

## Hobson Pike Sources & Uses

UNIT TYPE	SQ FEET	UNITS	RENTS
1.1 60% AMI	710	87	\$837
1.1 >80% AMI	710	1	\$1,050
2.2 60% AMI	1,063	120	\$1,000
3.2 60% AMI	1,250	88	\$1,153
4.3 60% AMI	1,500	24	\$1,281
4.3 50% AMI	1,500	4	\$1,049
<b>TOTAL</b>	<b>342,048</b>	<b>324</b>	

SOURCES	Total
Permanent financing	\$34,230,000
LP Equity	\$19,355,811
Barnes Fund	\$2,000,000
Elmington loan	\$1,000,000
Federal commitment	\$8,000
Deferred Fee	\$11,646,458
<b>TOTAL SOURCES</b>	<b>\$68,240,269</b>

USES	Total
Land Purchase	\$1,779,110
Construction - Hard	\$45,360,000
Const - Contingency	\$2,268,000
Furniture, Fixtures & Equipment	\$200,000
Architect Design Fees	\$1,071,630
Arch Inspection/Other	\$160,000
Environmental Phase I & Phase II	\$7,500
Boundary & As-Built Survey	\$10,000
Plan and Cost Review	\$20,000
Taxes and Insurance	\$276,904
THDA- Reservation & Application Fee	\$113,960
THDA - Monitoring Fee	\$194,400
Legal	\$300,000
Market study	\$6,000
Appraisal	\$6,000
Electric & Sewer Tap Fees	\$150,000
Lease-up expense	\$50,000
Lease-up support	\$8,000
Cost cert	\$20,000
Construction loan origination fee	\$200,000
THDA Bond Fees	\$417,260
TEFRA Fees	\$15,000
Construction interest	\$1,250,000
Title Down Dates	\$30,000
I-Preo	\$1,000
DTC	\$1,000
CUSIP	\$500
Escrow Bidding Agent	\$5,000
Travel, Misc	\$500
Bond Counsel	\$40,000
Underwriter's Counsel	\$25,000
Issuer - Closing Fee	\$20,000
Issuer - Admin/Compliance Fee	\$25,000
Issuer's Counsel	\$17,500
Rating Agency - Standard & Poor's	\$5,000
Trustee Fee	\$5,000
Trustee's Counsel	\$5,000
Materials testing	\$30,000
Printing - Imagemaster	\$3,000
Verification Agent	\$3,500
Perm Loan Origination Fee	\$342,300
Perm loan underwriting/processing expenses	\$105,000
Construction loan underwriting/processing expenses	\$5,000
Equity underwriting/processing expenses/bank fees	\$10,000
Operating Reserve	\$1,177,205
Soft cost contingency	\$250,000
Developer Fee	\$12,250,000
<b>TOTAL USES</b>	<b>\$68,240,269</b>





