

**Application for Chapter 40B Project Eligibility/Site Approval
for MassHousing-Financed and New England Fund (“NEF”) Rental Projects**

Section 5: FINANCIAL INFORMATION – Site Approval Application Rental 40B

In order to issue Site Approval, MassHousing must find (as required by 760 CMR 56.04 (4)) that an initial pro forma has been reviewed and that the Proposed Project appears financially feasible and consistent with the Chapter 40B Guidelines, and that the Proposed Project is fundable under the applicable program.

Name of Proposed Project: Parkside Apartments

Initial Capital Budget (please enter “0” when no such source or use is anticipated)

Sources

Description	Source	Budgeted
Private Equity	Owner’s Cash Equity	6,294,870
Private Equity	Tax Credit Equity	
Private Equity	Developer Fee Contributed or Loaned	2,112,775
Private Equity	Developer Overhead Contributed or Loaned	
Other Private Equity		
Public/Soft Debt		
Subordinate Debt		
Permanent Debt	South Shore Bank	15,000,000
Permanent Debt		
Construction Debt	<i>For informational purposes only, not to be included in Sources total</i>	
Additional Source (please identify)		
Additional Source (please identify)		
Total Sources		\$ 23,407,645

Pre-Permit Land Value, Reasonable Carrying Costs

Item	Budgeted
Site Acquisition: pre-permit land value (to be determined by MassHousing commissioned appraisal) plus reasonable carrying costs.	

Uses (Costs)

Item	Budgeted
Acquisition Cost (Actual)	
Actual Acquisition Cost: Land	1,201,497
Actual Acquisition Cost: Buildings	0
Subtotal - Acquisition Costs	1,201,497
Construction Costs - Building Structural Costs (Hard Costs)	
Building Structure Costs	13,375,000
Hard Cost Contingency	700,000
Subtotal - Building Structural Costs (Hard Costs)	14,075,000
Construction Costs - Site Work (Hard Costs)	
Earth Work	100,000
Utilities: On Site	100,000
Utilities: Off-Site	25,000
Roads and Walks	100,000
Site Improvement	0
Lawns and Planting	150,000
Geotechnical Condition	0
Environmental Remediation	20,000
Demolition	105,000
Unusual Site Conditions/Other Site Work	175,000
Subtotal -Site Work (Hard Costs)	775,000
Construction Costs - General Conditions, Builders Overhead and Profit (Hard Costs)	
General Conditions	891,000
Builder's Overhead	891,000
Builder's Profit	297,000
Subtotal - General Conditions Builders Overhead and Profit (Hard Costs)	2,079,000
General Development Costs (Soft Costs)	
Appraisal and Marketing Study <i>(not 40B "as is" appraisal)</i>	14,500
Marketing and Initial Rent Up <i>(include model units, if any)</i>	40,000
Real Estate Taxes <i>(during construction)</i>	33,000
Utility Usage <i>(during construction)</i>	18,000
Insurance <i>(during construction)</i>	33,000
Security <i>(during construction)</i>	10,000
Inspecting Engineer	10,000

Item	Budgeted
General Development Costs (Soft Costs) - Continued	
Fees to Others	50,000
Construction Loan Interest	545,000
Fees to Construction Lender	65,000
Fees to Permanent Lender	0
Architecture/Engineering	
Survey, Permits, etc.	850,000
Clerk of the Works	0
Construction Manager	120,000
Bond Premiums (Payment/Performance/Lien Bond)	0
Environmental Engineer	5,000
Legal	150,000
Title (including title insurance) and Recording	33,500
Accounting and Cost Certification (incl. 40B)	25,000
Relocation	0
40B Site Approval Processing Fee	7,100
40B Technical Assistance/Mediation Fund Fee	0
40B Land Appraisal Cost (as-is value)	2,500
40B Final Approval Processing Fee	2,500
40B Subsidizing Agency Cost Certification	5,000
Examination Fee	25,000
40B Monitoring Agent Fees	10,000
MIP	0
Credit Enhancement	0
Letter of Credit Fees	0
Other Financing Fees: Tax Credit Allocation Fee	0
Other Financing Fees	0
Development Consultant	94,000
Other Consultants (describe) <u>lottery</u>	20,000
Other Consultants (describe)	0
Syndication Costs	0
Soft Cost Contingency	62,073
Other Development (Soft) Costs	0
Subtotal - General Development Costs (Soft Costs)	2,230,173
Developer Fee and Overhead	
Developer Fee	2,112,775
Developer Overhead	
Subtotal - Developer Fee and Overhead	2,112,775
Capitalized Reserves	
Development Reserves	0
Initial Rent-Up Reserves	606,000
Operating Reserves	303,000
Net Worth Account	0
Other Capitalized Reserves	25,200
Subtotal - Capitalized Reserves	934,200