

Application 2 of 2

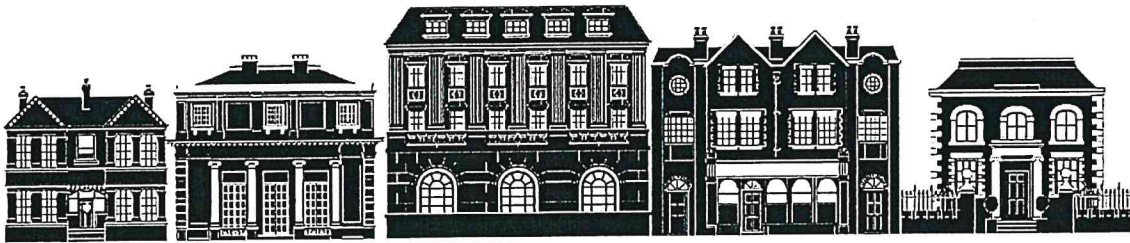
Affordable Rental Housing
Affordable Housing Development Fund

#117037

5/5/2017

DANE COUNTY PURCHASING DIVISION
ROOM 425 CITY- COUNTY BUILDING
210 MARTIN LUTHER KING JR BLVD
MADISON, WI 53703-334

Dane county Housing Authority

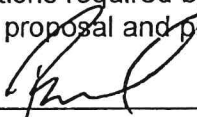


Dane County Housing Authority

RFP COVER PAGE SIGNATURE AFFIDAVIT	
NAME OF FIRM:	The Housing Authority of the County of Dane, WI
STREET ADDRESS:	6000 Gisholt Drive #203
CITY, STATE, ZIP	Monona WI 53713
CONTACT PERSON:	Robert Dicke
PHONE #:	608-224-3636 ex:023
FAX #:	608-224-3632
EMAIL:	rdicke@dcha.net

In signing this proposal, we also certify that we have not, either directly or indirectly, entered into any agreement or participated in any collusion or otherwise taken any action in restraint of free competition; that no attempt has been made to induce any other person or firm to submit or not to submit a proposal; that this proposal has been independently arrived at without collusion with any other proposer, competitor or potential competitor; that this proposal has not been knowingly disclosed prior to the opening of proposals to any other proposer or competitor; that the above statement is accurate under penalty of perjury.

The undersigned, submitting this proposal hereby agrees with all the terms, conditions, and specifications required by the County in this Request for Proposal, and declares that the attached proposal and pricing are in conformity therewith.



Signature

Executive Director _____
Title

Robert Dicke _____
Name (type or print)

5/5/17 _____
Date

Addendums -This firm hereby acknowledges receipt / review of the following addendum(s) (If any)

Addendum # _____ Addendum # _____ Addendum # _____ Addendum # _____

General Response Requirements

4.1 Introduction

The Housing Authority of the County of Dane, WI (DCHA) seeks to convert and rehabilitate 20 units of Public Housing in Mazomanie WI. Iron Horse apartments were constructed using HUD's Public Housing program and are co-owned by HUD and DCHA. We have made application to HUD under the Rental Assistance Demonstration (RAD) to remove them from the Public Housing Program, convert the assistance to Project Based Section 8 Rental Assistance (PBRA) and acquire the property from HUD. Because of the restrictions placed on Public Housing by HUD's co-ownership, both HUD and the IRS consider a RAD transaction an acquisition.

All 20 units at Iron Horse are restricted to 50% Area Median Income (AMI) or less and the residents pay 30% of their income in rent. If the residents have no income the assistance pays the full rent plus reimburses the family for utilities. Under the conversion these income restrictions would continue.

Section 4.2

Development and Service Team Background

The Housing Authority of the County of Dane, WI (DCHA) was established by the Dane County Board in 1972 to provide affordable housing to the low-income residents of Dane County. The mission of DCHA is to promote adequate and affordable housing, economic opportunity, and a suitable living environment free from discrimination.

The oversight and governance of DCHA is the responsibility of a five-member citizen commission appointed by the Dane County Executive. They are responsible for formulating DCHA policy. They are dedicated and committed volunteers that bring an array of knowledge and abilities to DCHA. They are representatives of the following sectors of our community: government (County Board, State), law, non-profit, real estate, and housing development & consulting.