**BARNES HOUSING TRUST FUND RENTAL OPERATING PROFORMA**

	Annual Inflation Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>REVENUE</b>											
Gross Rent	2%	4,046,568	4,127,499	4,210,049	4,294,250	4,380,135	4,467,738	4,557,093	4,648,235	4,741,199	4,836,023
Vacancy Rate		5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
<b>Adjusted Gross Income</b>		3,844,240	3,921,124	3,999,547	4,079,538	4,161,129	4,244,351	4,329,238	4,415,823	4,504,139	4,594,222
Other Income	2%	84,240	85,925	87,643	89,396	91,184	93,008	94,868	96,765	98,701	100,675
Operational Subsidies											
<b>Gross Income</b>		3,928,480	4,007,049	4,087,190	4,168,934	4,252,313	4,337,359	4,424,106	4,512,588	4,602,840	4,694,897
<b>Operating Expenses</b>											
Administrative	3%	(68,040)	(70,081)	(72,184)	(74,349)	(76,580)	(78,877)	(81,243)	(83,681)	(86,191)	(88,777)
Maintenance/Upkeep	3%	(168,480)	(173,534)	(178,740)	(184,103)	(189,626)	(195,314)	(201,174)	(207,209)	(213,425)	(219,828)
Utilities/Trash	3%	(226,800)	(233,604)	(240,612)	(247,830)	(255,265)	(262,923)	(270,811)	(278,935)	(287,303)	(295,923)
Taxes	3%	(525,000)	(540,750)	(556,973)	(573,682)	(590,892)	(608,619)	(626,877)	(645,684)	(665,054)	(685,006)
Insurance	3%	(84,698)	(87,239)	(89,856)	(92,552)	(95,328)	(98,188)	(101,134)	(104,168)	(107,293)	(110,512)
Legal	3%	(9,720)	(10,012)	(10,312)	(10,621)	(10,940)	(11,268)	(11,606)	(11,954)	(12,313)	(12,682)
Advertising	3%	(9,720)	(10,012)	(10,312)	(10,621)	(10,940)	(11,268)	(11,606)	(11,954)	(12,313)	(12,682)
Supplies	3%	(19,207)	(19,783)	(20,377)	(20,988)	(21,618)	(22,266)	(22,934)	(23,622)	(24,331)	(25,061)
Exterminating	3%	(42,120)	(43,384)	(44,685)	(46,026)	(47,406)	(48,829)	(50,293)	(51,802)	(53,356)	(54,957)
Other	3%	(558,364)	(575,115)	(592,368)	(610,139)	(628,444)	(647,297)	(666,716)	(686,717)	(707,319)	(728,538)
<b>Total Operating Expense</b>		(1,712,149)	(1,763,513)	(1,816,419)	(1,870,911)	(1,927,039)	(1,984,850)	(2,044,395)	(2,105,727)	(2,168,899)	(2,233,966)
Reserve for Replacement	3%	(81,000)	(83,430)	(85,933)	(88,511)	(91,166)	(93,901)	(96,718)	(99,620)	(102,608)	(105,687)
<b>Net Operating Income</b>		2,135,331	2,160,106	2,184,838	2,209,512	2,234,108	2,258,608	2,282,992	2,307,241	2,331,332	2,355,244
<b>DEBT SERVICE - Sources</b>											
Citi		(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)
Elmington (below the line - not includable in DSCR)		(159,519)	(159,519)	(159,519)	(159,519)	(159,519)	(159,519)	(159,519)	(159,519)	(159,519)	(159,519)
<b>Total Debt Service</b>		(1,940,657)	(1,940,657)	(1,940,657)	(1,940,657)	(1,940,657)	(1,940,657)	(1,940,657)	(1,940,657)	(1,940,657)	(1,940,657)
Debt Coverage Ratio		1.20	1.21	1.23	1.24	1.25	1.27	1.28	1.30	1.31	1.32
Operating Reserve	N/A - capitalized in S&U										
<b>TOTAL CASH FLOW</b>		194,674	219,449	244,181	268,855	293,451	317,951	342,335	366,584	390,675	414,587

**BARNES HOUSING TRUST FUND RENTAL OPERATING PROFORMA**

	Annual Inflation Rate	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
<b>REVENUE</b>											
Gross Rent	2%	4,932,744	5,031,399	5,132,027	5,234,667	5,339,361	5,446,148	5,555,071	5,666,172	5,779,496	5,895,085
Vacancy Rate		5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
<b>Adjusted Gross Income</b>		4,686,107	4,779,829	4,875,425	4,972,934	5,072,393	5,173,840	5,277,317	5,382,864	5,490,521	5,600,331
Other Income	2%	102,688	104,742	106,837	108,973	111,153	113,376	115,643	117,956	120,315	122,722
Operational Subsidies											
<b>Gross Income</b>		4,788,795	4,884,571	4,982,262	5,081,907	5,183,545	5,287,216	5,392,961	5,500,820	5,610,836	5,723,053
<b>Operating Expenses</b>											
Administrative	3%	(91,440)	(94,183)	(97,009)	(99,919)	(102,917)	(106,004)	(109,184)	(112,460)	(115,834)	(119,309)
Maintenance/Upkeep	3%	(226,423)	(233,216)	(240,212)	(247,419)	(254,841)	(262,486)	(270,361)	(278,472)	(286,826)	(295,431)
Utilities/Trash	3%	(304,800)	(313,944)	(323,363)	(333,063)	(343,055)	(353,347)	(363,947)	(374,866)	(386,112)	(397,695)
Taxes	3%	(705,556)	(726,723)	(748,524)	(770,980)	(794,110)	(817,933)	(842,471)	(867,745)	(893,777)	(920,591)
Insurance	3%	(113,827)	(117,242)	(120,759)	(124,382)	(128,113)	(131,957)	(135,915)	(139,993)	(144,193)	(148,518)
Legal	3%	(13,063)	(13,455)	(13,858)	(14,274)	(14,702)	(15,143)	(15,598)	(16,066)	(16,548)	(17,044)
Advertising	3%	(13,063)	(13,455)	(13,858)	(14,274)	(14,702)	(15,143)	(15,598)	(16,066)	(16,548)	(17,044)
Supplies	3%	(25,813)	(26,587)	(27,385)	(28,206)	(29,052)	(29,924)	(30,822)	(31,746)	(32,699)	(33,680)
Exterminating	3%	(56,606)	(58,304)	(60,053)	(61,855)	(63,710)	(65,622)	(67,590)	(69,618)	(71,706)	(73,858)
Other	3%	(750,395)	(772,906)	(796,094)	(819,976)	(844,576)	(869,913)	(896,010)	(922,891)	(950,577)	(979,095)
<b>Total Operating Expense</b>		(2,300,985)	(2,370,015)	(2,441,115)	(2,514,349)	(2,589,779)	(2,667,472)	(2,747,497)	(2,829,921)	(2,914,819)	(3,002,264)
Reserve for Replacement	3%	(108,857)	(112,123)	(115,487)	(118,951)	(122,520)	(126,195)	(129,981)	(133,881)	(137,897)	(142,034)
<b>Net Operating Income</b>		2,378,952	2,402,433	2,425,660	2,448,607	2,471,247	2,493,549	2,515,483	2,537,018	2,558,120	2,578,755
<b>DEBT SERVICE - Sources</b>											
Citi		(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)
Elmington (below the line - not includable in DSCR)		0	0	0	0	0	0	0	0	0	0
<b>Total Debt Service</b>		(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)	(1,781,138)
Debt Coverage Ratio		1.34	1.35	1.36	1.37	1.39	1.40	1.41	1.42	1.44	1.45
Operating Reserve	N/A - capitalized in S&U										
<b>TOTAL CASH FLOW</b>		597,814	621,295	644,522	667,469	690,109	712,411	734,345	755,880	776,982	797,617

