

DEVELOPMENT BUDGET

2/7/2019

	HCD VHHP	HEAP	2019 Santa Rosa Housing Auth.	Other Local Funding	FHLBSF Afford. Hsg. Program	TOTAL
SOURCE TOTAL AMOUNTS	\$2,117,160	\$1,000,000	\$285,000	\$2,289,514	\$287,500	\$5,979,174

USES - DESCRIPTION	TOTAL					
CTS/special species off-site mitigation	600,000		\$495,000		\$105,000	\$600,000
Closing/Holding Period Costs	5,000			\$5,000		\$5,000
TOTAL MITIGATION/CLOSING/HOLDING	\$605,000	\$0	\$495,000	\$5,000	\$105,000	\$605,000

Construction Contract	3,172,540	\$1,792,160		\$1,092,880	\$287,500	\$3,172,540
Construction Contingency	317,254			\$317,254		\$317,254
Personal Property	25,000			\$25,000		\$25,000
TOTAL DIRECT CONSTRUCTION	\$3,514,794	\$1,792,160	\$0	\$1,435,134	\$287,500	\$3,514,794

Architects	90,000		\$35,000	\$35,000	\$20,000	\$90,000
Owner's Rep						\$0
Engineering	110,000		\$60,000	\$40,000	\$10,000	\$110,000
Environmental - Phase I/II, NEPA	60,000		\$15,000	\$45,000		\$60,000
Hazardous Materials Consultants						\$0
Other Consultants	25,000		\$5,000	\$5,000	\$15,000	\$25,000
Zoning/Planning Fees	22,000			\$22,000		\$22,000
Building Permit Fees	30,000		\$30,000			\$30,000
Other Public Fees	193,800		\$178,800		\$15,000	\$193,800
Legal Fees	15,000		\$5,000	\$5,000	\$5,000	\$15,000
Financial/Project Mgmt. Consulting Fees	120,000		\$30,000	\$48,000	\$42,000	\$120,000
Loan Fees	40,000		\$30,000	\$5,000	\$5,000	\$40,000
Relocation Consultant	20,000			\$10,000	\$10,000	\$20,000
Relocation Benefits	115,500				\$115,500	\$115,500
Relocation - Legal Fees						\$0
Appraisal	13,500		\$7,500	\$6,000		\$13,500
Construction Loan Interest	80,000				\$80,000	\$80,000
Security	20,000				\$20,000	\$20,000
Accounting/Cost Certification	6,000				\$6,000	\$6,000
Title/Escrow/Insurance/Taxes	35,000		\$5,000	\$10,500	\$19,500	\$35,000
Rent-Up/Marketing	10,000				\$10,000	\$10,000
						\$0
TOTAL PREDEVELOPMENT/SOFT COSTS	1,005,800	\$0	\$401,300	\$231,500	\$373,000	\$1,005,800

Soft Cost Contingency	10.0%	100,580		\$13,700	\$18,500	\$68,380	\$100,580
Operating/Cash Flow/ Transition Reserve		300,000	\$300,000				\$300,000
Initial Replacement Reserves		25,000	\$25,000				\$25,000
TOTAL CONTINGENCY AND RESERVES		\$425,580	\$325,000	\$13,700	\$18,500	\$68,380	\$425,580

DEVELOPER FEE		428,000	\$428,000	\$90,000	\$30,000	\$308,000	\$428,000
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TOTAL DEVELOPMENT BUDGET		\$5,979,174	\$2,117,160	\$1,000,000	\$285,000	\$2,289,514	\$287,500	\$5,979,174
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COMMUNITY HOUSING SONOMA COUNTY
30-YEAR CASH FLOW
HEARN VETERANS VILLAGE
2/13/2019

	Year	1	2	3	4	5	6	7	8	9	10	11	12
EFFECTIVE GROSS INCOME													
A. Residential Rents	2.0%	248,292	253,258	258,323	263,489	268,759	274,134	279,617	285,209	290,914	296,732	302,667	308,720
B. Residential Vacancy	10.0%	(24,829)	(25,326)	(25,832)	(26,349)	(26,876)	(27,413)	(27,962)	(28,521)	(29,091)	(29,673)	(30,267)	(30,872)
E. Other Income	2.0%	2,496	2,546	2,597	2,649	2,702	2,756	2,811	2,867	2,924	2,983	3,043	3,103
TOTAL EGI		225,959	230,478	235,088	239,789	244,585	249,477	254,466	259,556	264,747	270,042	275,443	280,951
OPERATING EXPENSES													
Administrative/Management Expenses	3.0%	103,587	106,695	109,896	113,193	116,588	120,086	123,689	127,399	131,221	135,158	139,213	143,389
Utility Expenses	3.0%	16,624	17,123	17,636	18,165	18,710	19,272	19,850	20,445	21,059	21,691	22,341	23,012
Operating & Maintenance	3.0%	23,098	23,791	24,505	25,240	25,997	26,777	27,580	28,408	29,260	30,138	31,042	31,973
Taxes & Insurance	3.0%	16,100	16,583	17,080	17,593	18,121	18,664	19,224	19,801	20,395	21,007	21,637	22,286
Reserves	0.0%	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400
TOTAL EXPENSES		173,809	178,592	183,517	188,591	193,817	199,199	204,743	210,453	216,335	222,393	228,633	235,060
NET OPERATING INCOME		52,149	51,886	51,570	51,198	50,768	50,278	49,723	49,102	48,412	47,649	46,810	45,892
Debt Service (Required VHHP 0.42% pymt)		8,892	8,892	8,892	8,892	8,892	8,892	8,892	8,892	8,892	8,892	8,892	8,892
NET INCOME AFTER DEBT SERVICE		43,257	42,994	42,678	42,306	41,876	41,386	40,831	40,210	39,520	38,757	37,918	36,999
Net Cash Flow		43,257	42,994	42,678	42,306	41,876	41,386	40,831	40,210	39,520	38,757	37,918	36,999