The Dane County Housing Authority Board of Commissioners consists of:

- Daniel O'Callaghan, Chair
- Mary Kolar, Vice-Chair
- Bill Perkins
- Melissa Huggins
- Harold Rayford

The Dane County Housing Authority administers the Section 8 Housing Choice Voucher Program providing eligible families and individuals the opportunity to rent homes of their choice in the private sector. Dane County Housing Authority provides more than 6 million dollars annually into our community to landlords through rent subsidies each year. Dane County Housing Authority has an allocation of 1,211 vouchers through the Department of Housing and Urban Development (HUD).

The Dane County Housing Authority owns 255 units of housing throughout Dane County. Eighty-six of those units are funded by the Department of Housing and Urban Development through its Low Rent Public Housing Program. 70 units are funded through USDA Rural Development and the HUD Section 515 Program. The remainder are un-subsidized units that the DCHA makes available to families at or below 60% of County median income at no more than the HUD published Fair Market Rents for Dane County.

The DCHA is Directed by Robert Dicke who and has been working in Real Estate and Property Management since 1995. He has spent much of that time working on affordable housing and in low income areas. Robert received a Bachelor's degree in Sociology from the University of Minnesota and has obtained a Wisconsin Real Estate Broker's license, a Certified Occupancy Specialist designation and a LIHTC Site Compliance Specialist certification. He has served on the Capital Region Sustainable Communities Consortium, the Emergency Food and Shelter Board, The Dane County Foreclosure Taskforce Board, The Homeless Services Consortium Board and the Wisconsin Council for Affordable Rural Housing Board. Robert has been an active member in the Delegation to Create Economic Stability for Young Families, the Affordable Housing Action Alliance, the Burr Oaks Housing Providers group, the Leopold Area Resource Committee and the Apartment Association for South Central Wisconsin.

The DCHA has been successful in obtaining Section 42 Low Income Housing Tax Credits through its partnership with JTKlein Inc. DCHA is the non-profit sponsor on the Meadow Ridge project which was awarded 9% LIHTC in 2015 and just opened to residents May 1st of this year. DCHA and JTKlein also partnered on Phase 1 and Phase 2 of the 8Twenty South Park projects which were both awarded 9% LIHTC in 2016. Previously the DCHA partnered with Royal Capital Group on Broadway Square Apartments which received a 9% award in 2014 but was not built due to zoning issues. In addition, the DCHA received an independent award of 4% LIHTC for the acquisition and rehabilitation of 54 units of USDA Rural Development Housing which closed in March of 2017. That project is currently under construction.

The DCHA has a long history of Public private joint ventures for the creation of Affordable Housing. Projects and Partners include:

- The Uplands Apartments/ACC Management.
- Fairway Glen/Movin' Out
- Madison and Main/Movin' Out
- Supportive Housing on Rethke/CDA of Madison
- Tree Lane Supportive Housing/COA of Madison
- Mifflin Street Apartments/Stone House Development
- Tennyson Senior Living/Independent living
- Sanderson School Apartments/Dane County

All the above projects have an affordable housing component, most set aside for individuals or families at or below 50% of County Median Income. In addition, 251 of OCHA's 255 owned units are set aside for no higher than 60% of CMI.

Due to the DCHA's scattered site approach to affordable housing, property management is delivered more efficiently through a firm with a large footprint. For this reason, the DCHA has contracted with Wisconsin Management Company Inc. since 1996.

Wisconsin Management- With over 30 years of experience in property management, Wisconsin Management has developed processes, recruited and trained quality personnel, implemented the latest technologies and negotiated product and service discounts, all while focusing on customer service and personal attention to owners and residents. With offices in Madison, Milwaukee and Adams, WI and the surrounding states, they have the ability to manage throughout most of the mid-west. Led by Russ Endres, Wisconsin Management provides full service property management with an entire division dedicated to affordable housing. They oversee all aspects of our Affordable Housing Department, including Rural Development, HUD, and Affordable Housing Tax Credit properties.