## DOCUMENTATION THAT THE PROSED RENTS ARE AFFORDABLE

### LIHTC Income Limits for 2019 (Based on 2019 MTSP Income Limits)

	Charts	60.00%	50.00%	60.00%	140.00%
1 Person	▲*	33,600	28,000	33,600	47,040
2 Person	▲*	38,400	32,000	38,400	53,760
3 Person	▲*	43,200	36,000	43,200	60,480
4 Person	▲*	48,000	40,000	48,000	67,200
5 Person	▲*	51,840	43,200	51,840	72,576
6 Person	▲*	55,680	46,400	55,680	77,952
7 Person	▲*	59,520	49,600	59,520	83,328
8 Person	▲*	63,360	52,800	63,360	88,704
9 Person	▲*	67,200	56,000	67,200	94,080
10 Person	▲*	71,040	59,200	71,040	99,456
11 Person	▲*	74,880	62,400	74,880	104,832
12 Person	▲*	78,720	65,600	78,720	110,208

### LIHTC Rent Limits for 2019 (Based on 2019 MTSP/VLI Income Limits)

rooms (People)	Charts	60.00%	50.00%	60.00%	FMR
Efficiency (1.0)	▲*	840	700	840	830
1 Bedroom (1.5)	▲*	900	750	900	911
2 Bedrooms (3.0)	▲*	1,080	900	1,080	1,103
3 Bedrooms (4.5)	▲*	1,248	1,040	1,248	1,455
4 Bedrooms (6.0)	▲*	1,392	1,160	1,392	1,738
5 Bedrooms (7.5)	▲*	1,536	1,280	1,536	

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA		Unit Type					Date (mm/dd/yyyy)
Davidson County		Larger Apartments (Energy Star Certified)					10/1/2019
Utility or Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	13	15	17	19	21	23
	Bottled Gas	54	64	73	82	91	100
	Electric	10	(11)	(15)	(19)	(22)	26
	Electric – Heat Pump	9	10	12	13	15	16
	Fuel Oil	0	0	0	0	0	0
	Other	0	0	0	0	0	0
Cooking	Natural Gas	17	17	18	19	20	21
	Bottled Gas	8	10	14	19	23	27
	Electric	3	(4)	(6)	(7)	(9)	11
	Other	0	0	0	0	0	0
Other Electric		31	(33)	(39)	(44)	(50)	56
Air Conditioning		5	(6)	(8)	(11)	(13)	16
Water Heating	Natural Gas	4	5	7	9	12	14
	Bottled Gas	19	22	32	42	52	62
	Electric	8	(9)	(12)	(14)	(17)	19
	Fuel Oil	0	0	0	0	0	0
Water		10	11	20	33	46	59
Sewer		20	22	38	63	87	111
Trash Collection		14	14	14	14	14	14
Other – specify		0	0	0	0	0	0
Range/Microwave		8	8	8	8	8	8
Refrigerator		12	12	12	12	12	12
<b>Actual Family Allowances</b> – May be used by the family to compute allowance while searching for a unit.					Utility/Service/Appliance	Allowance	
Head of Household Name <i>1BR-63; 2BR-80; 3BR-95; 4BR-111</i> Unit Address  Number of Bedrooms					Heating		
					Cooking		
					Other Electric		
					Air Conditioning		
					Water Heating		
					Water		
					Sewer		
					Trash Collection		
					Other		
					Range/Microwave		
Refrigerator							
Total							