

RENTAL HOUSING DEVELOPMENT ASSISTANCE

Application for G. O. Bond Financing – Rev. 10/17/08

Project Name: Elm Ridge Apartments

Project Address: 1161 Harvey Lane Zip Code 78702

Total # units to be assisted: 130 Total # units in project/property: 130

Project type: Acquisition Rehabilitation New construction Refinance Rent Buy-Down

Amount of funds requested: \$2,500,000 Terms: Forgivable loan to be used for acquisition.
Fully funded at closing.

Role of applicant in Project (check all that apply): Owner Developer Sponsor

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1. **Applicant Information** (If applicant is not acting as the developer, please provide all of the information below for the developer as well as for the applicant. If the developer involves multiple entities, is a partnership or joint venture, please provide duplicative information for each, and identify the entity that will serve as the "lead" organization).

Elm Ridge Affordable Properties LTD (owner)

Name

105 Tallapoosa Street, Suite 300

Street Address

Montgomery

City

Alabama 36104

State, Zip

334-954-4458

Telephone #

Tom Champion

Contact Person

334-954-4458

Contact's Telephone #

334-954-4496

Fax #

27-0205804

Federal Tax ID Number or SS#

Summit Housing Partners Management (developer)

Name

105 Tallapoosa Street, Suite 300

Street Address

Montgomery

City

Alabama 36104

State, Zip

334-954-4458

Telephone #

Tom Champion

Contact Person

334-954-4458

Contact's Telephone #

334-954-4496

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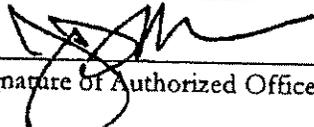
63-1171251

Federal Tax ID Number or SS#

The applicant/developer certifies that the data and exhibits contained comprising this application are true and correct. *Unsigned/undated submissions will not be considered.*

Summit Housing Partners Management, LLC

Legal Name of Developer


Signature of Authorized Officer

Vice President

Title

June 22, 2009

Date

3.

Project Description - In one page, describe the project including the information listed below:

- Elm Ridge Apartments is located at 1161 Harvey Lane, 78702, Travis County, Texas.
- The project is a complex comprised of fourteen two-story multi-family buildings containing 130 units. The buildings were constructed using wood framing on a concrete slab foundation with pitched roofs. The buildings have individual electric forced air HVAC units with an exterior pad-mounted condenser, paired with the corresponding air handler located in an interior utility closet. The build-out consists of carpeted / vinyl tile floors and painted gypsum board walls and ceilings. The bathrooms have a tub/shower combination, sink, and toilet. Kitchens are equipped with refrigerators, gas stoves and ovens, laminate countertops and stained / painted cabinets. This is an all-bills-paid community. The unit mix and square footages are as follows:

<u>Bedroom/Bath</u>	<u># of Apartments</u>	<u>Apartment Size</u>	<u>Total S.F.</u>
1-1	68	576	39,168
2-1	48	804	38,592
3-1	14	959	13,426
Total / Avg.	130	701 S.F.	91,186

- This is a family-oriented community. One-hundred percent (100%) of the families served will earn a yearly income of not greater than fifty percent (50%) of the area median income (AMI).
- At the time of this submission, Elm Ridge Apartments is 100% occupied.
- The Austin Appraisal District confirms that Elm Ridge Apartments were constructed in 1970¹. Rehabilitation will preserve 100% of the existing affordable rental units. Given the date of the construction, the nature of the property, and the location of the complex, the city's Vertical Mixed Use (VMU), Planned Unit Development (PUD), and Transit Oriented Development (TOD) Ordinances are not applicable.
- One-hundred percent (100%) of the units are reserved for Section 8 families.
- Ten percent (10%) or 13 units will be accessible for persons with mobility disabilities. Two percent (2%) or 3 units will be accessible for persons with sight and hearing disabilities.
- In addition to the \$2.5 million requested from the City of Austin in GO Bond assistance, \$5.2 million in Tax Exempt bonds will also be requested from the City of Austin. The Bonds will be credit enhanced through the HUD221(d)(4) Program with Rockport Mortgage Corporation acting as the lender. Federal Tax Credit Equity of \$2,289,048 makes up the additional sources of funds. These funds will adequately provide for acquisition (\$5,426,273), improvements (\$2,294,370) the cost of issuance (\$881,357), and other fees, reserves and soft costs (\$1,387,046) to be detailed in §12.
- The property will have a 99 year affordability period.
- A variety of community service programs and activities will be provided on-site for use by the residents. Several organizations have been contacted and have agreed to enter into Memorandums of Understanding (MOUs) with the owner to provide the service programs and activities. A short list of these organizations is provided in the application. Additional requested information about the service programs and activities has been provided.
- Please see attached memo for the Roles & Responsibilities of NIIDC in the project.

