

ATTACHMENT H

USES, EXPENSES AND CREDIT

Kingdom Development

SAN SIMEON OAKS

105 units plus 1 mgr. unit

TE Bonds + 4% Credits

New Construction

Non-Rural

Non-PW Family project

QCT-No DDA-Yes

Development Uses				
Description	Amount	NC. Basis	Acq. Basis	Per Unit
Building Fees & Permits	\$1,597,097	\$1,597,097	\$0	\$15,067
Impact Fees	3,110,903	3,110,903	0	29,348
Architectural & Engineering	1,500,000	1,500,000	0	14,151
Residential Construction	29,493,905	29,493,905	0	278,244
General Conditions	2,253,045	2,253,045	0	21,255
Contractor's Overhead & Profit	1,746,082	1,746,082	0	16,472
Performance Bond	270,105	270,105	0	2,548
Construction Contingency	1,688,157	1,688,157	0	15,926
Developer Fee	7,225,065	7,225,065	0	68,161
Financial Advisory	325,000	325,000	0	3,066
Construction Manager	500,000	500,000	0	4,717
Builders Risk Insurance	875,000	875,000	0	8,255
Real Estate Taxes	50,000	0	0	472
Audit and Accounting	55,000	35,000	0	519
Legal Fees	550,000	450,000	0	5,189
Market Study	15,000	15,000	0	142
Project Contingency	350,000	350,000	0	3,302
Lease-up and Marketing	100,000	0	0	943
Capitalized Operating Reserve	661,410	0	0	6,240
Common Area Furnishings	100,000	100,000	0	943
Construction Period Interest	3,953,458	2,546,247	0	37,297
Construction Loan Fees	510,000	321,309	0	4,811
Permanent Loan Fees	266,171	0	0	2,511
TCAC Fees	103,353	0	0	975
CDLAC Fees	7,573	0	0	71
Bond Issuance Costs	130,000	72,632	0	1,226
Title and Recording	110,000	50,000	0	1,038

Operating Expenses		
Description	Amount	Per Unit
Property Management	\$117,075	\$1,104
Marketing	2,270	21
Office Expenses	42,500	401
Maintenance Personnel	177,550	1,675
Repairs Contract	62,500	590
Pest Control	5,300	50
Grounds Contract	16,960	160
Turnover	5,300	50
Trash Removal	35,000	330
Electricity	18,500	175
Water & Sewer	126,000	1,189
Property & Liability Ins.	87,450	825
Real Estate Taxes	5,000	47
Social Services	26,721	252
Replacement Reserves	31,800	300
Bond Issuer Fees	10,819	102

Total	\$770,745	\$7,271
50% Test		
Bond allocation	21,638,534	
Aggregate basis	54,524,548	= 39.69%
Exceeding 50% test by	-5,623,740	

Tax Credit Calculation			
	4% Federal	Acq. Fed.	State
Eligible Basis	54,524,548	0	
Excluded	0	0	
Unadjusted	54,524,548	0	0
Basis Limit	92,059,227		
Boost	130%	100%	
Adjusted	70,881,912	0	
Applicable	100.0%	100.0%	100.0%
Qualified	70,881,912	0	0
Reduction	0	0	0
Adj. Qualified	70,881,912	0	
Rate Factor	4.00%	4.00%	30.00%
Annual Credits	2,835,276	0	
Federal Credits	28,352,760	State Credits	0
Credit Price	0.83		0.00
Proceeds	23,530,438		0
Total	\$23,530,438		

Totals	\$57,546,325	\$54,524,548	\$0	\$542,890
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CASH FLOW YR 1-10

