



Thomas Lai, Director  
County of Marin Community Development Agency  
Marin County Civic Center  
3501 Civic Center Drive  
San Rafael, CA 94903

August 16, 2021

RE: Point Reyes Coast Guard – Marin County Housing Trust Fund Application

Eden Housing is pleased to submit this application for \$500,000 in predevelopment funds from the Marin County In-Lieu Housing Trust Fund. This award will fund predevelopment architectural design services and site due diligence for the rehabilitation and adaptive reuse of the Point Reyes Coast Guard project. Eden is excited to partner with the County on converting the former Coast Guard housing site into high quality affordable housing.

If you have any questions about this application, please contact Jeremy Hoffman, Associate Director, by email at [Jeremy.hoffman@edenhousing.org](mailto:Jeremy.hoffman@edenhousing.org) or by phone at 510-501-4529.

Sincerely,

Andrea Osgood  
SVP of Real Estate Development  
Eden Housing, Inc.



**Applicant Information**

Organization \_\_\_\_\_

Contact Name \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone \_\_\_\_\_ Email \_\_\_\_\_

**Co-applicant Information (if applicable)**

Organization \_\_\_\_\_

Contact Name \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone \_\_\_\_\_ Email \_\_\_\_\_

**Development Information**

Development Name \_\_\_\_\_

Development Address \_\_\_\_\_

APN (provide site map if applicable) \_\_\_\_\_

**Number of anticipated units by income level and bedroom count**

	Very-low	Low	Moderate	Market	Total
Studio					
1					
2					
3					
4					
Total					



**1. Summary**

In 2020, Marin County selected Community Land Trust Association of West Marin (CLAM) and Eden Housing, Inc. (Eden) to rehab, adaptively reuse and repurpose the 32.57 acre former Pt. Reyes Station Coast Guard housing site. In partnership, CLAM and Eden will develop and operate 51 rental housing units and related amenities as the “housing sponsor” and collaborate on all aspects of the project, including predevelopment, planning, financing, construction, and long-term ownership and management. The new neighborhood also will include community amenities that will be managed, funded, and operating by CLAM, without Eden involvement.

If awarded the Housing Trust Funds, Eden, on behalf of the future housing development partnership, will use the award to fund predevelopment activities, primarily architectural/engineering design services, and other due diligence as required for the development of the project. Below is a breakdown of expected uses of the funds, however subject to change:

<b>Use</b>	<b>Cost</b>
Architecture	\$ 246,000
Landscape Architecture	\$ 39,050
Civil Engineering	\$ 130,000
Wastewater Treatment Design	\$ 38,000
Arborist	\$ 4,500
Utility Locating	\$ 9,450
Surveying	\$ 33,000
<b>Total</b>	<b>\$ 500,000</b>

**2. Background/Applicant Experience**

2.1 **Property History** – The former Pt. Reyes Station Coast Guard housing site is a 32.57 acre site located at 100 Commodore Webster Drive, Point Reyes Station, and is made up of two contiguous parcels. Previously used by the US Coast Guard to house personnel and their family stationed in Point Reyes, the site was vacated in 2015 by the US Coast Guard and has been vacant ever since. The community of Point Reyes Station and West Marin lobbied at the County, State and Federal level to enable the County to purchase the site for the benefit of West Marin. In 2019 the County acquired the site from the US government, and released a Request for Proposal for a developer to redevelop the site as affordable housing. The site consists of 36 townhouses, a barrack building with 24 rooms, and ancillary buildings, all built in 1974. Even though some of the buildings onsite were rehabbed as recent as 2014, a substantial rehabilitation of all buildings will be needed to ensure that all of the housing units and site infrastructure is up to code. Additionally, a wastewater treatment facility and dispersal method must be developed to serve the site, as that waste previously was transported off-site for disposal.

The housing project is anticipated to be funded with 4% low-income housing tax credits and tax exempt bonds allocated by the California Debt Limit Allocation Committee, Joe Serna



and Multifamily Housing Program subsidized loans from California Department of Housing and Community Development, project-based Section 8 vouchers from the Housing Authority of the County of Marin, seller note from the County of Marin for the purchase price paid by the County of Marin for the parcel, a new subsidy loan from the County of Marin, and philanthropic funding.