¹ Please see documentation, attached.

7. **Development Team**

Identify the entities anticipated to be involved in implementing the project including lenders, attorneys, accountants, architects, engineers, general contractor, sub-contractors, property managers and consultants. Also, indicate if any entity is certified by the City of Austin as a minority or women-owned business enterprise (MBE/WBE), or if any of the entities are also a non-profit entity.

	Name(s) & Any Comments on Role	MBE ? (Mark X if Yes)	WBE ? (Mark X if Yes)	Non-profit? (Mark X if Yes)
Owner	Elm Ridge Affordable Properties LTD			X
Developer	Summit Housing Partners Management			
Architect	The Hill Firm			
Engineer	n/a			
Construction Lender	n/a			
Other Lenders	Rockport Mortgage Corporation			
Attorney	Balch & Bingham			
Accountant	Mauldin & Jenkins LLC			
General Contractor	Penco, Inc.			
Consultant (if Applicable)	S2A Development & Consulting		X	
Property Management Provider	Summit Housing Partners Management			
Other:	n/a			

8. **Development Schedule.** Complete the grid below. Re-order the steps according to the appropriate sequence for your project, and add in any other significant steps integral to your project's development. If the development schedule differs across several properties to be involved in the project, provide a development schedule for each property.

	DATE(S)
Acquisition and/or holding	12/15/2009
Environmental and/or historic review (AHFC)	10/15/2009
Securing and packaging project financing	11/15/2009
Construction Specifications and Cost estimates	7/3/2009
Construction Bids	7/3/2009
Construction Start	1/15/2010
Anticipated Draws (list all)	See attached
End Construction	11/31/10
Start of Rent-up	n/a
Completion & Operation	12/31/10

9. Accessible and Adaptable Units

Indicate the number of units proposed to be accessible and adaptable for persons with mobility, sight and hearing disabilities as required by RHDA Program Guidelines.

 0 Units adaptable for persons with mobility disabilities

 13 Units accessible for persons with mobility disabilities

 0 Units adaptable for persons with sight and hearing disabilities

 3 Units accessible for persons with sight and hearing disabilities

10. Experience and Qualifications – Rental Development and Property Management

a. Is this the developer's first housing project? Yes No

b. Completed projects (complete table below):

COMPLETED PROJECTS				
Address	No. of Units	New or Rehab	Type of Property (apartments, SF units, etc.)	Year Completed
Aspen Park 8811 8811 Boone Road Houston TX 77099	256	Rehab	LIHTC Multifamily	2007
Coral Hills 6363 Beverly Hill St. Houston TX 77057	174	Rehab	LIHTC Multifamily	2006
Fawn Ridge 12420 Sawmill Rd. Woodlands TX 77380	120	Rehab	LIHTC Multifamily	2005
Northshore Meadows 333 Uvalde Rd. Houston TX 77015	291	Rehab	LIHTC Multifamily	2006
Villa Americana 5901 Selinsky Rd. Houston TX 77048	258	Rehab	LIHTC Multifamily	2004

c. Describe below the experience/qualifications in completing projects similar in size and scope that indicates the developer's ability and capacity to implement the proposed project. Of particular importance is the developer's experience with successfully completing a) projects that triggered Davis-Bacon and other Federal Labor Standards, b) federally-funded projects involving temporary or permanent relocation of tenants, or c) projects involving the testing and appropriate treatment of Lead-based paint and/or asbestos, if the proposed project will involve any of those three dimensions. If this is the applicant's first project of this type, please provide a detailed description of the experience of the other members of the development team with similar projects.

Please see attachment.

d. Indicate who will provide property management services. Provide documentation to demonstrate the entity's level of experience and track record in operating federally funded properties of similar size.

Please see attachment.

Summit Housing Partners Management, LLC
a subsidiary of Summit Housing Partners, LLC

Background and Experience

Company Vision

"To be the most respected, innovative and significant provider of affordable and workforce housing in the nation."