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Cash Flow										
Year	1	2	3	4	5	6	7	8	9	10
Rental Income	2,951,363	3,025,147	3,100,776	3,178,296	3,257,753	3,339,197	3,422,677	3,508,244	3,595,950	3,685,848
Other Income	15,750	16,144	16,547	16,961	17,385	17,820	18,265	18,722	19,190	19,670
Subsidy Income	120,130	123,133	126,211	129,366	132,601	135,916	139,314	142,796	146,366	150,025
Vacancy Loss	160,369	164,378	168,487	172,699	177,017	181,442	185,978	190,628	195,394	200,278
Adjusted Gross Income	2,926,874	3,000,046	3,075,047	3,151,924	3,230,722	3,311,490	3,394,277	3,479,134	3,566,112	3,655,265
Standard Expenses	696,405	720,779	746,006	772,117	799,141	827,111	856,060	886,022	917,032	949,128
Property Taxes	5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975
Supportive Services	26,721	27,656	28,624	29,626	30,663	31,736	32,847	33,997	35,186	36,418
Non-Inflated Expenses	10,819	10,819	10,819	10,819	10,819	10,819	10,819	10,819	10,819	10,819
Replacement Reserves	31,800	31,800	31,800	31,800	31,800	31,800	31,800	31,800	31,800	31,800
Total Expenses	770,745	796,155	822,452	849,668	877,835	906,986	937,157	968,381	1,000,696	1,034,141
Perm Debt Service	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895
Total Debt Service	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895
Operating Reserve Balance	661,410	661,410	661,410	661,410	661,410	661,410	661,410	661,410	661,410	661,410
Operating Reserve Draws	0	0	0	0	0	0	0	0	0	0
Net Operating Income	2,156,129	2,203,892	2,252,595	2,302,256	2,352,887	2,404,503	2,457,120	2,510,753	2,565,416	2,621,124
Debt Service Coverage	1.15	1.18	1.20	1.23	1.25	1.28	1.31	1.34	1.37	1.40
Cash after Exp & DS	281,234	328,997	377,701	427,361	477,992	529,608	582,226	635,858	690,521	746,229
LP Fee Balance	0	0	0	0	0	0	0	0	0	0
LP Fee Due	15,000	15,450	15,914	16,391	16,883	17,389	17,911	18,448	19,002	19,572
LP Fee Paid	15,000	15,450	15,914	16,391	16,883	17,389	17,911	18,448	19,002	19,572
Cash Flow	266,234	313,547	361,787	410,970	461,109	512,219	564,315	617,410	671,519	726,657
MGP Fee Balance	0	0	0	0	0	0	0	0	0	0
MGP Fee Due	15,000	15,450	15,914	16,391	16,883	17,389	17,911	18,448	19,002	19,572
MGP Fee Paid	15,000	15,450	15,914	16,391	16,883	17,389	17,911	18,448	19,002	19,572
Cash Flow	251,234	298,097	345,874	394,579	444,226	494,830	546,404	598,962	652,518	707,086
Deferred Developer Fee	5,206,436	4,955,202	4,657,105	4,311,231	3,916,652	3,472,426	2,977,596	2,431,192	1,832,230	1,179,712
Dev. Fee Payments	251,234	298,097	345,874	394,579	444,226	494,830	546,404	598,962	652,518	707,086
Cash Flow	0	0	0	0	0	0	0	0	0	0
Loan Balance	1,100,000	1,100,000	1,133,000	1,166,000	1,199,000	1,232,000	1,265,000	1,298,000	1,331,000	1,364,000
Interest Charge	0	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000
Payments	0	0	0	0	0	0	0	0	0	0
Ending Balance	1,100,000	1,133,000	1,166,000	1,199,000	1,232,000	1,265,000	1,298,000	1,331,000	1,364,000	1,397,000
Cash Flow	0	0	0	0	0	0	0	0	0	0
GL Due	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
GL Interest Charge	0	4,000	8,040	12,120	16,242	20,404	24,608	28,854	33,143	37,474
GL Payment	0	0	0	0	0	0	0	0	0	0
GL Ending Balance	400,000	804,000	1,212,040	1,624,160	2,040,402	2,460,806	2,885,414	3,314,268	3,747,411	4,184,885
Cash after GL	0	0	0	0	0	0	0	0	0	0
AGP Fee Balance	0	15,000	30,450	46,364	62,754	79,637	97,026	114,937	133,385	152,387
AGP Fee Due	15,000	15,450	15,914	16,391	16,883	17,389	17,911	18,448	19,002	19,572
Year	1	2	3	4	5	6	7	8	9	10

