

JRE Lee Redevelopment

EXECUTIVE SUMMARY

| | |
|---------------|-------------------|
| Address | 6521 SW 62 Avenue |
| Total Units | 355 |
| Rentable Sqft | 240,501 |
| Average Size | 677 |

| SOURCES | Construction Source of Funds | | Permanent Source of Funds | |
|--------------------------|---------------------------------|----------------|------------------------------|----------------|
| | Per Unit | | Per Unit | |
| Tax Credit Equity: | 17,836,708 | 50,244 | 59,455,694 | 167,481 |
| First Mortgage: | 115,000,000 | 323,944 | 76,200,000 | 214,648 |
| Miami-Dade County Surtax | 5,000,000 | 14,085 | 5,000,000 | 14,085 |
| Deferred Developer Fee: | 21,702,347 | 61,133 | 18,883,361 | 53,193 |
| TOTAL | 159,539,055 | 449,406 | 159,539,055 | 449,406 |

| USES | Total | Per Unit |
|---|--------------------|----------------|
| Acquisition | | |
| Capitalized Lease Payment | 100,000 | 282 |
| Construction | | |
| Residential Construction | 62,125,000 | 175,000 |
| Educational Facility (CSF) | 10,000,000 | 28,169 |
| 456 Structured Parking Spaces | 11,400,000 | 32,113 |
| Commercial Space (CSF) | 3,835,500 | 10,804 |
| Sitework | 1,500,000 | 4,225 |
| GC Fees | 14% 12,440,470 | 35,044 |
| Hard Cost Contingency: | 5% 5,065,049 | 14,268 |
| Demolition & Abatement: | 350,000 | 986 |
| Total Construction: | 106,716,019 | 300,609 |
| Soft Costs | | |
| Builder's Risk & Gen Liability Ins. / P&P Bonds | 3,483,844 | 9,814 |
| Architectural & Engineering | 2,142,500 | 6,035 |
| Permits & Municipal Fees | 1,016,510 | 2,863 |
| Other Development Soft costs | 1,926,951 | 5,428 |
| Legal Fees | 645,000 | 1,817 |
| Financing Costs - Issuance & Origination | 2,901,025 | 8,172 |
| Equity Syndication Costs | 807,594 | 2,275 |
| Reserves & Escrows | 2,219,667 | 6,253 |
| Construction Interest Reserve | 13,234,200 | 37,279 |
| Soft Cost Contingency | 5% 428,490 | 1,207 |
| Soft Costs: | 28,805,781 | 81,143 |
| TOTAL COSTS before Developer Fee | 135,621,800 | 382,033 |
| Developer Fee | 18% 23,917,256 | 67,373 |
| TOTAL COSTS | 159,539,055 | 449,406 |

SCHEDULE OF FORECASTED BASE-YEAR REVENUES AND EXPENSES

2025

Project: JRE Lee Redevelopment
Project County: Miami-Dade County

LIHTC AMI:
123,900

RENT CALCULATIONS

| Unit Type | Income Level Served | Number of BRs | Unit Size in SF | Number of Units | Gross Rent Based on AMI | HUD 110% FMR | Utility Allowance | Net Rent Based on AMI | Pro Forma Rent |
|-----------|---------------------|---------------|-----------------|-----------------|-------------------------|--------------|-------------------|-----------------------|----------------|
| PBV | 20% | 1 | 554 SF | 71 | 465 | 2,195 | 128 | 337 | 2,067 |
| LIHTC | 60% | 1 | 554 SF | 50 | 1,394 | 2,072 | 85 | 1,309 | 1,309 |
| LIHTC | 80% | 1 | 554 SF | 70 | 1,859 | 2,072 | 85 | 1,774 | 1,774 |
| LIHTC | 60% | 2 | 808 SF | 67 | 1,672 | 1,015 | 135 | 1,537 | 1,537 |
| LIHTC | 80% | 2 | 808 SF | 72 | 2,229 | 1,015 | 135 | 2,094 | 2,094 |
| WKFC | 120% | 2 | 895 SF | 25 | 3,343 | 1,015 | - | 3,343 | 3,343 |
| | | | | 240,501 SF | 355 | | | | 673,674 |