Company Overview

The business that has become Summit Housing Partners, LLC began in 1996 with a simple concept: community focused affordable housing. Since that time, the business has grown from one property in central Alabama to 80 properties comprised of approximately 12,000 apartment units across eight states. Today, we are one of the leading owners and operators of affordable and workforce housing in the Southeastern United States, Texas and Oklahoma, with approximately 425 full-time employees and four office locations in three states.

As our business enters its second decade of operations, management believes we have the necessary personnel and systems to achieve scale economies in our core eight-state footprint and expand opportunistically to contiguous markets. SHP has some of the highest resident retention rates in the industry as a result of its high quality housing product and resident services. Being a fully integrated owner and property manager enables the company to ensure consistent quality and margins. The company is on a high-trajectory and is poised to take advantage of every positive dynamic in the affordable and workforce housing segment of the multi-family industry.

Experienced Management Team

The Company has an experienced management team that possesses an in-depth knowledge of the industry and regulatory environment as well as the Company's property portfolio. Our leadership team, which is led by W. Daniel Hughes, Jr., Blake Brazeal, Randal Brown, Scott Crossfield, and Jon Killough has over 100 years of collective industry and financial experience. Our leadership team currently includes 11 experienced Portfolio Managers, who assume geographic responsibilities across our existing geographic footprint.

Management Biographies:

- *W. Daniel Hughes, Jr.* – Mr. Hughes is the founder and CEO of the Company. He is also the founder and Manager of Summit America, L.L.C., which owns a substantial interest in the Company as well as other businesses including American Construction Specialties, LLC, Summit America Capital, LLC and Window Gallery Unlimited LLC. Mr. Hughes is a graduate of the University of Alabama (B.A. – History) and received his M.B.A. from Georgia State University in 1988. He is also a graduate of the Southwestern Graduate School of Banking at Southern Methodist University. Mr. Hughes is a member of the Board of Directors of the Montgomery Area Chamber of Commerce (Chairman), Chairman

of the Montgomery Community Development Corporation and a Board Member of State of Alabama College Savings Board overseeing the State of Alabama prepaid college tuition and 529 savings plans. Additionally, he serves as a board member of the Montgomery Museum of Fine Arts and is a prior Trustee and executive committee member for the Alabama Real Estate Research and Education Center, an affiliate of the University of Alabama.

- **Franklin B. Brazeal** – Mr. Brazeal is the President of the Company and served as President of Summit Housing Partners Management, LLC (formerly known as Summit Asset Management, LLC) since January 2004. Prior to joining the SHPM, Mr. Brazeal held various management roles in banking and finance. He is a graduate in business from the University of Texas at Austin and the Southwestern Graduate School of Banking at Southern Methodist University. Mr. Brazeal currently serves as a director and finance committee chair for Voices for Alabama.
- **Randal W. Brown** – Mr. Brown is an Executive Vice President for the Company, devoting his time primarily to acquisitions and special projects. Mr. Brown joined Summit Housing Partners Management, LLC in July 2000 and served in various management roles for that company. He is a graduate of the University of Alabama (B.A. – Commerce and Business Administration) and holds an M.B.A. from Georgia State University with a concentration in finance. From 1989-1991 he was a Credit Officer in the Atlanta syndications group with The Bank of Nova Scotia. From 1991-1996 he was the Vice President, Commercial/Real Estate Lending at SouthTrust Bank. From 1996-2000 he was the City President for Southern Bank of Commerce in Montgomery, Alabama. Mr. Brown has served in various volunteer positions within the community, including the Montgomery Chamber of Commerce, United Way and the American Arthritis Foundation.
- **Scott R. Crossfield** – Mr. Crossfield is the Chief Financial Officer for the Company. He joined Summit America, L.L.C. as its CFO in August 2002, prior to which he was a partner at Aldridge, Borden & Company (Montgomery, Alabama). He is a graduate of Auburn University (B.S. – Business Administration) and is currently a member of the American Institute for Certified Public Accountants and the American Society of Certified Public Accountants.
- **Jonathan D. Killough** – Mr. Killough is an Executive Vice President for the Company, devoting his time primarily to project development and finance. Mr. Killough joined Summit Housing Partners Management, LLC in June 1998 and served in various management roles for that company. He is a graduate of Auburn University - Montgomery (B.S. – Business Administration) and has served in a variety of community volunteer positions. He is currently President-Elect of Child Protect Children's Advocacy Center and Chairman of Saint James United Methodist Church's finance committee.