COMMUNITY HOUSING SONOMA COUNTY
30-YEAR CASH FLOW
HEARN VETERANS VILLAGE
2/13/2019

	Year	13	14	15	16	17	18	19	20	21	22	23	24
EFFECTIVE GROSS INCOME													
A. Residential Rents	2.0%	314,894	321,192	327,616	334,168	340,852	347,669	354,622	361,715	368,949	376,328	383,854	391,531
B. Residential Vacancy	10.0%	(31,489)	(32,119)	(32,762)	(33,417)	(34,085)	(34,767)	(35,462)	(36,171)	(36,895)	(37,633)	(38,385)	(39,153)
E. Other Income	2.0%	3,166	3,229	3,293	3,359	3,426	3,495	3,565	3,636	3,709	3,783	3,859	3,936
TOTAL EGI		286,570	292,302	298,148	304,111	310,193	316,397	322,725	329,179	335,763	342,478	349,328	356,314
OPERATING EXPENSES													
Administrative/Management Expenses	3.0%	147,691	152,122	156,685	161,386	166,227	171,214	176,351	181,641	187,090	192,703	198,484	204,439
Utility Expenses	3.0%	23,702	24,413	25,145	25,900	26,677	27,477	28,301	29,150	30,025	30,926	31,853	32,809
Operating & Maintenance	3.0%	32,932	33,920	34,938	35,986	37,066	38,177	39,323	40,502	41,718	42,969	44,258	45,586
Taxes & Insurance	3.0%	22,955	23,643	24,353	25,083	25,836	26,611	27,409	28,231	29,078	29,951	30,849	31,775
Reserves	0.0%	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400
TOTAL EXPENSES		241,680	248,498	255,521	262,755	270,205	277,879	285,784	293,925	302,311	310,948	319,845	329,008
NET OPERATING INCOME		44,891	43,804	42,627	41,356	39,988	38,517	36,941	35,254	33,452	31,530	29,483	27,306
Debt Service (Required VHHP 0.42% pymt)		8,892	8,892	8,892	8,892	8,892	8,892	8,892	8,892	8,892	8,892	8,892	8,892
NET INCOME AFTER DEBT SERVICE		35,999	34,912	33,735	32,464	31,096	29,625	28,049	26,362	24,560	22,638	20,591	18,414
Net Cash Flow		35,999	34,912	33,735	32,464	31,096	29,625	28,049	26,362	24,560	22,638	20,591	18,414

**COMMUNITY HOUSING SONOMA COUNTY
OPERATING BUDGET
HEARN VETERANS VILLAGE - Phase 2
2/13/2019**

ANNUAL RENTAL INCOME

# units	Unit type	
22	VASH-assisted units (1)	248,292
1	non-VASH units (rents at VHHP 2018 25% AMI - \$430 gross)	5,160
1	Manager's units	0
24	TOTAL ANNUAL INCOME	248,292

ANNUAL OPERATING EXPENSES

		Per Unit	Per Month
ADMINISTRATIVE/MANAGEMENT EXPENSES			
Property Management Fee - EBMC	19,863	828	1,655
On-site manager (part-time)	24,000	1,000	2,000
Services Coordination	40,000	1,667	3,333
Asset Management Fee - CHSC	12,480	520	1,040
Administrative Expenses (credit checks, criminal rpts., etc.)	2,420	101	202
Legal and Audit	2,024	84	169
HASR Monitoring Fee	600	25	50
Miscellaneous	2,200	92	183
SUBTOTAL ADMINISTRATIVE	103,587	4,316	8,632
UTILITY EXPENSES			
Gas & Electricity	7,600	317	633
Water			
Sewer & Waste Removal	9,024	376	752
SUBTOTAL UTILITIES	16,624	693	1,385
OPERATING & MAINTENANCE EXPENSES			
Furnishings/supplies/equipment	5,500	229	458
Pest Control	1,098	46	92
Repairs and Maintenance	16,500	688	1,375
SUBTOTAL OPERATING & MAINTENANCE	23,098	962	1,925
TAXES & INSURANCE			
Payroll taxes	7,840	327	653
Worker's compensation	3,200	133	267
Property Taxes/Assessments	660	28	55
Property Insurance	4,400	183	367
SUBTOTAL TAXES & INSURANCE	16,100	671	1,342
RESERVE ACCOUNTS			
Replacement Reserve	14,400	600	1,200
TOTAL OPERATING EXPENSES	173,809	7,242	14,484

Notes

(1) 100% 2019 Effici. FMR (\$1,254) x 75% (for SRO rate) = \$941

\$941