

828 MLK - Private Development Scenarios

1/17/2022

ASSUMPTIONS

12

Affordable Housing Calculations										
		Annual			Housing Burden	Annual	Monthly	Utilities	Net Rent	\$ Rent / SF
120% AMI	120%	\$103,920.00			30%	\$31,176.00	\$2,598.00	\$300	\$2,298.00	\$2.63
100% AMI	100%	\$86,600.00			30%	\$25,980.00	\$2,165.00	\$300	\$1,865.00	\$2.13
Median Household Income		\$86,600.00	875		30%	\$25,980.00				
80% AMI	80%	\$69,280.00			30%	\$20,784.00	\$1,732.00	\$300	\$1,432.00	\$1.64
60% AMI	60%	\$51,960.00			30%	\$15,588.00	\$1,299.00	\$300	\$999.00	\$1.14
30% AMI	30%	\$25,980.00			30%	\$7,794.00	\$649.50	\$300	\$349.50	\$0.40
Work Force 1	106%	\$92,150.00			30%	\$27,645.00	\$2,303.75	\$300	\$2,003.75	\$2.29
Work Force 2	107%	\$92,500.00			30%	\$27,750.00	\$2,312.50	\$300	\$2,012.50	\$2.30
Work Force 3	111%	\$96,000.00			30%	\$28,800.00	\$2,400.00	\$300	\$2,100.00	\$2.40

Construction & Parking Expenses										
Multi Family Construction Cost		\$175,000 per unit								
Parking Deck Construction Cost		\$20,000 per space			450 spaces	(unless noted)		TOTAL	\$9,000,000	
Lease Spaces to MF @		\$125 per space			per month					

Housing Scenarios - Pro Forma Summary										
Unit Count - % of Total ADU Units - % of AMI										
	150 Multi-Family UNITS			200 Multi-Family UNITS			250 Multi-Family UNITS			
Pro Forma Results	150-100%-111%	150-15%-80%	150-30%-60%	200-100%-107%	200-15%-80%	200-30%-60%	250-100%-106%	250-15%-80%	250-30%-60%	250-30%-30%
	Work Force 3	80% AMI	60% AMI	Work Force 2	80% AMI	60% AMI	Work Force 1	80% AMI	60% AMI	30% AMI
UNITS	150	150	150	200	200	200	250	250	250	250
% ADU	0%	15%	30%	0%	15%	30%	0%	15%	30%	30%
% AMI	111%	80%	60%	107%	80%	60%	106%	80%	60%	30%
MF Sq. Ft.	146,550	146,550	146,550	195,400	195,400	195,400	244,250	244,250	244,250	244,250
Shared Cost	53%	53%	53%	58%	58%	58%	63%	63%	63%	63%
Land Value	\$0	\$0	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000
Annual Subsidy	\$0	\$150,000	\$600,000	\$0	\$0	\$550,000	\$0	\$0	\$700,000	\$1,300,000
MF Vacancy	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
FINANCING										
Int. Rate	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%	4.75%
Debt Coverage	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.21	1.21	1.20
Loan to Cost	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80
Loan to Value	0.72	0.73	0.72	0.73	0.72	0.72	0.72	0.72	0.72	0.72
Return on Cost	6.09%	6.05%	6.09%	6.07%	6.09%	6.09%	6.08%	6.13%	6.12%	6.08%
Return on Equity	5.16%	4.99%	5.18%	5.06%	5.16%	5.14%	5.10%	5.35%	5.29%	5.12%

ADJUSTMENTS:

Land Value:	(\$2,200,000)	(\$2,200,000)	\$0	\$0
Annual Subsidy:	\$0	\$450,000	\$460,000	\$375,000