

SOURCES OF FUNDS

DeTurk Winery

5/27/2020

CONSTRUCTION	Lender	Term	Rate	9%	Per Unit
	Construction Loan	28	4.15%	\$ 45,000,000	\$ 330,882
	Tax Credit Equity - Federal	28	35.00%	\$ 16,448,355	\$ 120,944
	City of Santa Rosa	28		\$ 4,200,000	\$ 30,882
	Deferred Developer Fee/Costs	28		\$ 1,362,604	\$ 10,019
	TOTAL SOURCES			\$ 67,010,959	\$ 492,728

PERMANENT	Lender	Term	Rate	9%	Per Unit
	Permanent Loan - Tranche A	420	4.57%	\$ 13,369,793	\$ 98,307
	Permanent Loan - Tranche B	240	4.57%	\$ 1,908,742	\$ 14,035
	Tax Credit Equity - Federal			\$ 46,995,300	\$ 345,554
	TCAC - Performance Deposit Refund			\$ 200,000	\$ 1,471
	City of Santa Rosa			\$ 4,200,000	\$ 30,882
	Deferred Developer Fee			\$ 337,124	\$ 2,479
	TOTAL SOURCES			\$ 67,010,959	\$ 492,728

SOURCES AND USES BUDGET

USES	TOTAL PROJECT COST Per Budget	PER UNIT COSTS	70% PVC FOR NEW CONST/REHAB
<i>LAND COST/ACQUISITION</i>			
Land Cost or Value	8,500,000	62,500	-
Demolition	-	-	-
Total Land Cost or Value	8,500,000	62,500	-
Off-Site Improvements	260,000	1,912	260,000
Total Acquisition Cost	260,000	1,912	260,000
Total Land Cost / Acquisition Cost	8,760,000	64,412	260,000
Predevelopment Interest/Holding Cost	226,307	1,664	151,646
<i>NEW CONSTRUCTION</i>	-		-
Structures	39,698,672	291,902	39,698,672
General Requirements	1,045,351	7,686	1,045,351
Contractor Overhead	448,008	3,294	448,008
Contractor Profit	448,008	3,294	448,008
General Liability Insurance	300,538	2,210	300,538
Total New Construction Costs	41,940,577	308,387	41,940,577
<i>ARCHITECTURAL FEES</i>	-		-
Design	850,000	6,250	850,000
Supervision	525,000	3,860	525,000
Total Architectural Costs	1,375,000	10,110	1,375,000
Total Survey & Engineering	582,300	4,282	582,300
<i>CONSTRUCTION INTEREST & FEES</i>	-		-
Construction Loan Interest	1,307,250	9,612	1,307,250
Origination Fee	337,500	2,482	259,615
Credit Enhancement/Application Fee	78,000	574	66,462
Title & Recording	76,000	559	60,000
Taxes	25,000	184	25,000
Insurance	200,000	1,471	200,000
Other: (Construction Loan Interest Post CofO)	653,625	4,806	-
Total Construction Interest & Fees	2,677,375	19,687	1,918,327
<i>PERMANENT FINANCING</i>	-		-
Loan Origination Fee	152,785	1,123	-
Credit Enhancement/Application Fee	25,000	184	-
Title & Recording	37,500	276	-
Total Permanent Financing Costs	215,285	1,583	-
Subtotals Forward	55,776,844	410,123.85	46,227,849.90

SOURCES AND USES BUDGET

USES	TOTAL PROJECT COST Per Budget	PER UNIT COSTS	70% PVC FOR NEW CONST/REHAB
LEGAL FEES	-		-
Lender Legal Paid by Applicant	75,000	551	50,000
Other: Partnership Legal	160,000	1,176	120,000
Total Attorney Costs	235,000	1,728	170,000
RESERVES	-		-
3-Month Operating Reserve	456,926	3,360	-
Total Reserve Costs	456,926	3,360	-
APPRAISAL	-		-
Total Appraisal Costs	5,000	37	5,000
Total Contingency Cost	3,165,043	23,272	3,165,043
OTHER PROJECT COSTS	-		-
TCAC/CDLAC App/Allocation/Monitoring Fees	457,000	3,360	-
Environmental Audit	15,000	110	15,000
Local Development Impact Fees	1,530,263	11,252	1,530,263
Permit Processing Fees	1,235,683	9,086	1,235,683
Marketing	82,000	603	-
Furnishings	275,000	2,022	275,000
Market Study	6,500	48	6,500
Accounting/Reimbursables	90,000	662	25,000
Soft Cost Contingency	535,000	3,934	500,000
Other: Relocation	608,500	4,474	-
Other: Organizational	30,200	222	15,000
Other: (Utilities)	307,000	2,257	307,000
Total Other Costs	5,172,146	38,030	3,909,446
SUBTOTAL PROJECT COST	64,810,959	476,551	53,477,339
DEVELOPER COSTS	-		-
Developer Overhead/Profit	2,200,000	16,176	1,400,000
Total Developer Costs	2,200,000	16,176	1,400,000
TOTAL PROJECT COSTS	67,010,959	492,728	54,877,339