Wisconsin Management has a track record of affordable housing development and management including:

- Beloit Hilton Hotel- TIF, CDBG, Historic Tax Credits, WHEDA Financing
- Cardinal Hotel- Housing Development Grant and Tax Exempt Bonds
- Lake Delton Properties- Conventional Financing
- 100 N. Hamilton- Conventional Financing
- Park House- Tax Exempt Bonds

Section 4.3

Project Description

Iron Horse Apartments (the Project) is located at 4th Street and Meadow Lane in Mazomanie, WI. The property consists of 20 apartment units in a single-story frame building and 10 townhome style duplex units. There are 10 one-bedroom apartments for elderly or disabled, 6 two-bedroom townhome units for families, 4 three-bedroom townhome units for families and 1 four-bedroom townhome unit for families. The townhome units all have a washer/dryer and all the elderly/disabled building has a common laundry room.

Income restrictions will be placed on all 20 units with the following breakdown:

- All 20 units at or below 50% AMI

Iron Horse is part of a larger Public Housing Portfolio with units in Stoughton, Monona and Sun Prairie. Under the Public Housing program HUD makes available an Operating subsidy and a Capital Fund Grant. Funding for the units in this application have declined by 46% since 2010 making them very difficult to operate and maintain. Because of the short funding there is deferred capital improvement projects at all of the units including roofs, windows, doors, kitchen and bath upgrades. Converting units under RAD will remove the underfunded Public Housing subsidy and reposition the project with more stable funding. DCHA has two applications in to HUD to convert all 86 units in this portfolio, this first application which has been approved is to convert the Stoughton and Mazomanie units and a second application for the remaining 42 units is pending renewal of the RAD program. Post conversion all units will have Project Based Section 8 rental assistance meaning the residents will pay just 30% of their income towards rent and utilities. If their income is zero the voucher will pay the rent and reimburse the family for utilities.

There is no cost to acquire the Project, but HUD is mandating is \$1,029,481 in rehab at all of the converted units. The DCHA plans to finance this project through a 4% Low Income Housing Tax Credit (LIHTC) application to WHEDA but underwriting shows a \$282,915 funding gap. We are requesting an Affordable Housing Development grant funds in the amount of \$300,000 to fully fund this project. AHD funds will be used to cover soft costs and rehabilitation expenses just at the Iron Horse site in Mazomanie. The minimum grant required to do the project is \$282,915.

The minimum affordability term will be 20 years as mandated by the HUD's Section 8 Contract, however DCHA commits to keep the property affordable so long as we own it.



Section 4.4

Housing First

The Project will further the county's goal of Housing First by:

- Providing permanent housing with reduced barriers to entry
- Delivering Empowerment Supportive Services
- Standard housing lease without mandated therapy or services compliance

Selection criteria will be adjusted to reduce barriers to entry and provide otherwise unqualified applicants with an opportunity to secure housing. A detailed description of the selection criteria follows in Section 4.7.

Empowerment Supportive Services will be provided for residents of the project at no cost and at no obligation. Services will include Assistance with Benefits, Job Services and Financial Literacy. A detailed description of the empowerment supportive services follows in Section 4.6.

The lease for the tenants at the project will be our standard residential lease. The lease will not have any stipulation to use the supportive services offered or any additional provisions that are not part of a standard residential lease.

Section 4.5

Targeted Population

10 units at the Project are currently restricted to the elderly or disabled and 10 are for families, all at or below 50% of AMI. The elderly designation and income restrictions will continue post conversion.

Section 4.6

Supportive Services

Empowerment Supportive Services will be provided for residents of the project at no cost and at no obligation. Services will include Assistance with Benefits, Job Services and Financial Literacy. Assistance with Benefits will be provided by Dane County Human Service (DCHS). DCHS manages a diverse group of programs which promote self-sufficiency including Food Share, Medicaid and Badger Care Plus, Wisconsin Shares Child Care Subsidies and the Wisconsin Works cash benefit program. In addition, DCHS offers Tenant Resources to help with Landlord/Tenant issues and eviction prevention, child care referral services, a Drop-in Child Care Center and Reduced Cost Bus Passes. Finally, DCHS helps connect to other resources such as Energy Services for utility payment assistance, Forward Services Corp. for employment and job training services and 4 Cs for child care certifications, resources and referrals. DCHS's main location is at the Job Center in Madison and some services can only be obtained at that location, however we will provide information on all available public transportation options to reach the Job Center. In addition, we plan to hold informational sessions on all services provided at our offices at least annually. We will make residents aware of public transportation options to get to our office and make private transportation available to anyone who wants to attend the session if public transportation is not available.