ANNUAL OPERATING

| | UNTRENDED Annual | Annual Per Unit |
|---|--------------------|-----------------|
| Residential Income - Affordable | 7,081,182 | 19,947 |
| Residential Income - Workforce | 1,002,900 | 2,825 |
| Educational Facility CAM Charge | 25,000 SF \$ 10.00 | 704 |
| Commercial Space CAM Charge | 12,785 SF \$ 10.00 | 360 |
| Other Income | 177,500 | 500 |
| Gross Potential Income | 8,639,432 | 24,336 |
| Affordable Vacancy | 5% | 354,059 |
| Workforce Vacancy | 5% | 50,145 |
| Retail Vacancy | 10% | 37,785 |
| Other Income Vacancy | 5% | 8,875 |
| EFFECTIVE GROSS INCOME (EGI) | 8,188,568 | 23,066 |
| General & Administrative | 88,750 | 250 |
| Payroll | 639,000 | 1,800 |
| Utilities | 319,500 | 900 |
| Marketing | 71,000 | 200 |
| Maintenance & Repairs | 124,250 | 350 |
| Service Contracts | 124,250 | 350 |
| Management Fee | 3.0% | 245,657 |
| Professional Services | 35,500 | 100 |
| Subtotal - Controllable | 1,647,907 | 4,642 |
| Real Estate Taxes | 35,500 | 100 |
| Property & Liability Ins. | 568,000 | 1,600 |
| Replacement Reserve | 106,500 | 300 |
| Subtotal - Non-Controllable | 710,000 | 2,000 |
| Total Annual Operating Expenses & Reserves | 2,357,907 | 6,642 |
| NET OPERATING INCOME (NOI) | 5,830,661 | 16,424 |
| Issuer Servicing Fee | 0.25% | 190,500 |
| AVAILABLE CASH FLOW | 5,640,161 | 15,888 |

DEVELOPMENT BUDGET - JRE Lee Redevelopment

| | Per Unit: | Per SF: | DEVELOPMENT BUDGET | ELIGIBLE BASIS | | |
|---|-----------|---------|-----------------------|----------------|--------------|------------|
| | | | | Acquisition | Construction | Ineligible |
| Acquisition Costs | | | | | | |
| Capitalized Lease Payment | | | 100,000 | | | 100,000 |
| Subtotal: | | | 100,000 | | | |
| Construction Costs | | | | | | |
| Residential Construction | 175,000 | 258 | 62,125,000 | | 62,125,000 | |
| Educational Facility (CSF) | | 400 | 10,000,000 | | 10,000,000 | |
| 456 Structured Parking Spaces | 25,000 | | 11,400,000 | | 11,400,000 | |
| Commercial Space (CSF) | | 300 | 3,835,500 | | 3,835,500 | - |
| Sitework | | | 1,500,000 | | 1,500,000 | - |
| Residential Construction Subtotal: | | 369 | 88,860,500 | | | |
| General Requirements: | 6% | | 5,331,630 | | 5,331,630 | 0 |
| Overhead: | 2% | | 1,777,210 | | 1,777,210 | 0 |
| Profit: | 6% | | 5,331,630 | | 5,331,630 | 0 |
| Subtotal: | 285,355 | 421 | 101,300,970 | | | |
| Hard Cost Contingency: | 5% | 21 | 5,065,049 | | 5,065,049 | 0 |
| Demolition & Abatement: | | | 350,000 | | | 350,000 |
| Total Construction Costs: | 300,609 | 444 | 106,716,019 | | | |
| Project Soft Costs | | | | | | |
| Accountant Cost Cert | | | 50,000 | | 50,000 | |
| Appraisal | | | 7,500 | | 7,500 | |
| Market Study | | | 7,500 | | 7,500 | |
| Phase I ESA | | | 7,500 | | 7,500 | |
| Plan and Cost Review | | | 7,500 | | 7,500 | |
| Geotechnical Reports | | | 15,000 | | 15,000 | |
| Architect | 5,500 | | 1,952,500 | | 1,952,500 | |
| Interior Design | | | 100,000 | | 100,000 | |
| Civil Engineering | | | 110,000 | | 110,000 | |
| Utility Connection Fees | 1,100 | | 390,500 | | 390,500 | |
| Threshold Inspections | | | 50,000 | | 50,000 | |
| Other Engineering: | | | 80,000 | | 80,000 | |
| Utility Allowance Study | | | 1,800 | | 1,800 | |
| Survey | | | 40,000 | | 40,000 | |
| Title Costs | 0.25% | | 222,151 | | 133,291 | 88,861 |
| Green Building Certification | | | 50,000 | | 50,000 | |
| Lender Inspection Fees | | | 150,000 | | 150,000 | |
| Marketing | | | 150,000 | | | 150,000 |
| Builders Risk Insurance | | | 1,643,427 | | 1,643,427 | |
| P&P Bonds | | | 574,155 | | 574,155 | |
| Permits | 1.0% | | 1,016,510 | | 1,016,510 | |
| Impact Fees | | | - | | - | |
| Private Provider Inspections | | | 150,000 | | 150,000 | |
| FPL Underground & Utility Relocation | | | 100,000 | | 100,000 | |
| FF & E | | | 300,000 | | 300,000 | |
| Permit Expediter | | | 10,000 | | 10,000 | |
| Art in Public Places | 0.00% | | - | | - | |
| Site Security | | | 100,000 | | 100,000 | |
| Traffic Study | | | 7,500 | | 7,500 | |
| Liability Insurance | 1.25% | | 1,266,262 | | 1,266,262 | |
| Reproduction & Misc Admin Costs | | | 10,000 | | | 10,000 |
| Subtotal: | 24,140 | | 8,569,805 | | | |
| Developer Legal Costs | | | | | | |
| Borrower Counsel | | | 150,000 | | 75,000 | 75,000 |
| Procurement Counsel | | | 75,000 | | | 75,000 |
| HUD Counsel | | | 50,000 | | | 50,000 |
| Land Use Counsel | | | 50,000 | | | 50,000 |
| HUD Counsel | | | - | | | - |
| Other Legal Counsel | | | 25,000 | | | 25,000 |
| Subtotal: | 986 | | 350,000 | | | |