Business Objectives

Our principal financial objective is to achieve the greatest total rate of return for our Members through a combination of current income and capital appreciation while providing superior communities for our residents. We strive to meet our objectives through:

- *Acquisitions* – identifying, underwriting, and financing quality property investments.
- *Development* – making substantial upgrades to the physical plant and to the services offered to residents.
- *Operations* – using scale and technology to increase the effectiveness and efficiency of attracting and retaining apartment residents and reducing our general and administrative costs.
- *Management* – earning fee income from providing property management and related services with respect to our properties.
- *Debt/Capital Markets Focus* – identifying low-cost and flexible sources for project equity and managing our cost of capital by using leverage that is largely long-term, non-recourse and property specific.

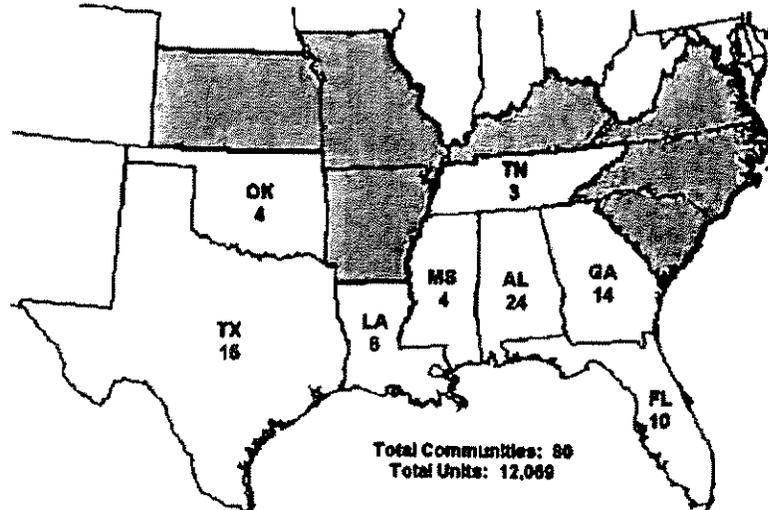
Regional Scale

With approximately 12,000 apartment units under management across 80 apartment communities in 8 states, we are an established regional owner and operator of affordable and workforce housing. This regional scale, we believe, enables us to take advantage of supply chain and contracting efficiencies, leverage our fixed overhead and compete well for acquisition opportunities.

Our core target market includes the Southeastern United States, Texas and Oklahoma. Management believes these markets to be deep, relatively liquid and possessing desirable long-term growth characteristics.

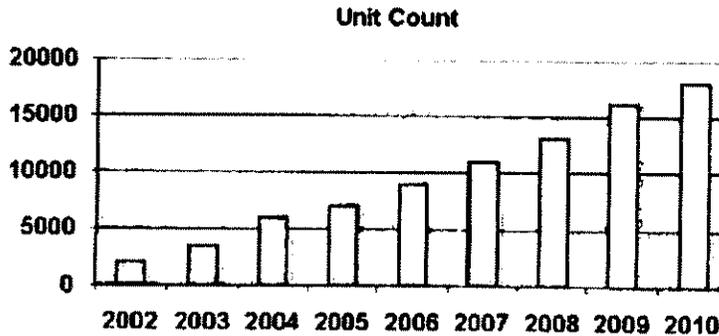
In addition to continuing growth in our core geographic markets, we are looking into contiguous markets (identified in green) for expansion.

Apartment Community Locations:



Track Record of Consistent Portfolio Growth

As shown by the following chart, the company has shown steady, measured growth in our property portfolio (measured in units owned and/or managed), and anticipates a similar growth pattern for the foreseeable future.



Acquisition Activities

We plan to increase our investment in desirable markets by making acquisitions and by development spending. We expect that increased concentration in our core geographic markets will add to our investment knowledge and increase operating efficiencies based on economies of scale.

At different times, we may make acquisitions through:

- the direct acquisition of a property or portfolio of properties, or of ownership interests in such properties;
- a merger or business combination with an entity that owns or controls a property, portfolio or other ownership interests in properties being acquired; and
- the purchase from third parties of additional interests in partnerships in which we own a general partnership interest.