INCOME

DeTurk Winery

HUD/TCAC

Sonoma	Efficiency	1 Bed	2 Bed	3 Bed	Notes
Rent @ 100% AMI 2020	\$1,990	\$2,130	\$2,557	\$2,953	TCAC 2020 Rents - Sonoma County
Utility Allowance	\$46	\$52	\$69	\$86	Santa Rosa Housing Authority - 05.01.2019
HUD FMR	\$1,302	\$1,489	\$1,949	\$2,798	HUD FMR FY 2020

Total Units 136

Unit Breakdown

Type	Unit/Sq. Ft.	# of Units	AMI Restrictions	Rent/Unit	sq. ft. price	Utility Allow.	Rent Received	Total Rent	Subsidy Units	Subsidy Rent	Difference Rent vs. Subsidy	Total Overhang Income
0 Bed	440	3	30%	\$ 597		\$ 46	\$ 551	\$ 1,653		\$ -	\$ -	\$ -
0 Bed	440	20	45%	\$ 896		\$ 46	\$ 850	\$ 16,990		\$ -	\$ -	\$ -
0 Bed	440	4	60%	\$ 1,194		\$ 46	\$ 1,148	\$ 4,592		\$ -	\$ -	\$ -
1 Bed	620	3	30%	\$ 639	\$ 1.03	\$ 52	\$ 587	\$ 1,761		\$ -	\$ -	\$ -
1 Bed	620	6	45%	\$ 959	\$ 1.55	\$ 52	\$ 907	\$ 5,439		\$ -	\$ -	\$ -
1 Bed	620	32	60%	\$ 1,278	\$ 2.06	\$ 52	\$ 1,226	\$ 39,232		\$ -	\$ -	\$ -
2 Bed	898	4	30%	\$ 767	\$ 0.85	\$ 69	\$ 698	\$ 2,792		\$ -	\$ -	\$ -
2 Bed	898	6	45%	\$ 1,151	\$ 1.28	\$ 69	\$ 1,082	\$ 6,489		\$ -	\$ -	\$ -
2 Bed	898	21	60%	\$ 1,534	\$ 1.71	\$ 69	\$ 1,465	\$ 30,765		\$ -	\$ -	\$ -
3 Bed	1078	4	30%	\$ 886	\$ 0.82	\$ 86	\$ 800	\$ 3,200	4	\$ 2,798	\$ 1,912	\$ 7,648
3 Bed	1078	14	35%	\$ 1,034	\$ 0.96	\$ 86	\$ 948	\$ 13,267	4	\$ 2,798	\$ 1,764	\$ 7,057
3 Bed	1078	10	45%	\$ 1,329	\$ 1.23	\$ 86	\$ 1,243	\$ 12,430		\$ -	\$ -	\$ -
3 Bed	1078	7	60%	\$ 1,772	\$ 1.64	\$ 86	\$ 1,686	\$ 11,802		\$ -	\$ -	\$ -
Mngr Units (2bd)	898	2	100%	\$ 2,557	\$ 2.85	\$ -	\$ 2,557	\$ 5,113		\$ -	\$ -	\$ -
Avg/Total	770	136	49.55%	\$ 1,012		\$ 54	\$ 1,106	\$ 155,526	8			\$ 14,705

Monthly Rent < 60% AMI	\$ 155,526		
Monthly Rent from Moderate & Market	\$ -		
Total Monthly	\$ 155,526	Total Monthly Overhang Inc	\$ 14,705
Total Annual Rent	\$ 1,866,308.00	Total Annual Overhang Inc	\$ 176,464

