

Application for Chapter 40B Project Eligibility/Site Approval for MassHousing-Financed and New England Fund (“NEF”) Homeownership Projects

Section 5: FINANCIAL INFORMATION – Site Approval Application Homeownership 40B

In order to issue Site Approval, MassHousing must find (as required by 760 CMR 56.04 (4)) that an initial pro forma has been reviewed and that the Proposed Project appears financially feasible and consistent with the Chapter 40B Guidelines, and that the Proposed Project is fundable under the applicable program.

Name of Proposed Project: Parkside Homes

Initial Capital Budget (please enter “0” when no such sales/revenue or cost is anticipated)

Sales/Revenue

Market	<u>3,549,600</u>
Affordable	<u>420,000</u>
Identity of Interest (Market)	<u> </u>
Other Income	<u> </u>
Total Sales/Revenue	<u>3,969,600</u>

Pre-Permit Land Value, Reasonable Carrying Costs

Item	Budgeted
Site Acquisition: pre-permit land value (to be determined by MassHousing commissioned appraisal) plus reasonable carrying costs.	215,943

Costs

Item	Budgeted
Acquisition Cost	
Site Acquisition: pre-permit land value (to be determined by MassHousing Commissioned Appraisal) plus reasonable carrying costs	<u>215,943</u>
Subtotal – Acquisition Costs	<u>215,943</u>
Construction Costs – Residential Construction (Hard Costs)	
Building Structure Costs	<u>1,715,000</u>
Hard Cost Contingency	<u>87,750</u>
Subtotal – Residential Construction (Hard Costs)	<u>1,802,750</u>

Costs

Item	Budgeted
Construction Costs – Site Work (Hard Costs)	
Earth Work	20,000
Utilities: On Site	10,000
Utilities: Off Site	25,000
Roads and Walks	25,000
Site Improvement	25,000
Lawns and Planting	50,000
Geotechnical Condition	0
Environmental Remediation	0
Demolition	0
Unusual Site Conditions/Other Site Work	0
Subtotal – Site Work (Hard Costs)	155,000
Construction Costs – General Conditions, Builders Overhead and Profit (Hard Costs)	
General Conditions	124,500
Builder's Overhead	124,500
Builder's Profit	41,500
Subtotal – General Conditions Builder's Overhead and Profit (Hard Costs)	290,500
General Development Costs (Soft Costs)	
Appraisal and Marketing Study <i>(not 40B "as is" appraisal)</i>	3,500
Lottery	5,000
Commissions/Advertising-Affordable	3,300
Commissions/Advertising-Market	177,500
Model Unit	5,000
Closing Costs <i>(unit sales)</i>	16,188
Real Estate Taxes <i>(during construction)</i>	9,000
Utility Usage <i>(during construction)</i>	9,000
Insurance <i>(during construction)</i>	10,000
Security <i>(during construction)</i>	5,000
Inspecting Engineer	5,000
Fees to Others	10,000
Construction Loan Interest	105,000
Fees to Construction Lender	12,000
Architectural	50,000
Engineering	25,000
Survey, Permits, etc.	60,560
Clerk of the Works	0
Construction Manager	0

Item	Budgeted
General Development Costs (Soft Costs) - Continued	
Bond Premiums (Payment/Performance/Lien Bond)	0
Legal	40,000
Title (including title insurance) and Recording	5,000
Accounting and Cost Certification (incl. 40B)	10,000
Relocation	0
40B Site Approval Processing Fee	2,500
40B Technical Assistance/Mediation Fund Fee	2,740
40B Land Appraisal Cost (as-is value)	2,500
40B Final Approval Processing Fee	2,500
40B Subsidizing Agency Cost Certification Examination Fee	2,500
40B Monitoring Agent Fees	5,000
40B Surety Fees	0
Other Financing Fees	0
Development Consultant	16,000
Other Consultants (describe)	_____
Other Consultants (describe)	_____
Soft Cost Contingency	17,663
Other General Development (Soft) Costs	_____
Subtotal - General Development Costs (Soft Costs)	617,451
Developer Overhead	
Developer Overhead	475,000
Subtotal - Developer Overhead	475,000
Summary of Subtotals	
Sales/Revenue	3,969,600
Site Acquisition	215,943
Residential Construction	1,802,750
Site Work	155,000
Builder's Overhead, Profit and General Conditions	290,500
General Development Costs	617,451
Developer Overhead	475,000
Summary	
Total Sales/Revenue	3,969,600
Total Development Costs (TDC)	3,556,644
Profit (Loss) from Sales/Revenue	412,956
Percentage of Profit (Loss) Over the Total Development Costs	11.61%