Financial Literacy will be provided by GreenPath. GreenPath offers free credit counseling and debt consolidation including credit report review and education on how to manage and improve credit scores. Advisors help explore options for achieving financial goals and creating a custom action plan. GreenPath can work with creditors to stop collection calls, lower interest rates and eliminate debt. Services will be available to residents on-line, over the phone and at GreenPath offices year-round. In addition, we plan to host on-site events targeted to the residents at least once per year.

Section 4.7

Tenant Screening Policies

Selection criteria will be adjusted to reduce barriers to entry and provide otherwise unqualified applicants with an opportunity to secure housing. **Credit**- applications with a credit score below 390 will be denied. However, if the applicant shows evidence of completion of a free credit counseling session with GreenPath their application will not be denied regardless of credit score. **Debt to previous landlord**- applications that show a debt to a previous landlord will be denied. However if the applicant negotiates a written payment plan that is acceptable to the landlord and shows evidence of making at least the first payment on that plan, they will not be denied. **Conviction of drug or alcohol use related offense**- applications which show a conviction for drug or alcohol use related offense in the past two years will be denied. However, if the applicant provides evidence of completion of a drug or alcohol treatment program, the application will not be denied. **Arrest Record**- Arrest records will not be considered in the application process. **Eviction**- Applications that show a writ of restitution for eviction from housing within the past 5 years will be denied. However, if the application shows only one eviction in the 5 year time period, and that eviction was for non-payment of rent, and the applicant shows evidence of completion of a free credit counseling session with GreenPath their application will not be denied.

Income will not be required for residency in the five 30% units. In the 60% units, the applicant household will have to have an income of 3 times the rent ensuring they are not paying more than 30% of their income in rent.

Housing references will not be required but will be verified. A history of lease violations (other than non-payment of rent) will result in denial of application. Criminal history will be verified and applications that show convictions for felonies or other charges that may interfere with other tenant's peaceful enjoyment of the property within the last two years will be denied.

Section 4.8

Funding Leverage

The total project cost will be \$1,703,825 including rehabilitation, fees and development soft costs. The County funds of \$300,000 are 18% of the total development cost. The remaining costs will be financed through a LIHTC application to WHEDA.

The \$300,000 of County funds will enhance the affordability of the project because without the County funds the project will not go forward, and as stated funding trends for Public Housing continue to decline. The President's budget priorities for 2018 call for a 35% cut in Public Housing funding over 2017 dollars. Combined with the 46% cut from 2010 funding levels, this would put 2018 funding at just 41%. Currently DCHA loses money operating Public Housing so if we are unable to convert the units to a stable funding source, catch up on deferred improvements, and funding is cut any further, we will be forced to give these units back to HUD. This means that without the County funds the units will likely be closed down to be sold and the low-income residents will be forced to find new housing. The rate of county funds to affordable housing unit bedroom is \$8,571 per bedroom if you consider just the Iron

Horse site. If you include all 44 units of Public Housing in this RAD conversion (since they will all convert or non will convert) the rate is \$3,659 per bedroom.

VENDOR REGISTRATION CERTIFICATION

Per Dane County Ordinance, Section 62.15, "Any person desiring to bid on any county contract must register with the purchasing manager and pay an annual registration fee of \$20."

Your completed Vendor Registration Form and Registration Fee must be received for your bid to be considered for an award. Your bid/response may not be evaluated for failure to comply with this provision.

Complete a registration form online by visiting our web site at www.danepurchasing.com. You will be prompted to create a username and a password and you will receive a confirmation message, then log back in and complete the registration. Once your registration is complete you will receive a second confirmation. Retain your user name and password for ease of re-registration in future years.

Payment may be made via credit card on-line or by check in the mail or in person at the Purchasing Division office. If paying by check make check payable to Dane County Treasurer and indicate your federal identification number (FIN) on the subject line.

CERTIFICATION

The undersigned, for and on behalf of the **PROPOSER, BIDDER OR APPLICANT** named herein, certifies as follows:

- This firm is a paid, registered vendor with Dane County in accordance with the bid terms and conditions.