2.2 **Applicant Profile** – Eden, as the sole applicant for the Housing Trust Funds, is a reputable non-profit affordable housing developer, owner, and property manager with over 53 years of experience in the greater Bay Area. The mission of Eden is to build and maintain high-quality, well-managed, service-enriched affordable housing for lower-income families, seniors, and persons with disabilities. The seventeen directors of Eden’s Board of Directors represent a range of industries related to Eden’s work, including service provision, real estate, banking, and housing policy. Eden is in strong financial standing.

2.3 **Project Manager** – The Point Reyes Station Coast Guard housing site project is currently managed by Jeremy Hoffman, Associate Director of Real Estate Development, and Wilson Vang, Associate Project Developer. Jeremy has been with Eden for 15 months and has overseen rehabilitation and new construction projects at various stages of development, including predevelopment, construction, lease up, and conversion. Wilson has been with Eden for 4 years and has assisted multiple projects through various stages of the development process and the successful construction completion of rehabilitation and new construction projects within Eden’s portfolio.

2.4 **Property Manager** – Once completed, the affordable housing project at the former Point Reyes Coast Guard housing site will be managed by Eden Housing Management, Inc. (EHMI). EHMI currently manages over 12,000 units across 150 properties in Eden’s portfolio.

### 3. **Site**

3.1 **Site Control** – The County of Marin entered into an Exclusive Negotiating Rights Agreement (ENRA) with CLAM and Eden on March 2, 2021. The ENRA expires March 2, 2022 but may be extended for up to an additional six (6) months as detailed in the ENRA. A Disposition and Development Agreement will be entered into following the ENRA.

3.2 **Unusual Characteristics** – The site consists 36 townhouses, a barrack building with 24 rooms and ancillary buildings built in 1974. A substantial rehabilitation of the existing housing units and buildings will be needed to ensure the existing structures are fit for residential and community uses. The site also lacks a dedicated sanitary sewer system and is the intention of Eden and CLAM to develop a system on-site to serve the residential units and community uses. However, there are existing North Marin Water District potable water wells on the site, and the property is bordered by Lagunitas Creek on the eastern side of the property that must be considered in both redeveloping and repurposing existing buildings, as well as developing wastewater treatment facility.



### 3.3 **Existing Developments - Building Inspection Report**

A traditional physical needs assessment was not performed for the buildings, however the architect for the project, Seigel and Strain, created an assessment report that is currently in draft form and may be provided later once it is finalized.

3.4 **Adjacent Uses** – Adjacent to the west and south of the property line are existing family homes and the town of Pt. Reyes Station, to the north and northwest of the property are private undeveloped parcel of lands and water wells owned by North Marin Water District, and to the east and south is the Lagunitas Creek and the boundary of Golden Gate National Recreation Area.

3.5 **Neighborhood Amenities** – The project site is located with ½ mile of many amenities such as a grocery store (Palace Market), a bus stop service by Marin Transit (Stop ID: 40807), a medical clinic (West Marin Medical Center), a school (West Marin Elementary School), a public library (Point Reyes Station Library), and adjacent to open spaces within the Golden Gate National Recreation Area.

3.6 **Environmental Issues / Site Suitability** – The project site is located within the designated boundaries of the Marin County Local Coastal Plan (LCP) with a majority of the project site designated as Coastal Open Space (OA). Lagunitas Creek which has been deemed an environmentally sensitive area also borders the property to the east which FEMA has designated as a special flood zone, encompassing a portion of the eastern boundary of the project site. Within the project site, there are protected species such as purple needle grass as well as wetlands. Please see biological resource study maps for more information.

3.7 **State/Federal Environmental** – The project will take all necessary mitigations as required by CEQA. If awarded project-based Section 8 vouchers, a NEPA will also be performed.

## 4. **Development / Rehabilitation Plan**

4.1 **Entitlements** – The property is located within the boundaries of the Marin County Local Coastal Program (LCP). The County will implement an updated LCP in 2021, which will streamlined for the project. However, many approvals will still need to be obtained for the project to be fully entitled, including amendments to the Point Reyes Station Community Plan, a DDA, a lot line adjustment, potentially a master plan, a Coastal Development permit, and either approval of a Conditional Use permit or a rezoning, depending on County of Marin interpretations of allowable uses in the amended LCP. The project will also need to go through CEQA review. The County of Marin has indicated that they will lead the entitlements process as the current landowner.