CASH FLOW YR 11-20

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Cash Flow										
Year	11	12	13	14	15	16	17	18	19	20
Rental Income	3,777,995	3,872,445	3,969,256	4,068,487	4,170,199	4,274,454	4,381,316	4,490,848	4,603,120	4,718,198
Other Income	20,161	20,665	21,182	21,712	22,254	22,811	23,381	23,965	24,565	25,179
Subsidy Income	153,776	157,620	161,561	165,600	169,740	173,983	178,333	182,791	187,361	192,045
Vacancy Loss	205,285	210,418	215,678	221,070	226,597	232,262	238,068	244,020	250,120	256,373
Adjusted Gross Income	3,746,647	3,840,313	3,936,321	4,034,729	4,135,597	4,238,987	4,344,961	4,453,585	4,564,925	4,679,048
Standard Expenses	982,348	1,016,730	1,052,316	1,089,147	1,127,267	1,166,721	1,207,557	1,249,821	1,293,565	1,338,839
Property Taxes	6,095	6,217	6,341	6,468	6,597	6,729	6,864	7,001	7,141	7,284
Supportive Services	37,693	39,012	40,377	41,790	43,253	44,767	46,334	47,956	49,634	51,371
Non-Inflated Expenses	10,819	10,819	10,819	10,819	10,819	10,819	10,819	10,819	10,819	10,819
Replacement Reserves	31,800	31,800	31,800	31,800	31,800	31,800	31,800	31,800	31,800	31,800
Total Expenses	1,068,755	1,104,578	1,141,653	1,180,025	1,219,737	1,260,837	1,303,374	1,347,397	1,392,959	1,440,114
Perm Debt Service	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895
Total Debt Service	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895	1,874,895
Operating Reserve Balance	661,410	661,410	661,410	661,410	661,410	661,410	661,410	661,410	661,410	661,410
Operating Reserve Draws	0	0	0	0	0	0	0	0	0	0
Net Operating Income	2,677,892	2,735,735	2,794,667	2,854,704	2,915,860	2,978,150	3,041,588	3,106,188	3,171,966	3,238,934
Debt Service Coverage	1.43	1.46	1.49	1.52	1.56	1.59	1.62	1.66	1.69	1.73
Cash after Exp & DS	802,997	860,840	919,772	979,809	1,040,965	1,103,255	1,166,693	1,231,294	1,297,071	1,364,039
LP Fee Balance	0	0	0	0	0	0	0	0	0	0
LP Fee Due	20,159	20,764	21,386	22,028	22,689	23,370	24,071	24,793	25,536	26,303
LP Fee Paid	20,159	20,764	21,386	22,028	22,689	23,370	24,071	24,793	25,536	26,303
Cash Flow	782,838	840,076	898,386	957,781	1,018,276	1,079,886	1,142,622	1,206,501	1,271,535	1,337,737
MGP Fee Balance	0	0	0	0	0	0	0	0	0	0
MGP Fee Due	20,159	20,764	21,386	22,028	22,689	23,370	24,071	24,793	25,536	26,303
MGP Fee Paid	20,159	20,764	21,386	22,028	22,689	23,370	24,071	24,793	25,536	26,303
Cash Flow	762,679	819,313	876,999	935,753	995,588	1,056,516	1,118,552	1,181,708	1,245,998	1,311,434
Deferred Developer Fee	472,627	0	0	0	0	0	0	0	0	0
Dev. Fee Payments	472,627	0	0	0	0	0	0	0	0	0
Cash Flow	290,053	819,313	876,999	935,753	995,588	1,056,516	1,118,552	1,181,708	1,245,998	1,311,434
Loan Balance	1,397,000	1,284,974	908,317	497,067	44,102	0	0	0	0	0
Interest Charge	33,000	33,000	27,250	14,912	1,323	0	0	0	0	0
Payments	145,026	409,656	438,500	467,877	45,426	0	0	0	0	0
Ending Balance	1,284,974	908,317	497,067	44,102	0	0	0	0	0	0
Cash Flow	145,026	409,656	438,500	467,877	950,162	1,056,516	1,118,552	1,181,708	1,245,998	1,311,434
GL Due	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
GL Interest Charge	41,849	45,542	47,949	50,236	52,399	54,434	56,337	58,104	59,731	61,213
GL Payment	72,513	204,828	219,250	233,938	248,897	264,129	279,638	295,427	311,500	327,859
GL Ending Balance	4,554,221	4,794,935	5,023,634	5,239,932	5,443,435	5,633,740	5,810,439	5,973,117	6,121,348	6,254,703
Cash after GL	72,513	204,828	219,250	233,938	701,265	792,387	838,914	886,281	934,499	983,576
AGP Fee Balance	171,958	119,604	0	0	0	0	0	0	0	0
AGP Fee Due	20,159	20,764	21,386	22,028	22,689	23,370	24,071	24,793	25,536	26,303
Year	11	12	13	14	15	16	17	18	19	20