Vendor Number # 1827

Paid until: n/a Dane County Purchasing

Date Signed: 5/5/17



Officer or Authorized Agent

Housing Authority- County of Dane, WI
Business Name

REFERENCE DATA SHEET

Provide company name, address, contact person, telephone number, and appropriate information on the product(s) and/or service(s) used for three (3) or more installations/services with requirements similar to those included in this solicitation document

NAME OF FIRM:	Movin' Out	
STREET ADDRESS:	902 Royster Oaks Drive Suite #105	
CITY, STATE, ZIP	Madison WI 53714	
CONTACT PERSON:	Dave Porterfield	EMAIL: dp@movin-out.org
PHONE #:	608-251-4446	FAX #: 608-819-0623
Product(s) and/or Service(s) Used:	Partnered on Affordable Housing Development	
NAME OF FIRM:	JT Klein Inc	
STREET ADDRESS:	820 South Park Street	
CITY, STATE, ZIP	Madison WI 53713	
CONTACT PERSON:	Jacob Klein	EMAIL: jacob@jtklein.com
PHONE #:	608-203-5326	FAX #: n/a
Product(s) and/or Service(s) Used:	Partnered on Affordable Housing Development	
NAME OF FIRM:	Wisconsin Management	
STREET ADDRESS:	2040 S. Park Street	
CITY, STATE, ZIP	Madison WI 53713	
CONTACT PERSON:	Russ Endres	EMAIL: REndres@wimci.com
PHONE #:	608-258-2080	FAX #: 608-258-2090
Product(s) and/or Service(s) Used:	Partnered on Affordable Housing Development	

Designation of Confidential and Proprietary Information

The attached material submitted in response to this Response includes proprietary and confidential information which qualifies as a trade secret, as provided in Sect 19.36(5), Wisconsin State Statutes, or is otherwise material that can be kept confidential under the Wisconsin Open Records law. As such, we ask that certain pages, as indicated below, of this response be treated as confidential material and not be released without our written approval. Attach additional sheets if needed.

Section	Page Number	Topic

Check mark : This firm is not designating any information as proprietary and confidential which qualifies as trade secret.

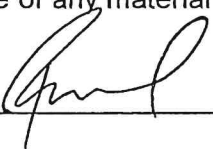
Prices always become public information when responses are opened, and therefore cannot be designated as confidential.

Other information cannot be kept confidential unless it is a trade secret. Trade secret is defined in Sect. 134(80)(1)(c) Wis. State Statutes, as follows: "Trade secret" means information, including a formula, pattern, compilation, program, device, method technique or process to which all of the following apply:

1. The information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use.
2. The information is the subject of efforts to maintain its secrecy that are reasonable under the circumstances.

In the event the Designation of Confidentiality of this information is challenged, the undersigned hereby agrees to provide legal counsel or other necessary assistance to defend the Designation of Confidentiality.

Failure to include this form in the response may mean that all information provided as part of the response will be open to examination or copying. The County considers other markings of confidential in the response document to be insufficient. The undersigned agree to hold the County harmless for any damages arising out of the release of any material unless they are specifically identified above.



Signature

Robert Dicke

Name (type or print)

Executive Director

Title

5/5/17

Date

RENTAL HOUSING DEVELOPMENT BUDGET

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PROJECT: **DCHA- RAD**
 NUMBER OF UNITS: **44** TOTAL COST PER UNIT: **93,269**