4.2 **Local Planning Contact** – Michelle Levenson, Senior Planner. (415) 473-3615, [mlevenson@marincounty.org](mailto:mlevenson@marincounty.org)



4.3 **Proposed Population** – The project will provide affordable housing for families, agricultural workers, smaller households, seniors, and formerly homeless.

4.4 **Proposed Rehab Scope** – The proposed scope of the project includes:

Rehabilitation of the 36 townhomes: seismic improvements, conversion to all electric appliances and systems, kitchen upgrades, new building envelope and reframing as needed where there is water infiltration, and new flooring. At least 3 of the townhomes will be converted to ADA mobility accessible via merging adjacent townhomes into flats, with the lower flat ADA accessible, and the upper flat reached via stairs.

Adaptive Reuse of Building 50 (barracks building): The barracks building will be adapted into 15 one-bedroom units via substantial rehabilitation of the building envelope and foundation. The building will be converted to all electric, and an elevator will be added on the exterior of the existing building. The units will be accessed via exterior doors, with walkways circumventing the building from the elevator to provide access to the apartment entrances. There also will be a utility room, lounge, laundry, and janitorial spaces added to the building.

Rehabilitation and reconfiguration of Building 100: Building 100, which currently contains classrooms, maintenance, storage, and office spaces, will be reconfigured and rehabilitated. It will include a community room of approximately 1,100 sf within the existing classroom footprint. Adjacent to and serving the community room will be a small kitchen, storage, and restrooms. A Library/computer room to serve the residents will occupy approximately 320 sf. A coin operated laundry facility for the housing project will be adjacent to the community room. There will be a property management office of approximately 600 sf. CLAM and Eden will also have professional offices, resident services, and a conference room in approximately 2,200 square ft.

Wastewater Treatment and Site Work: a new wastewater treatment facility and dispersal system will be developed on site, and the site and infrastructure will be substantially improved.

4.5 **Proposed Rehab Population – Not Applicable**

4.6 **Relocation – Not Applicable**

4.7 **Accessibility** – The upgraded housing units will comply with California Building Code Chapter 11 and the California Tax Credit Allocation Committee (CTCAC)'s minimum construction standards regarding accessibility. 15% of residential units will meet Chapter 11B Mobility Requirements. 10% of units will meet chapter 11B Audio/Visual Communication requirements.



4.8 **Community Support** – The community advocated for the County of Marin to acquire the site and have been very involved and interested in seeing the project move forward. To further gain community support and input, Eden and CLAM hosted a series of bilingual community design meetings on site and zoom that have been very positively received by the community.

A Spanish-language orientation, was held on June 27<sup>th</sup>, 2021 where information about the project and the planning process was shared.

A bilingual (Neighborhood Design 1) meeting, held on July 18<sup>th</sup>, oriented the community to the site via tours and a presentation where information about the project and the current status was provided to the community. There was a zoom meeting with the same content held on July 20<sup>th</sup> (Neighborhood Design 1b) for community members that were unable to join the on-site meeting.

The next meeting held on July 25<sup>th</sup> (Neighborhood Design 2), included small focus groups where community members got the opportunity to choose a topic area to discuss and provide feedback. The three focus groups were Resident Experience, Community Connection, and Sustainability and Ecology.

In the final meeting, held on August 14<sup>th</sup> (Neighborhood Design 3), Eden and CLAM’s design team reported back on the feedback and comments received in the second meeting, and also included focus groups to review the plans and provide input on specific questions and areas that the design team wanted further input and feedback.

Eden and CLAM also have created a website, [coastguardhousing.com](http://coastguardhousing.com), where information about the project is provided and there also are prompts for additional community input and comments.

## 5. **Financing Plan**

5.1 **Existing Financing** – Currently there are no loans or grants that have been made to Eden for the project. Eden is currently funding predevelopment from its own capital.