Annual Rent < 60% AMI	\$ 1,866,308.00	Total Annual Overhang Inc	\$ 176,464
Vacancy 7.0%	\$ (130,642)	Vacancy 5.0%	\$ (8,823)
Overhang Income	\$ 176,464.00	Effective Gross Income	\$ 167,641
Vacancy 5.0%	\$ (8,823)		
Other Income \$ 50.00	\$ 81,600		
Vacancy 25.0%	\$ (20,400)		
Effective Gross Income	\$ 1,964,507		

OPERATING EXPENSES

Expenses	Budget	Per Unit	Per Month
		136	
Salaries & Benefits			
Manager	\$ 45,000	\$ 331	\$ 3,750
Asst. Manager(s)	\$ 40,000	\$ 294	\$ 3,333
Employee Apartment (manager/maint.)	\$ 61,360	\$ 451	\$ 5,113
Employee Burden	\$ 48,299	\$ 355	\$ 4,025
Total Salaries & Benefits	\$ 194,659	\$ 1,431	\$ 16,222
Administrative	\$ 26,000	\$ 191	\$ 2,167
Business License Tax	\$ 500	\$ 4	\$ 42
Advertising/Marketing	\$ 1,000	\$ 7	\$ 83
Repairs & Maint.			
Maintenance Manager	\$ 40,000	\$ 294	\$ 3,333
Asst. Maintenance (Porter)	\$ 40,000	\$ 294	\$ 3,333
Apartment Allowance	\$ -	\$ -	\$ -
Employee Burden	\$ 26,400	\$ 194	\$ 2,200
Painting & Cleaning	\$ 40,800	\$ 300	\$ 3,400
Repairs & Maint.	\$ 40,800	\$ 300	\$ 3,400
Total Repairs & Maintenance	\$ 215,500	\$ 1,585	\$ 17,958
Contract Services			
Elevator Service Contract	\$ 15,000	\$ 110	\$ 1,250
Fire Sprinkler/Alarm Service	\$ 4,500	\$ 33	\$ 375
Trash	\$ 32,640	\$ 240	\$ 2,720
Pest Control	\$ 7,500	\$ 55	\$ 625
Landscape/Grounds Maintenance	\$ 18,000	\$ 132	\$ 1,500
Total Contract Services	\$ 77,640	\$ 571	\$ 6,470
Utilities			
Electric	\$ 54,400	\$ 400	\$ 4,533
Water & Sewer	\$ 95,200	\$ 700	\$ 7,933
Gas	\$ 18,360	\$ 135	\$ 1,530
Total Utilities	\$ 167,960	\$ 1,235	\$ 13,997
Management Fees	\$ 106,219	\$ 781	\$ 8,852
Legal	\$ 8,500	\$ 63	\$ 708
Accounting / Audit	\$ 10,000	\$ 74	\$ 833
Real Estate Taxes (Market Rate)	\$ 15,000	\$ 110	\$ 1,250
Insurance	\$ 61,200	\$ 450	\$ 5,100
Replacement Reserves	\$ 34,000	\$ 250	\$ 2,833
Activity Fee	\$ 25,000	\$ 184	\$ 2,083
Total Other	\$ 259,919	\$ 1,911	\$ 21,660
Total Expenses	\$ 915,677	\$ 6,733	\$ 76,306
TCAC Core Expenses		\$ 6,189	
Additional Project Expenses:			
Asset Management Fee - LP	\$ 5,000	\$ 37	\$ 417
Asset Management Fee - AGP	\$ 2,500	\$ 18	\$ 208
Managing General Partner Fee	\$ 7,500	\$ 55	\$ 625
Total	\$ 15,000	\$ 110	\$ 1,250

20 YR-CASH FLOW

DeTurk Winery Village (Phase 1)