ITEM	COST	% TOTAL	Depreciable	Amortize	Non-Depr.	Historic RTC	LIHTC 4%	LIHTC 9%
ACQUISITION								
Build Acquisition	2,200,000	53.61%	2,200,000				2,200,000	
Land Acquisition	200,000	4.87%			200,000			
SITE IMPROVEMENTS								
Demolition	0	0.00%	0			0	0	0
On-Site Imp.	0	0.00%	0				0	0
Off-Site Imp.	0	0.00%			0			
CONSTRUCTION								
Rehabilitation	1,029,481	25.09%	1,029,481			1,029,481	1,029,481	1,029,481
New Construction	0	0.00%	0				0	0
Contingency	51,474	1.25%	51,474			51,474	51,474	51,474
Tap & Impact Fees	0	0.00%	0			0	0	0
Relocation Assist.	10,560	0.26%	10,560			10,560	10,560	10,560
Furnishings	0	0.00%	0				0	0
Contractor Fees	0	0.00%	0			0	0	0
PROFESSIONAL FEES								
Survey	10,000	0.24%	10,000			10,000	10,000	10,000
Architect & Engineer	60,000	1.46%	60,000			60,000	60,000	60,000
Real Estate Attorney	35,000	0.85%	35,000			35,000	35,000	35,000
Consultant	0	0.00%	0			0	0	0
Tax Opinion	25,000	0.61%			25,000			
Developer Fee	271,896	6.63%	271,896			271,896	271,896	271,896
Market Study	10,000	0.24%	10,000			10,000	10,000	10,000
Environmental	0	0.00%	0			0	0	0
Cost Certification	0	0.00%	0			0	0	0
Capital Needs Assess.	0	0.00%	0			0	0	0
CONSTRUCTION FINANCE								
Constr. Loan Interest	37,500	0.91%	37,500			37,500	37,500	37,500
Constr. Loan Fee	15,000	0.37%	15,000			15,000	15,000	15,000
Constr. Insurance	0	0.00%	0			0	0	0
Appraisal	10,000	0.24%	10,000			10,000	10,000	10,000
Title and Recording	10,000	0.24%	10,000			10,000	10,000	10,000
Other	0	0.00%	0			0	0	0
PERMANENT FINANCE								
Perm. Loan Fee	0	0.00%		0				
Perm. Origination	0	0.00%		0				
Title and Recording	5,000	0.12%		5,000				
Legal		0.00%		0				
SOFT COSTS								
Tax Credit Appl. Fee	10,000	0.24%			10,000			
Tax Credit Mon. Fee	0	0.00%			0			
Marketing Expense	0	0.00%		0				
Organizational Exp.	0	0.00%		0				
Constr. Insurance	0	0.00%	0			0	0	0
Property Taxes		0.00%	0			0	0	0
Syndication Expense	0	0.00%			0			
Rentup Expense	0	0.00%			0			
Relocation	0	0.00%	0				0	0
Other	0	0.00%						
RESERVES								
Rentup Reserve	0	0.00%			0			
Operating Reserve (6.0 mos)	97,514	2.38%			97,514			
Replacement Reserve	15,400	0.38%			15,400			
DEVELOPMENT COST	4,103,825	100.00%	3,750,911	5,000	347,914	1,550,911	3,750,911	1,550,911

SOURCES OF FUNDS

DCHA- RAD

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PROJECT ASSUMPTIONS

% Commercial	0.00%
Anticipated Year of Sale	40
Cap Rate at Sale	9.00%
Cost of Sale	3%
Tax Rate at Sale	15%

HISTORIC REHAB. ASSUMPTIONS

Historic Rehabilitation 1=yes, 0=no	0
Historic RTC Equity Rate	\$0.00

LIHTC ASSUMPTIONS

Project Type (1=acq/rehab, 2=bond, 3=new constr.)	1
LIHTC Occupancy Percentage	100%
Bldg. Acquisition Eligible 1=yes, 0=no	1

LIHTC 4% Rate	3.33%
LIHTC 9% Rate	9.00%
LIHTC Bonus Area 1=yes, 0=no	0

INVESTMENT ASSUMPTIONS

Investor Tax Rate	15%
Investor Ownership	99.99%
Basis for Equity (1=Sale Rate, 2=IRR, 3=\$Amt.)	1
1. LIHTC Sale Rate	\$0.92
2. Expected Internal Rate of Return (IRR)	0.00%
3. Equity Investment Committed	\$0

EQUITY ATTRACTED

Equity Attracted Based on Sale Rate	\$1,149,014
Equity Attracted Based on IRR	#NUM!
Equity Attracted Based on Dollar Amount	\$0

DEBT ATTRACTION CALCULATION

	Requirements	Loan Amt.
Debt Coverage Ratio	1.20	\$697,475
Loan to Value Ratio	0%	\$0
Capitalization Rate	0.00%	
Stabilized NOI	\$53,916	
Fair Market Value	\$0	
Loan Amount, 1=\$Amt., 2=DCR, 3=DCR and LVR	1	
Bank Loan Committed	\$0	
Loan Amount Based on DCR	\$697,475	
Loan Amount Based on DCR and LVR	\$0	