**5.2 Proposed Financing –**

<i>Committed?</i>	<i>Source Name (in lien priority order)</i>	<i>Lien No.</i>	<i>Amount</i>
No	Tax-Exempt Permanent Loan	1	\$11,762,983
No	HCD - Joe Serna	2	\$3,161,960
No	HCD - MHP	3	\$4,411,669
No	Marin County Subsidy Loan	4	\$1,000,000
No	HTF Predevelopment Loan	5	\$500,000
No	Marin County Land/Building Donation	6	\$4,300,000
No	Seller Take Back Loan	7	\$9,700,000
No	Philanthropic Grant		\$1,500,000
No	Deferred Developer Fee		\$1,281,785
No	GP Equity		\$3,285,240
No	Fund from Operations		\$112,592

**5.3 Proposed Sources Narrative** - It is anticipated that the housing project will be structured as a 4% Low Income Housing Tax Credit and tax-exempt bond project.

Additional anticipated sources in addition to the requested Housing Trust Fund predevelopment loan include Joe Serna and Multifamily Housing Program funds allocated by CA HCD, Project Based Section 8 Vouchers allocated by the Housing Authority of the County of Marin, a sellers note from the County of Marin for the acquisition price the County paid for the site, an additional sellers note for the value of the property less the acquisition price paid by the County of Marin, new County of Marin soft loan, philanthropic funding (Eden has applied for funding from the Marin Community Foundation), funds from operations from post-lease up through conversion, deferred developer fee, and additional GP equity out of the developer fee. None of the anticipated sources have been committed at this time.

Tax Exempt Bonds: This will be the final source applied for to make the project fully funded. It is anticipated that the application will be submitted in late 2022/early 2023.

Joe Serna and MHP: it is anticipated that these funds will be applied for in late 2022. It is anticipated that the project will be competitive for these sources.

Project Based Section 8 Vouchers: The Housing Authority of the County of Marin has indicated that the project should be able to receive an allocation of vouchers. The application can only be submitted after the project has completed CEQA.

County of Marin Sellers Note and Subsidy Loan: The County of Marin has not yet committed these sources, however it is anticipated the loans will be contemplated in the DDA.





Philanthropic Funding: Eden has applied for funding from the Marin Community Foundation, and the award is anticipated to be made in late 2021.

If any of the above sources are not obtained, or if the awards are less than anticipated, other sources will be pursued to the extent necessary.

5.4 ***Proposed Uses Narrative*** – All project costs are estimates based on the information available and comparable projects in Eden’s portfolio, none are based on bids. The scope of work for the project is still being refined, and Eden has not received any cost estimates to date.

Land Cost/Acquisition (\$14,055,400): This includes the \$4.3 million paid by Marin County plus the appraised value (estimate to be \$14 million) less the purchase price, to allow the project to generate acquisition tax credits, plus legal, title and recording, and transfer tax costs.

Hard Costs (\$23,773,398): Construction costs for the rehabilitation of the townhomes, adaptive reuse of the barracks building into 15 apartments, the rehabilitation of building 100, development of the wastewater treatment facility, and site work costs are anticipated to cost \$466,145 per unit, including general contractor insurance, bond premium, overhead, and profit.

Architecture and Engineering (\$1,515,978): Design services through feasibility, design development, construction drawings, and building permits, as well as construction administration.

Construction Loan Interest and Fees (\$2,914,065): Construction loan interest reserve, origination fee, lender legal, cost of issuance, insurance, and title/recording.

Permanent Financing (\$187,197): Origination fees, title and recording, and lender legal expenses.

Legal Fees (\$101,900): Eden’s legal costs to close on construction and permanent financing, as well as enter the tax credit limited partnership.

Reserves (\$301,013): Capitalized operating reserve (3 months of debt service and operating costs) and a capitalized replacement reserve of \$1,000 per unit.

Contingency (\$4,040,348): Hard cost contingency of 15% as that there may be unforeseen conditions, soft cost contingency of 10% given the unknown variables of the soft costs at this time, and cost of issuance contingency of 2% for the same reason.



Other Project Costs (\$3,538,261): Soft costs, impact fees, planning and permitting fees, site due diligence, financial consultants.