In the future we may make acquisitions through the exchange of Units for equity interests in properties or portfolios of properties that meet our acquisition criteria.

We generally consider relevant real property and market factors in order to determine whether properties under consideration possess attractive investment attributes, including income growth, stability, and upside associated with improving market fundamentals and/or the potential for added value through renovation or repositioning.

Service Integration

As a fully integrated owner and operator of affordable and workforce housing, we have the following internal capabilities which assist us in meeting our business objectives:

- *Property Acquisition/Dispositions* – Our acquisition group continually communicates with national, regional and local brokerage companies and owners to maintain a pipeline of investment opportunities and source opportunities for capital gains through targeted dispositions. We have an active calling campaign on CPA's and real estate attorneys to source opportunities.
- *Financing and Capital Markets* – Our financing and capital markets group is in charge of facilitating the acquisition financing for new investment properties and identifying market based financing opportunities for our existing portfolio. The group actively works financing sources including agency lenders, life companies and commercial banks for the most competitive financing structures.
- *Construction Management* – We own a construction management company (Summit Construction, LLC) that is responsible for managing all construction related matters for our existing portfolio and new investments.
- *Real Estate Brokerage* – We own a licensed real estate brokerage (National Realty Partners, LLC) which serves to capture fee income as available through our acquisition and disposition activities.
- *Property Management* – We actively manage our real estate holdings through a dedicated staff of Senior Managers, Regional Portfolio Managers and site level personnel.
- *Internal Audit/Compliance/Regulatory Affairs* – This department is responsible for all matters involving federal, state, and local regulatory agencies as well as implementing and monitoring our resident underwriting and screening policies.

Having the capability to manage each phase of the property life cycle – from acquisition to development to management to sale – helps us maintain our resident-based quality initiatives and reduce expense, leading ultimately, we believe, to enhanced profitability.

Community Focus

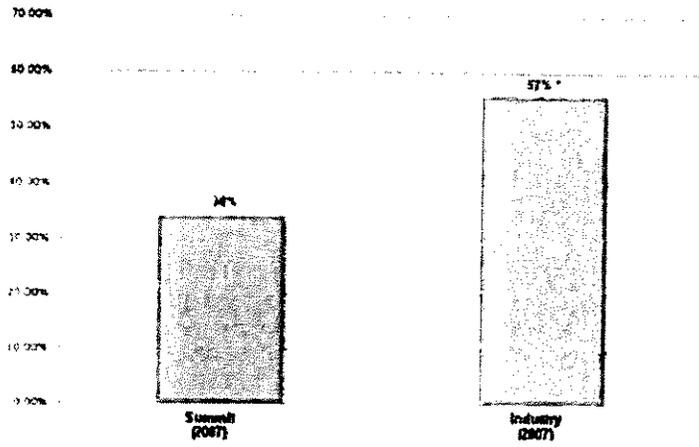
A key pillar of our business philosophy is to treat residents as valued clients, not simply tenants. Consequently, we strive to provide amenities like playgrounds, pools, alarm systems and storage rooms at each of our properties. Additionally, at every property we implement one or more programs to enhance resident satisfaction and to solidify a sense of community. Such programs include:

- after school programs
- organized sports
- weekend mother's day out
- onsite book library with reading and story-time programs
- computer literacy and technology programs
- adult GED preparation and training classes
- job training/search programs
- credit counseling
- seasonal programs (Thanksgiving, 4th of July Events, Mother's Day/Father's Day)
- health screening

Our goal is to achieve a level of customer satisfaction that leads to relatively lower resident turnover and relatively higher occupancies. A number of our communities have been recognized by several state and local housing agencies, as well as the United States Department of Housing and Urban Development, as having distinguished operations.

Management believes our community focus is a significant competitive advantage that leads to some of the highest resident retention rates in the industry, as illustrated by the figure below that compares our resident turnover (blue bar) versus industry average resident turnover (red bar).

Resident Turnover



* As reported by the Institute of Real Estate Management (2008).