PROPOSED PERMANENT FINANCING

	Amount	Rate	Amortization	Term	Pymts. Begin	Source
BANK	0	5.00%	30	30		
Amortizing Loan	282,915	5.00%	30	30		
Amortizing Loan	0	0.00%	0	0		
Interest Only Loan		0.00%		0	0	
Interest Only Loan	0	0.00%		0	0	
Deferred Loan	2,400,000	0.00%	0	0	1	
Deferred Loan	0	0.00%	0	0	1	
Developer Loan	271,896	0.00%	0	0	1	
Cash Flow Loan	0	0.00%	0	0	40.00%	% of CF
TOTAL LOANS	2,954,811					
Grant - Non Basis	0					
Existing Reserves	0					
TOTAL GRANTS	0					
EQUITY	1,149,014					
TOTAL SOURCES	4,103,825					

TOTAL DEV. COST	4,103,825
- TOTAL SOURCES	4,103,825
GAP	0
CASH FLOW	1
	#NUM!
ACTUAL IRR	#VALUE!

	2	3	4	5
	#NUM!	#NUM!	#NUM!	#NUM!

TAX & APPRECIATION BENEFITS
DCHA-RAD

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LIHTC	Acquisition and Rehab.	Tax Exempt Bond	Rehab./New No Acq.
Rehab./New Construction	1,550,911	1,550,911	1,550,911
% Commercial	0	0	0
RTC (Housing only)	0	0	0
Grants	0	0	0
Rehab/Const. Basis	1,550,911	1,550,911	1,550,911
x Credit Rate	9.00%	3.33%	9.00%
x Bonus Area	100%	100%	100%
Annual Rehab/Const Credit	139,582	51,645	139,582
Acquisition	2,200,000	2,200,000	
x Credit Rate	0	0	
Annual Acq. Credit	73,260	73,260	
Annual Credit	212,842	124,905	139,582
x % Low Income	100%	100%	100%
Amount of Credit/Year	212,842	124,905	139,582

Annual LIHTC	124,905
10 Year LIHTC Credit	1,249,053
Equity	1,149,129
x % Ownership	99.99%
Partnership Equity	1,149,014
TOTAL EQUITY LIHTC	1,149,014

CALCULATION OF HISTORIC TAX CREDIT

Eligible Costs	0
Non-RTC Basis Items	0
Historic Basis	0
Historic Rate	20%
Historic Tax Credit	0
x % Ownership	99.99%
Historic RTC Equity Rate	\$0.00
Equity Raised by RTC	0

DEPRECIABLE BASIS

Depreciable Expenses	3,750,911
Amount of Historic RTC	0
Adjusted Depreciable Basis	3,750,911
Commercial Basis (39 yrs)	0
Residential Basis (27.5 yrs)	3,715,911
Other Depreciable	35,000
Depreciation Per Year	142,124

NET SALE PROCEEDS

Sale Price	986,353
Cost of Sale	29,591
Existing Debt	#NUM!
Tax Due	90,070
Net Sale Proceeds	0

Capital Gain

Sale Price	986,353
Cost of Sale	29,591
Adjusted Basis	415,476
Capital Gain	600,468

Adjusted Basis

Original Project Cost	4,103,825
Sum Depreciation	3,683,349
Sum Amortization	5,000
RTC	0
Adjusted Basis	415,476