Developer Fee (\$7,067,025): A paid developer fee of \$2.5 million, paid at construction close, during construction, at conversion, and at 8609, plus \$1,281,785 deferred and paid out of cash flow and \$3,285,240 put back into the project as GP equity.

## **6. Project Operations**

**6.1 Annual Operating Budget** – See excel. Operating budget is based on other similar projects in Eden’s portfolio. High per unit cost of \$9,983 (without services) is due to the size of the site that must be maintained and the operations and maintenance of the wastewater treatment facility.

**6.2 20 Year Cash Flow** – See excel. Cash flow assumes no payment on any soft loans, however that will be determined by the requirements of each lender.

**6.3 Section 8 Voucher Compliance** - The property will register with the Marin Housing Authority as a site that will accept Section 8 vouchers.

*PERFORMANCE SCHEDULE*

<i>Milestone</i>	<i>Date</i>	<i>Status</i>
Complete Site Due Diligence	March 2022	Not Started
CEQA	December 2022	Not Started
Execution of DDA	December 2022	Not Started
tain Entitlements and Planning Approv	December 2022	Not Started
Appraisal	6 months from execution of DDA	Not Started
Financing Commitments	June 2023	Not Started
Final Pro Forma	6 months from financing commitments	Not Started
Transfer of Property	At close of escrow	Not Started
Commence Construction	6 months from financing commitments	Not Started
Complete Construction	2 years from construction commencement	Not Started
Lease Up Commence	21 months from construction commencement	Not Started
Lease Up Complete	27 months from construction commencement	Not Started
7/27/1923	1 year from construction completion	Not Started

**Point Reyes Coast Guard**

**SOURCES OF DEVELOPMENT FUNDS**

*Construction Period Sources of Funds*

<i>Committed?</i>	<i>Source Name (in lien priority order)</i>	<i>Lien No.</i>	<i>Amount</i>
No	Tax-Exempt Construction Loan	1	\$35,644,107
No	Marin County Land/Building Donation	2	\$4,300,000
No	Marin County Subsidy Loan	3	\$1,000,000
No	HTF Predevelopment Loan	4	\$500,000
No	Seller Take Back Loan	5	\$9,700,000
No	Philanthropic Grant		\$1,500,000
No	Costs Deferred until Conversion		\$1,281,785
No	GP Equity		\$3,285,240
<i>Equity Investor</i>	TBD LIHTC Investor		\$1,799,434
	<i>Construction Totals</i>		\$59,010,566

*Permanent Sources of Funds*

<i>Committed?</i>	<i>Source Name (in lien priority order)</i>	<i>Lien No.</i>	<i>Amount</i>
No	Tax-Exempt Permanent Loan	1	\$11,762,983
No	HCD - Joe Serna	2	\$3,161,960
No	HCD - MHP	3	\$4,411,669
No	Marin County Subsidy Loan	4	\$1,000,000
No	HTF Predevelopment Loan	5	\$500,000
No	Marin County Land/Building Donation	6	\$4,300,000
No	Seller Take Back Loan	7	\$9,700,000
No	Philanthropic Grant		\$1,500,000
No	Deferred Developer Fee		\$1,281,785
No	GP Equity		\$3,285,240
No	Fund from Operations		\$112,592
<i>Equity Investor</i>	TBD LIHTC Investor		\$17,994,336
	<i>Permanent Totals</i>		\$59,010,565

