

**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: The Preserve at Abbyville

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

**Sales/Revenue**

Market	58,788,900
Affordable	7,858,340
Identity of Interest (Market)	_____
Other Income	2,800,000
<b>Total Sales/Revenue</b>	<u>69,447,240</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.	2,020,000

**Costs**

Item	Budgeted
<b>Acquisition Cost</b>	
Site Acquisition: pre-permit land value (to be determined by MassHousing Commissioned Appraisal) plus reasonable carrying costs	2,020,000
<b>Subtotal – Acquisition Costs</b>	<u>2,020,000</u>

**Construction Costs – Residential Construction (Hard Costs)**

Building Structure Costs	31,821,000
Hard Cost Contingency	1,591,050
<b>Subtotal – Residential Construction (Hard Costs)</b>	<u>33,412,050</u>

## Costs

Item	Budgeted
<b>Construction Costs – Site Work (Hard Costs)</b>	
Earth Work	250,000
Utilities: On Site	5,101,000
Utilities: Off Site	650,000
Roads and Walks	1,000,000
Site Improvement	450,000
Lawns and Planting	1,382,000
Geotechnical Condition	0
Environmental Remediation	40,000
Demolition	75,000
Unusual Site Conditions/Other Site Work	400,000
<b>Subtotal – Site Work (Hard Costs)</b>	<b>9,348,000</b>
<b>Construction Costs – General Conditions, Builders Overhead and Profit (Hard Costs)</b>	
General Conditions	2,446,140
Builder's Overhead	815,380
Builder's Profit	2,446,140
<b>Subtotal – General Conditions Builder's Overhead and Profit (Hard Costs)</b>	<b>5,707,660</b>
<b>General Development Costs (Soft Costs)</b>	
Appraisal and Marketing Study <i>(not 40B "as is" appraisal)</i>	7,000
Lottery	0
Commissions/Advertising-Affordable	235,750
Commissions/Advertising-Market	2,939,445
Model Unit	45,000
Closing Costs <i>(unit sales)</i>	450,000
Real Estate Taxes <i>(during construction)</i>	375,000
Utility Usage <i>(during construction)</i>	75,000
Insurance <i>(during construction)</i>	300,000
Security <i>(during construction)</i>	15,000
Inspecting Engineer	25,000
Fees to Others	300,000
Construction Loan Interest	980,000
Fees to Construction Lender	45,000
Architectural	370,000
Engineering	844,000
Survey, Permits, etc.	1,260,000
Clerk of the Works	0
Construction Manager	0

Item	Budgeted
<b>General Development Costs (Soft Costs) – Continued</b>	
Bond Premiums (Payment/Performance/Lien Bond)	45,000
Legal	150,000
Title (including title insurance) and Recording	25,000
Accounting and Cost Certification (incl. 40B)	40,000
Relocation	0
40B Site Approval Processing Fee	2,500
40B Technical Assistance/Mediation Fund Fee	4,440
40B Land Appraisal Cost (as-is value)	5,000
40B Final Approval Processing Fee	2,500
40B Subsidizing Agency Cost Certification Examination Fee	5,000
40B Monitoring Agent Fees	66,000
40B Surety Fees	8,000
Other Financing Fees	28,000
Development Consultant	20,000
Other Consultants (describe)	0
Other Consultants (describe) <u>structural engineer</u>	55,000
Soft Cost Contingency	289,160
Other General Development (Soft) Costs	
<b>Subtotal – General Development Costs (Soft Costs)</b>	<b>9,011,795</b>
<b>Developer Overhead</b>	
Developer Overhead	288,000
<b>Subtotal – Developer Overhead</b>	<b>288,000</b>
<b>Summary of Subtotals</b>	
Sales/Revenue	69,447,240
Site Acquisition	2,020,000
Residential Construction	33,412,050
Site Work	9,348,000
Builder's Overhead, Profit and General Conditions	5,707,660
General Development Costs	9,011,795
Developer Overhead	288,000
<b>Summary</b>	
Total Sales/Revenue	69,447,240
Total Development Costs (TDC)	59,787,505
Profit (Loss) from Sales/Revenue	9,659,735
Percentage of Profit (Loss) Over the Total Development Costs	16.16%