| Financing Costs | | | | |
|---|---------|--------------------|------------|--------------------|
| Documentary Stamps/Recording Fees | | 25,000 | 25,000 | |
| Perm Loan Conversion | | 15,000 | | 15,000 |
| Perm Lender Origination Fees | 0.50% | 381,000 | | 381,000 |
| Construction Lender Origination Fees | 0.50% | 575,000 | 385,250 | 189,750 |
| Issuer Ongoing Annual Fee | 0.25% | 862,500 | | 862,500 |
| GSE (Freddie / Fannie) Application Fee | 0.10% | 76,200 | | 76,200 |
| GSE (Freddie / Fannie) Delivery Fee: | | 15,000 | | 15,000 |
| GSE (Freddie / Fannie) Standby Commitment | 0.15% | 400,050 | | 400,050 |
| Underwriter Fees | | 55,000 | | 55,000 |
| Trustee Fee | | 10,500 | | 10,500 |
| TEFRA Fees | | 1,000 | | 1,000 |
| Lender Due Diligence | | 20,000 | | 20,000 |
| Placement Agent | | 35,000 | | 35,000 |
| Issuer Upfront Origination Fee | 0.25% | 287,500 | | 287,500 |
| Issuer Compliance Set-Up Fee | 30 | 37,275 | | 37,275 |
| FHFC / HFA Application Costs | | 5,000 | | 5,000 |
| Subordinate Loan Origination Fees | 1.00% | 50,000 | | 50,000 |
| HFA Financial Advisor | | 50,000 | | 50,000 |
| Subtotal: | 8,172 | 2,901,025 | | |
| Financing Legal Costs | | | | |
| Bond Counsel | | 75,000 | | 75,000 |
| Lender Counsel | | 75,000 | | 75,000 |
| Trustee Counsel | | 10,000 | | 10,000 |
| Syndicator DD | | 50,000 | | 50,000 |
| County Attorney Fee | | - | | - |
| GSE Legal | | 60,000 | | 60,000 |
| Other Legal | | 25,000 | | 25,000 |
| Credit Enhancer Counsel | | - | - | - |
| Disclosure Counsel | | - | - | - |
| Subtotal: | 831 | 295,000 | | |
| Equity Syndication Costs | | | | |
| Up-Front LIHTC Admin Fees | 9% | 629,594 | | 629,594 |
| LIHTC Application Fees | | 3,000 | | 3,000 |
| Capitalized Monitoring Fees | | 175,000 | | 175,000 |
| Subtotal: | 2,275 | 807,594 | | |
| Reserves and Escrows | | | | |
| Replacement Reserve | 300 | 106,500 | | 106,500 |
| Insurance Escrow | | - | | - |
| Property Tax Escrow | | - | | - |
| Operating Subsidy Reserve | | - | | - |
| Operating Deficit Reserve | 3 | 1,863,167 | | 1,863,167 |
| Lease-Up Reserve | | 250,000 | | 250,000 |
| Construction Interest Reserve | 6.85% | 13,234,200 | 8,822,800 | 4,411,400 |
| Subtotal: | 43,532 | 15,453,867 | | |
| Soft Cost Contingency | 5.0% | 428,490 | 416,047 | 12,443 |
| Developer Fee | 18.00% | 23,917,256 | 23,917,256 | |
| Total Development Budget: | 449,406 | 159,539,055 | - | 148,328,316 |
| | | | | 11,210,739 |

DDA: No
QCT: Yes

| LIHTC EQUITY CALCULATION | | | |
|---------------------------------|-----------------------|-------------|---------------|
| | | | <u>Totals</u> |
| Basis Boost: | 44,498,495 | 44,498,495 | 44,498,495 |
| Total Eligible Basis: | 0 | 192,826,811 | 192,826,811 |
| Applicable Fraction: | 90.70% | 90.70% | |
| Total Qualified Basis: | 0 | 174,887,177 | 174,887,177 |
| LIHTC Value Factor: | 4.00% | 4.00% | |
| Annual LIHTC Allocation: | 0 | 6,995,487 | 6,995,487 |
| LP Investor Interest: | 99.99% | 99.99% | |
| LIHTC Price per \$1: | \$0.85 | \$0.85 | |
| Calculated LIHTC Equity Raise: | 0 | 59,455,694 | 59,455,694 |
| Actual LIHTC Equity Raise: | | | 59,455,694 |