Point Reyes Coast Guard

*PROJECT DEVELOPMENT BUDGET*

<b>DEVELOPMENT COST</b>	<b>Total Project Costs</b>	
<i>LAND COST/ACQUISITION</i>		
Land Cost or Value	\$4,300,000	
Demolition	\$0	
Legal	\$20,000	
Transfer Tax	\$15,400	
Title & Recording	\$20,000	
Land Lease Rent Prepayment	\$0	
<b>Total Land Cost or Value</b>	<b>\$4,355,400</b>	
Existing Improvements Cost or Value	\$9,700,000	
Off-Site Improvements		
<b>Total Acquisition Cost</b>	<b>\$9,700,000</b>	
<b>Total Land Cost / Acquisition Cost</b>	<b>\$14,055,400</b>	
Predevelopment Interest/Holding Cost		
Assumed, Accrued Interest on Existing Debt (Rehab/Acq)		
Excess Purchase Price Over Appraisal		
<i>CONSTRUCTION</i>		
Site Work	\$4,725,000	
Structures	\$15,687,729	
General Requirements	\$1,633,018	
Contractor Overhead	\$612,382	
Contractor Profit	\$612,382	
Prevailing Wages		
General Liability Insurance	\$302,517	
Other: Bond Premium	\$200,371	
<b>Total Construction Costs</b>	<b>\$23,773,398</b>	\$466,145.07
<b>Total Relocation Expenses</b>	<b>\$0</b>	
<i>ARCHITECTURAL FEES</i>		
Design	\$1,760,598	
Supervision	\$90,000	
<b>Total Architectural Costs</b>	<b>\$1,850,598</b>	
<b>Total Survey &amp; Engineering</b>	<b>\$1,181,359</b>	
<i>CONSTRUCTION INTEREST &amp; FEES</i>		
Construction Loan Interest	\$2,409,035	
Origination Fee	\$174,568	
Credit Enhancement/Application Fee	\$0	
Bond Premium	\$0	
Cost of Issuance	\$120,463	
Title & Recording	\$20,000	
Taxes		
Insurance	\$60,000	
Other: Lender Expenses	\$130,000	
<b>Total Construction Interest &amp; Fees</b>	<b>\$2,914,065</b>	
<i>PERMANENT FINANCING</i>		
Loan Origination Fee	\$122,197	
Credit Enhancement/Application Fee	\$0	
Title & Recording	\$15,000	

Taxes	\$0
Insurance	\$0
Other: Perm Lender Expenses	\$50,000
<b>Total Permanent Financing Costs</b>	<b>\$187,197</b>
<b><i>Subtotals Forward</i></b>	<b>\$43,962,018</b>
<b>LEGAL FEES</b>	
Legal Paid by Applicant	\$101,900
<b>Total Attorney Costs</b>	<b>\$101,900</b>
<b>RESERVES</b>	
Operating Reserve	\$250,013
Replacement Reserve	\$51,000
Transition Reserve	\$0
Rent Reserve	\$0
Other: Sponsor Services Reserve	\$0
<b>Total Reserve Costs</b>	<b>\$301,013</b>
<b>CONTINGENCY COSTS</b>	
Construction Hard Cost Contingency	\$3,061,909
Soft Cost Contingency	\$965,901
Cost of Issuance Contingency	\$12,538
<b>Total Contingency Costs</b>	<b>\$4,040,348</b>
<b>OTHER PROJECT COSTS</b>	
TCAC & CDLAC App/Allocation/Monitoring Fees	\$65,880
Environmental Audit	
Local Development Impact Fees	\$2,550,000
Permit Processing Fees	\$712,381
Capital Fees	
Marketing	\$15,000
Furnishings	\$60,000
Market Study	\$7,500
Accounting/Reimbursable	\$30,000
Appraisal Costs	\$7,500
Other: Special Inspections/Testing/CAN	
Other: Construction Supervision	
Other: Syndication Consultant	\$55,000
Other: Misc Due Diligence	\$35,000
Other: Furnishings	
Other: audit/cost cert	
<b>Total Other Costs</b>	<b>\$3,538,261</b>
<b>SUBTOTAL PROJECT COST</b>	<b>\$51,943,540</b>
<b>DEVELOPER COSTS</b>	
Developer Overhead/Profit	\$7,067,025
<b>Total Developer Costs</b>	<b>\$7,067,025</b>
<b>TOTAL PROJECT COST</b>	<b>\$59,010,565</b>

**POINT REYES COAST GUARD**  
**YEAR 1 INCOME AND EXPENSES**

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**INCOME**

Tenant Paid Rent Revenue		1,115,628
Section 8 HAP Contract Revenue		347,412
Misc. Income (Garage & Parking Spaces)		-
<hr/>		
Maximum Potential Income		1,463,040
Less Rental Revenue Vacancy	5%	(55,781)
Less Section 8 HAP Contract Vacancy	5%	(17,371)
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<b>EFFECTIVE GROSS INCOME</b>		<b>1,389,888</b>

