	1,773,445									
Interest on Reserve @ 1.5%	158,486									
Capital Needs	(2,391,184)									
<b>NHA &amp; TVB Grants</b>	<b>500,000</b>									
<b>City CDBG</b>	<b>551,352</b>									
Reserve Balance in Year 20	592,099									

NHA Acceptance of CAN-DO Portfolio NHA Acceptance of CAN-DO Portfolio, CPA/CDBG PROPOSAL REVISIONS 29 January 2020										
REPLACEMENT RESERVE BALANCE (with CDBG funding)										25-01-20
	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Can-Do Developments	<u>11</u>	<u>12</u>	<u>13</u>	<u>14</u>	<u>15</u>	<u>16</u>	<u>17</u>	<u>18</u>	<u>19</u>	<u>20</u>
Starting Replacement Reserve	689,683	672,895	716,631	749,078	769,965	691,715	558,692	587,446	498,252	525,664
Monthly Contribution at 3%	7,392	7,613	7,842	8,077	8,319	8,569	8,826	9,091	9,363	9,644
Yearly Contribution at 3%	88,698	91,359	94,100	96,923	99,831	102,826	105,911	109,088	112,361	115,731
Total Replacement Reserve	778,382	764,254	810,732	846,001	869,796	794,541	664,603	696,534	610,612	641,395
Interest on Reserve at 1.5%	11,010	10,779	11,455	11,963	12,298	11,147	9,175	9,630	8,316	8,753
Total Funds Available	789,392	775,033	822,187	857,964	882,094	805,688	673,777	706,164	618,929	650,148
<b>NHA &amp; TVB Grants</b>	-	-	-	-	-	-	-	-	-	-
<b>City CDBG</b>	-	-	-	-	-	-	-	-	-	-
Capital Needs	116,497	58,402	73,109	87,999	190,379	246,996	86,332	207,912	93,265	58,049
Reserve Balance	672,895	716,631	749,078	769,965	691,715	558,692	587,446	498,252	525,664	592,099
<b>Over 20 Years</b>										
Yearly Contributions			1,773,445							
Interest on Reserve @ 1.5%			158,486							
Capital Needs			(2,391,184)							
<b>NHA &amp; TVB Grants</b>			500,000							
<b>City CDBG</b>			551,352							
Reserve Balance in Year 20			592,099							

**NHA Acceptance of CAN-DO Portfolio, CPA/CDBG PROPOSAL REVISIONS 29 January 2020**

<b>CAPITAL NEEDS BY PROPERTY</b>										<b>25-01-20</b>
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
<b>Can-Do Developments</b>	<b><u>1</u></b>	<b><u>2</u></b>	<b><u>3</u></b>	<b><u>4</u></b>	<b><u>5</u></b>	<b><u>6</u></b>	<b><u>7</u></b>	<b><u>8</u></b>	<b><u>9</u></b>	<b><u>10</u></b>
10-11 Cambria Road	16,852	-	-	279	-	190	1,164	3,628	-	-
11-13 Cambria Road	47,780	1,751	-	-	549	3,058	15,463	-	-	848
18-20 Cambria Road	6,940	-	-	30,383	732	754	-	3,690	1,001	-
163 Jackson Road	95,395	-	-	-	-	2,611	1,194	2,460	-	-
20-22 Falmouth Road	100,030	-	-	-	-	4,408	-	2,400	-	-
61 Pearl Street	7,491	7,472	1,326	328	2,983	3,322	-	11,376	-	77,520
14 Nonantum Place	94,218	9,553	1,247	-	-	12,204	-	39,487	-	984
90 Christina Street	6,108	11,647	39,165	18,251	18,102	25,512	8,866	1,291	784	9,786
2148-2150 Commonwealth	48,474	2,987	-	-	366	2,622	388	1,876	1,520	-
54 Eddy Street	11,391	2,802	-	1,366	4,097	424	-	-	24,548	3,392
54 Taft Avenue	13,863	80	-	10,015	5,121	-	2,004	-	-	4,071
228 Webster Street	34,664	6,956	45,996	4,819	1,756	3,547	1,863	25,697	-	-
<b>Annual Totals</b>	<b>483,206</b>	<b>43,248</b>	<b>87,734</b>	<b>65,441</b>	<b>33,706</b>	<b>58,652</b>	<b>30,942</b>	<b>91,905</b>	<b>27,853</b>	<b>96,601</b>
Capital Needs	483,205	43,248	87,733	65,440	33,704	58,652	30,941	91,965	27,854	96,601
Capital Needs Inflated by 15%	555,686	49,735	100,893	75,256	38,760	67,450	35,582	105,760	32,032	111,091

NHA Acceptance of CAN-DO Portfolio, CPA/CDBG PROPOSAL REVISIONS 29 January 2020										
CAPITAL NEEDS BY PROPERTY										25-01-20
	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Can-Do Developments	<u>11</u>	<u>12</u>	<u>13</u>	<u>14</u>	<u>15</u>	<u>16</u>	<u>17</u>	<u>18</u>	<u>19</u>	<u>20</u>
10-11 Cambria Road	4,991	2,768	4,919	-	-	39,747	14,433	31,707	-	-
11-13 Cambria Road	3,696	-	-	-	12,098	12,522	4,814	-	-	1,140
18-20 Cambria Road	3,091	-	2,545	8,195	983	8,024	-	4,959	68,711	-
163 Jackson Road	5,423	-	-	-	-	17,037	1,605	3,306	-	-
20-22 Falmouth Road	5,548	-	-	-	-	15,818	-	3,306	-	-
61 Pearl Street	7,482	27,561	15,719	441	454	3,895	587	7,520	-	5,773
14 Nonantum Place	22,741	2,116	428	-	48,564	13,013	3,771	-	-	1,322
90 Christina Street	2,688	-	21,895	22,972	8,055	7,608	7,836	51,673	9,495	34,263
2148-2150 Commonwealth	17,117	12,693	-	-	492	67,518	522	2,521	2,894	-
54 Eddy Street	4,926	900	13,110	44,715	75,487	-	-	-	-	-
54 Taft Avenue	15,939	4,745	3,707	-	-	4,440	30,451	14,727	-	7,978
228 Webster Street	7,660	-	1,250	198	19,414	25,159	11,054	61,075	-	-
<b>Annual Totals</b>	<b>101,302</b>	<b>50,783</b>	<b>63,573</b>	<b>76,521</b>	<b>165,547</b>	<b>214,781</b>	<b>75,073</b>	<b>180,794</b>	<b>81,100</b>	<b>50,476</b>
Capital Needs	101,302	50,784	63,573	76,521	165,547	214,779	75,071	180,793	81,100	50,477
Capital Needs Inflated by 15%	116,497	58,402	73,109	87,999	190,379	246,996	86,332	207,912	93,265	58,049