

**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: Th Enclave at Norfolk

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

Sales/Revenue

Market	20,100,000
Affordable	<u>2,730,000</u>
Identity of Interest (Market)	<u>0</u>
Other Income	<u>1,350,000</u>
Total Sales/Revenue	<u>24,180,000</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.	830,000

Costs

Item	Budgeted
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Acquisition Cost

Site Acquisition: pre-permit land value (to be determined by MassHousing Commissioned Appraisal) plus reasonable carrying costs	<u>830,000</u>
Subtotal – Acquisition Costs	<u>830,000</u>

Construction Costs – Residential Construction (Hard Costs)

Building Structure Costs	<u>12,352,000</u>
Hard Cost Contingency	<u>432,200</u>
Subtotal – Residential Construction (Hard Costs)	<u>12,784,200</u>

Costs

Item	Budgeted
Construction Costs – Site Work (Hard Costs)	
Earth Work	436,000
Utilities: On Site	788,000
Utilities: Off Site	150,000
Roads and Walks	380,000
Site Improvement	375,000
Lawns and Planting	480,000
Geotechnical Condition	10,000
Environmental Remediation	0
Demolition	0
Unusual Site Conditions/Other Site Work	225,000
Subtotal – Site Work (Hard Costs)	2,844,000
Construction Costs – General Conditions, Builders Overhead and Profit (Hard Costs)	
General Conditions	911,000
Builder's Overhead	303,720
Builder's Profit	911,000
Subtotal – General Conditions Builder's Overhead and Profit (Hard Costs)	2,125,720
General Development Costs (Soft Costs)	
Appraisal and Marketing Study <i>(not 40B "as is" appraisal)</i>	5,500
Lottery	6,000
Commissions/Advertising–Affordable	82,000
Commissions/Advertising–Market	904,500
Model Unit	75,000
Closing Costs <i>(unit sales)</i>	224,000
Real Estate Taxes <i>(during construction)</i>	20,000
Utility Usage <i>(during construction)</i>	18,000
Insurance <i>(during construction)</i>	60,000
Security <i>(during construction)</i>	4,000
Inspecting Engineer	25,000
Fees to Others	225,000
Construction Loan Interest	350,000
Fees to Construction Lender	20,000
Architectural	168,000
Engineering	176,000
Survey, Permits, etc.	140,000
Clerk of the Works	0
Construction Manager	0

Item	Budgeted
General Development Costs (Soft Costs) – Continued	
Bond Premiums (<i>Payment/Performance/Lien Bond</i>)	10,000
Legal	68,000
Title (<i>including title insurance</i>) and Recording	56,000
Accounting and Cost Certification (<i>incl. 40B</i>)	30,000
Relocation	0
40B Site Approval Processing Fee	2,500
40B Technical Assistance/Mediation Fund Fee	4,180
40B Land Appraisal Cost (<i>as-is value</i>)	4,000
40B Final Approval Processing Fee	2,500
40B Subsidizing Agency Cost Certification Examination Fee	5,000
40B Monitoring Agent Fees	32,000
40B Surety Fees	6,000
Other Financing Fees	6,000
Development Consultant	30,000
Other Consultants (<i>describe</i>) _____	
Other Consultants (<i>describe</i>) _____	
Soft Cost Contingency	50,000
Other General Development (Soft) Costs	
Subtotal – General Development Costs (Soft Costs)	2,809,180
Developer Overhead	
Developer Overhead	150,000
Subtotal – Developer Overhead	150,000
Summary of Subtotals	
Sales/Revenue	24,180,000
Site Acquisition	830,000
Residential Construction	12,784,200
Site Work	2,844,000
Builder's Overhead, Profit and General Conditions	2,125,720
General Development Costs	2,809,180
Developer Overhead	150,000
Summary	
Total Sales/Revenue	24,180,000
Total Development Costs (TDC)	21,543,100
Profit (Loss) from Sales/Revenue	2,636,900
Percentage of Profit (Loss) Over the Total Development Costs	12.24%