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**OPERATING EXPENSES**

**ADMIN. EXPENSES**

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Other Renting Expenses		1,800
Office Salaries		4,590
Office Supplies		1,200
Equipment Leases		4,200
Postage/Delivery		500
Dues, Memberships & Subscriptions		400
Management Fees		37,944
Manager Salary		58,380
Staff Rent Free Unit		12,756
Legal Expenses		4,500
Audit / Tax Preparation		13,500
Accounting Services		5,814
Telephone/Answering Service		4,500
Uncollectible Receivables		2,400
Bank Charges		-
Payroll Expenses		1,144
Computer Support & Equipment		5,400
Training		942
Mileage		3,200
Other Miscellaneous		927
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<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<b>164,097</b>

**UTILITY EXPENSES**

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Electricity		6,398
Water		19,635
Gas		-
Sewer / Septic		120,000
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<b>TOTAL UTILITY EXPENSES</b>		<b>146,033</b>

**MAINTENANCE EXPENSE**

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Janitor & Cleaning Contract	2,600
Janitor & Cleaning Supplies	780
Exterminating Contract	3,500
Rubbish Removal	23,460
Security Payroll/Contract	4,500
Grounds Contract	12,000
Maintenance Payroll	50,958
Maintenance Supplies	4,500
Repairs Contract	6,000
Service Contract - Plumbing	4,000
Service Contract - Electrical	2,400
Service Contract - HVAC/Mechanical	1,030
Service Contract - Pool/ Elevator	8,000
Decorating Contract	2,500
Decorating Supplies	500
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>126,728</b>

**TAXES & INSURANCE**

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Real Estate Taxes	12,014
Payroll Taxes	10,656
State Taxes	800
Misc. Taxes, Licenses & Permits	500
Property & Liability Insurance	15,538
Workman's Comp.	7,136
Health Insurance	24,736
Pension Benefits	6,544
<b>TOTAL TAXES &amp; INSURANCE</b>	<b>77,924</b>