Tax on Gain

Capital Gain	600,468
x Tax Rate	15%
Tax	90,070

Profit & Loss Projections

	mo. 1	mo. 2	mo. 3	mo. 4	mo. 5	mo. 6	mo. 7	mo. 8	mo. 9	mo. 10	mo. 11	mo. 12	Total
Income													
Total Rents	\$19,136.00	\$19,136.00	\$19,136.00	\$19,136.00	\$19,136.00	\$19,136.00	\$19,136.00	\$19,136.00	\$19,136.00	\$19,136.00	\$19,136.00	\$19,136.00	\$229,632.00
Laundry	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$1,200.00
Less: Vacancy	(\$382.72)	(\$382.72)	(\$382.72)	(\$382.72)	(\$382.72)	(\$382.72)	(\$382.72)	(\$382.72)	(\$382.72)	(\$382.72)	(\$382.72)	(\$382.72)	(\$4,592.64)
Gross Profit	\$18,853.28	\$18,853.28	\$18,853.28	\$18,853.28	\$18,853.28	\$18,853.28	\$18,853.28	\$18,853.28	\$18,853.28	\$18,853.28	\$18,853.28	\$18,853.28	\$226,239.36
Operating Costs													
Real Estate Taxes (current)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	\$3,317.50	\$3,317.50	\$3,317.50	\$3,317.50	\$3,317.50	\$3,317.50	\$3,317.50	\$3,317.50	\$3,317.50	\$3,317.50	\$3,317.50	\$3,317.50	\$39,810.00
Management Fee	\$1,131.20	\$1,131.20	\$1,131.20	\$1,131.20	\$1,131.20	\$1,131.20	\$1,131.20	\$1,131.20	\$1,131.20	\$1,131.20	\$1,131.20	\$1,131.20	\$13,574.36
Site Admin Payroll	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$24,000.00
Legal	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$2,400.00
Advertising	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$600.00
Office/Phone/misc operating	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$1,800.00
Lawn/Snow	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00	\$4,200.00
Property Insurance	\$1,453.32	\$1,453.32	\$1,453.32	\$1,453.32	\$1,453.32	\$1,453.32	\$1,453.32	\$1,453.32	\$1,453.32	\$1,453.32	\$1,453.32	\$1,453.32	\$17,439.84
Maintenance	\$2,200.00	\$2,200.00	\$2,200.00	\$2,200.00	\$2,200.00	\$2,200.00	\$2,200.00	\$2,200.00	\$2,200.00	\$2,200.00	\$2,200.00	\$2,200.00	\$26,400.00
Materials	\$2,200.00	\$2,200.00	\$2,200.00	\$2,200.00	\$2,200.00	\$2,200.00	\$2,200.00	\$2,200.00	\$2,200.00	\$2,200.00	\$2,200.00	\$2,200.00	\$26,400.00
Total Operating Costs	\$13,052.02	\$13,052.02	\$13,052.02	\$13,052.02	\$13,052.02	\$13,052.02	\$13,052.02	\$13,052.02	\$13,052.02	\$13,052.02	\$13,052.02	\$13,052.02	\$156,624.20
Net Operating Income (loss)	\$5,801.26	\$5,801.26	\$5,801.26	\$5,801.26	\$5,801.26	\$5,801.26	\$5,801.26	\$5,801.26	\$5,801.26	\$5,801.26	\$5,801.26	\$5,801.26	\$69,615.16
Debt Service													
\$1.5M @5% int only const for 6 mo	\$6,250.00	\$6,250.00	\$6,250.00	\$6,250.00	\$6,250.00	\$6,250.00	\$6,250.00	\$6,250.00	\$6,250.00	\$6,250.00	\$6,250.00	\$6,250.00	\$46,612.49
Reserve for replacement	\$1,283.33	\$1,283.33	\$1,283.33	\$1,283.33	\$1,283.33	\$1,283.33	\$1,283.33	\$1,283.33	\$1,283.33	\$1,283.33	\$1,283.33	\$1,283.33	\$15,399.96
Total Non-operating Costs	\$7,533.33	\$7,533.33	\$7,533.33	\$7,533.33	\$7,533.33	\$7,533.33	\$7,533.33	\$7,533.33	\$7,533.33	\$7,533.33	\$7,533.33	\$7,533.33	\$46,612.49
Net Income (loss)	(\$1,732.07)	(\$1,732.07)	(\$1,732.07)	(\$1,732.07)	(\$1,732.07)	(\$1,732.07)	(\$1,732.07)	(\$1,732.07)	(\$1,732.07)	(\$1,732.07)	(\$1,732.07)	(\$1,732.07)	\$7,602.71

GRM @ 7x \$1,583,675.52
 GRM @ 8x \$1,809,914.88
 CAP Rate @ 9% \$773,501.76
 CAP Rate @ 8% \$870,189.48
 DCR 1.49