Calendar Year	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Stabilized Year	1	2	3	4	5	6	7	8	9	10
Revenues:										
Gross Potential Rent	\$ 1,866,308	\$ 1,912,966	\$ 1,960,790	\$ 2,009,810	\$ 2,060,055	\$ 2,111,556	\$ 2,164,345	\$ 2,218,454	\$ 2,273,915	\$ 2,330,763
Overhang Income	\$ 176,464	\$ 180,876	\$ 185,397	\$ 190,032	\$ 194,783	\$ 199,653	\$ 204,644	\$ 209,760	\$ 215,004	\$ 220,379
Other Income	\$ 81,600	\$ 83,640	\$ 85,731	\$ 87,874	\$ 90,071	\$ 92,323	\$ 94,631	\$ 96,997	\$ 99,422	\$ 101,907
Vacancy GPR	\$ (130,642)	\$ (133,908)	\$ (137,255)	\$ (140,687)	\$ (144,204)	\$ (147,809)	\$ (151,504)	\$ (155,292)	\$ (159,174)	\$ (163,153)
Vacancy Overhang	\$ (8,823)	\$ (9,044)	\$ (9,270)	\$ (9,502)	\$ (9,739)	\$ (9,983)	\$ (10,232)	\$ (10,488)	\$ (10,750)	\$ (11,019)
Vacancy Other Income	\$ (20,400)	\$ (20,910)	\$ (21,433)	\$ (21,969)	\$ (22,518)	\$ (23,081)	\$ (23,658)	\$ (24,249)	\$ (24,855)	\$ (25,477)
Total Net Revenues	1,964,507	2,013,620	2,063,960	2,115,559	2,168,448	2,222,660	2,278,226	2,335,182	2,393,561	2,453,400
Total Expenses:	915,677	946,311	978,012	1,010,819	1,044,769	1,079,902	1,116,260	1,153,886	1,192,824	1,233,119
Net Operating Income:	1,048,830	1,067,309	1,085,948	1,104,741	1,123,680	1,142,758	1,161,966	1,181,296	1,200,738	1,220,282
Debt Service:										
Total Perm Debt	912,026	912,026	912,026	912,026	912,026	912,026	912,026	912,026	912,026	912,026
	1.150	1.17	1.19	1.21	1.23	1.25	1.27	1.30	1.32	1.34
Cash Flow After Debt Service	136,804	155,283	173,922	192,715	211,654	230,732	249,940	269,270	288,712	308,256

20 YR-CASH FLOW

DeTurk Winery Village (Phase 1)

Calendar Year	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Stabilized Year	11	12	13	14	15	16	17	18	19	20
Revenues:										
Gross Potential Rent	\$ 2,389,032	\$ 2,448,758	\$ 2,509,977	\$ 2,572,726	\$ 2,637,044	\$ 2,702,970	\$ 2,770,545	\$ 2,839,808	\$ 2,910,804	\$ 2,983,574
Overhang Income	\$ 225,889	\$ 231,536	\$ 237,324	\$ 243,258	\$ 249,339	\$ 255,572	\$ 261,962	\$ 268,511	\$ 275,224	\$ 282,104
Other Income	\$ 104,455	\$ 107,066	\$ 109,743	\$ 112,487	\$ 115,299	\$ 118,181	\$ 121,136	\$ 124,164	\$ 127,268	\$ 130,450
Vacancy GPR	\$ (167,232)	\$ (171,413)	\$ (175,698)	\$ (180,091)	\$ (184,593)	\$ (189,208)	\$ (193,938)	\$ (198,787)	\$ (203,756)	\$ (208,850)
Vacancy Overhang	\$ (11,294)	\$ (11,577)	\$ (11,866)	\$ (12,163)	\$ (12,467)	\$ (12,779)	\$ (13,098)	\$ (13,426)	\$ (13,761)	\$ (14,105)
Vacancy Other Income	\$ (26,114)	\$ (26,767)	\$ (27,436)	\$ (28,122)	\$ (28,825)	\$ (29,545)	\$ (30,284)	\$ (31,041)	\$ (31,817)	\$ (32,612)
Total Net Revenues	2,514,735	2,577,604	2,642,044	2,708,095	2,775,797	2,845,192	2,916,322	2,989,230	3,063,961	3,140,560
Total Expenses:	1,274,819	1,317,973	1,362,633	1,408,849	1,456,678	1,506,175	1,557,398	1,610,408	1,665,268	1,722,041
Net Operating Income:	1,239,916	1,259,630	1,279,411	1,299,245	1,319,119	1,339,017	1,358,924	1,378,822	1,398,693	1,418,519
Debt Service:										
Total Perm Debt	912,026	912,026	912,026	912,026	912,026	912,026	912,026	912,026	912,026	912,026
	1.36	1.38	1.40	1.42	1.45	1.47	1.49	1.51	1.53	1.56
Cash Flow After Debt Service	327,890	347,604	367,385	387,220	407,093	426,991	446,898	466,796	486,667	506,493