**TOTAL OPERATING EXPENSES** **514,782**

PUPY 10,094

SERVICES 75,000

**TOTAL OPEX W/ SERVICES** **589,782**

PUPY W/ SERVICES 11,564

REPLACEMENT RESERVES 12,750

**TOTAL OPEX W/ SERVICES AND RR** **602,532**

PUPY W/ SERVICES AND RR 11,814

ISSUER FEE 4,000

**TOTAL OPEX W/ SERVICES, RR, ISSUER FEE** **606,532**

PUPY W/ SERVICES, RR, ISSUER FEE 11,893



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NET OPERATING INCOME

783,356

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20-YEAR CASH FLOW

INCOME FROM HOUSING UNITS		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	Year 16	Year 17	Year 18	Year 19	Year 20
Tenant Paid Rent Revenue	2.5%	1,115,628	1,143,519	1,172,107	1,201,409	1,231,445	1,262,231	1,293,786	1,326,131	1,359,284	1,393,266	1,428,098	1,463,801	1,500,396	1,537,906	1,576,353	1,615,762	1,656,156	1,697,560	1,739,999	1,783,499
Section 8 HAP Contract Revenue	2.5%	347,412	356,097	365,000	374,125	383,478	393,065	402,891	412,964	423,288	433,870	444,717	455,835	467,231	478,911	490,884	503,156	515,735	528,628	541,844	555,390
Vacancy (Tenant Paid)	5.0%	(55,781)	(57,176)	(58,605)	(60,070)	(61,572)	(63,112)	(64,689)	(66,307)	(67,964)	(69,663)	(71,405)	(73,190)	(75,020)	(76,895)	(78,818)	(80,788)	(82,808)	(84,878)	(87,000)	(89,175)
Vacancy (Section 8)	5.0%	(17,371)	(17,805)	(18,250)	(18,706)	(19,174)	(19,653)	(20,145)	(20,648)	(21,164)	(21,693)	(22,236)	(22,792)	(23,362)	(23,946)	(24,544)	(25,158)	(25,787)	(26,431)	(27,092)	(27,770)
<b>EFFECTIVE GROSS INCOME</b>		<b>1,389,888</b>	<b>1,424,635</b>	<b>1,460,251</b>	<b>1,496,757</b>	<b>1,534,176</b>	<b>1,572,531</b>	<b>1,611,844</b>	<b>1,652,140</b>	<b>1,693,444</b>	<b>1,735,780</b>	<b>1,779,174</b>	<b>1,823,654</b>	<b>1,869,245</b>	<b>1,915,976</b>	<b>1,963,875</b>	<b>2,012,972</b>	<b>2,063,297</b>	<b>2,114,879</b>	<b>2,167,751</b>	<b>2,221,945</b>
<b>OPERATING EXPENSES &amp; RESERVE DEPOSITS</b>																					
Admin. Expenses	3.5%	164,097	169,840	175,785	181,937	188,305	194,896	201,717	208,777	216,084	223,647	231,475	239,577	247,962	256,640	265,623	274,920	284,542	294,501	304,808	315,477
Utility Expenses	3.5%	146,033	151,144	156,434	161,909	167,576	173,441	179,512	185,795	192,298	199,028	205,994	213,204	220,666	228,389	236,383	244,656	253,219	262,082	271,255	280,749
Maintenance Expenses	3.5%	126,728	131,163	135,754	140,506	145,423	150,513	155,781	161,233	166,877	172,717	178,762	185,019	191,495	198,197	205,134	212,314	219,745	227,436	235,396	243,635
Taxes and Insurance	3.5%	77,924	80,651	83,474	86,396	89,420	92,549	95,788	99,141	102,611	106,202	109,919	113,767	117,748	121,870	126,135	130,550	135,119	139,848	144,743	149,809
Social Services	3.5%	75,000	77,625	80,342	83,154	86,064	89,076	92,194	95,421	98,761	102,217	105,795	109,498	113,330	117,297	121,402	125,651	130,049	134,601	139,312	144,188
Replacement Reserves	3.5%	12,750	13,196	13,658	14,136	14,631	15,143	15,673	16,222	16,789	17,377	17,985	18,615	19,266	19,940	20,638	21,361	22,108	22,882	23,683	24,512
Issuer Fee	3.5%	4,000	4,140	4,285	4,435	4,590	4,751	4,917	5,089	5,267	5,452	5,642	5,840	6,044	6,256	6,475	6,701	6,936	7,179	7,430	7,690
<b>TOTAL EXPENSES &amp; RESERVES</b>		<b>606,532</b>	<b>627,761</b>	<b>649,732</b>	<b>672,473</b>	<b>696,009</b>	<b>720,370</b>	<b>745,583</b>	<b>771,678</b>	<b>798,687</b>	<b>826,641</b>	<b>855,573</b>	<b>885,518</b>	<b>916,511</b>	<b>948,589</b>	<b>981,790</b>	<b>1,016,153</b>	<b>1,051,718</b>	<b>1,088,528</b>	<b>1,126,627</b>	<b>1,166,058</b>
<b>NET OPERATING INCOME</b>		<b>783,356</b>	<b>796,875</b>	<b>810,519</b>	<b>824,285</b>	<b>838,167</b>	<b>852,161</b>	<b>866,261</b>	<b>880,462</b>	<b>894,757</b>	<b>909,139</b>	<b>923,601</b>	<b>938,135</b>	<b>952,733</b>	<b>967,387</b>	<b>982,085</b>	<b>996,820</b>	<b>1,011,579</b>	<b>1,026,351</b>	<b>1,041,124</b>	<b>1,055,886</b>
<b>DEBT SERVICE</b>																					
1st Mortgage		685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619
2nd Mortgage																					
3rd Mortgage Debt Service																					
Total Required Debt Service		685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619	685,619
<b>CASH FLOW after debt service</b>		<b>97,737</b>	<b>111,256</b>	<b>124,900</b>	<b>138,666</b>	<b>152,548</b>	<b>166,542</b>	<b>180,642</b>	<b>194,843</b>	<b>209,138</b>	<b>223,520</b>	<b>237,982</b>	<b>252,516</b>	<b>267,114</b>	<b>281,768</b>	<b>296,466</b>	<b>311,201</b>	<b>325,960</b>	<b>340,732</b>	<b>355,505</b>	<b>370,267</b>