

Miramar Affordable Housing

Analysis of Developer Contribution - 42 Unit
Does Not Include Developer Costs of Capital

	<u>9% Tax Credit</u>	<u>4% Tax Credit</u>	<u>No Tax Credit</u>
Total Project Cost			
Land ¹	\$12,750,000	\$12,750,000	\$12,750,000
Hard Costs ²	\$20,777,359	\$20,777,359	\$20,777,359
Soft Costs (exc. Financing) ²	\$5,146,558	\$6,046,629	\$5,146,558
Financing Costs ²	\$1,625,999	\$1,525,640	\$1,625,999
Total Project Cost³	\$40,299,916	\$41,099,628	\$40,299,916
Sources			
Tax Credit Financing	\$22,795,275	\$9,873,518	\$0
Other Financing	\$1,713,576	\$3,758,342	\$0
Developer			
Land	\$12,750,000	\$12,750,000	\$12,750,000
Gap Financing	\$3,041,065	\$14,717,768	\$27,549,916
Subtotal Developer³	\$15,791,065	\$27,467,768	\$40,299,916
Total	\$40,299,916	\$41,099,628	\$40,299,916

¹ 15,000sf at \$850psf

² Community Corporation estimates (general contractor estimate, architecture, engineering, legal, financing/interest etc.)

³ This figure does not include the developer's cost of capital. As provided in our financial feasibility analysis, we believe the total project costs will be paid 55% Debt at an interest rate of 7% and 45% Equity. The absolute minimum annual return on equity would be 12%, and would likely be higher. If we have 55% Debt at 7%, and 45% Equity at 12%, the total annual cost of capital would be 9.05%. The project length is 3 years. Using those assumptions, the developer's cost of capital is estimated at \$7.5 million in the 4% option and \$4.3 million in the 9% option and \$10.9M in the no tax credit option.