SUMMIT HOUSING PARTNERS HOLDINGS (as of 5/1/09)

Property Name	City	State	# of Units	Program Type
Bonnie Doone Apartments	Athens	AL	60	Section II
Flint Hill Pointe Apartments	Birmingham	AL	136	LIHTC
Timber Ridge Apartments	Birmingham	AL	150	Section II
The Ponce Apartments	Coates Point	AL	198	LIHTC
SummerPlace I Apartments	Decatur	AL	136	LIHTC
SummerPlace II Apartments	Decatur	AL	56	LIHTC
Heritage Hills Apartments	Fairburn	AL	96	Section II
Governors House Apartments	Huntsville	AL	170	LIHTC
Dickens Ferry Apartments	Mobile	AL	80	Section II
Park Lane Apartments	Mobile	AL	112	LIHTC
South Bay Apartments	Mobile	AL	224	LIHTC
Summit Woods Apartments	Mobile	AL	136	LIHTC
Village Green Apartments (Archie Ponce Apt.)	Mobile	AL	208	LIHTC w/Section II
Narrow Lane Villas	Montgomery	AL	142	LIHTC
Park Towne Villas	Montgomery	AL	144	LIHTC
Rosa Parks Place	Montgomery	AL	56	LIHTC
Southern Commons Apartments	Montgomery	AL	176	LIHTC
Southern II Apartments	Montgomery	AL	160	LIHTC
Sherrill Apartments	Montgomery	AL	80	LIHTC w/Section II
Pinchum Villas	Opelika	AL	104	LIHTC
Edmond Estates Apartments	Phenix City	AL	120	Section II
McQueen Village Apartments	Prattville	AL	136	LIHTC
Summit Terrace Apartments	Prattville	AL	56	LIHTC
Cockwood Village Apartments	Tuscaloosa	AL	128	LIHTC w/Section II
Forrester Gardens Apartments	Tuscaloosa	AL	152	LIHTC w/Section II
SUBTOTALS		15	3,213	
Oakmeade Apartments	Bradenton	FL	108	FHA 236
Caroline Arms Apartments	Jacksonville	FL	204	Section II
Deer Woods / Silver Creek Apartments	Jacksonville	FL	304	Section II
Harold House Apartments	Jacksonville	FL	80	Section II
Monaco Arms	Jacksonville	FL	156	Section II
Magnolia Terrace Apartments	Tallahassee	FL	108	Section II
Riviera Apartments	Tampa	FL	116	FHA 236
Stambrook Apartments	West Palm Beach	FL	216	Section II
SUBTOTALS		8	1,284	
Hickory Park Apartments	College Park	GA	150	LIHTC w/Section II
Hunter Haven Apartments	Columbus	GA	104	Section II
Graveland Terrace Apartments	Dublin	GA	52	Section II
Union Hill Apartments	Forsyth	GA	68	Section II
Regency Apartments	Griffin	GA	80	Section II
Tall Pines Apartments	LaGrange	GA	115	LIHTC w/Section II
Villa West Apartments	Macon	GA	112	Section II
Wildfire Woods Apartments	Macon	GA	100	Section II
Eastgate Apartments	Newnan	GA	96	Section II
Calder Forest Apartments	Rome	GA	130	LIHTC w/Section II
North Heights Apartments	Statesboro	GA	60	Section II
Fairview Apartments	Thomasville	GA	110	Section II
Wood Valley Apartments	Thomasville	GA	88	LIHTC w/Section II
Rosemead Court Apartments	Warner Robins	GA	34	LIHTC
West Manor Apartments	Waycross	GA	84	LIHTC w/Section II
SUBTOTALS		15	1,373	
Beltone Village Apartments	Gretna	LA	204	LIHTC
Lapack Court Apartments	Harvey	LA	100	LIHTC
Arbor Place Apartments	Tomball	LA	136	LIHTC
Spanish Arms Apartments	Baton Rouge	LA	202	LIHTC w/SR & 235
Meadowbrook Apartments	Baton Rouge	LA	200	LIHTC
Emerald Point Apartments	Lake Charles	LA	120	LIHTC w/HOME
Ridgely Apartments	Martree	LA	200	LIHTC w/SR & 236
SUBTOTALS		7	1,162	
Walton Bell Apartments	Gulfport	MS	104	LIHTC w/Section II
Westview Apartments	Jackson	MS	200	Section II
Regency Woods Apartments	Pascagoula	MS	184	Market rate
SUBTOTALS		3	488	
Broadhaven Apartments	Dartmouth	OK	120	LIHTC w/Section II
Park Place Apartments	McAlister	OK	120	LIHTC
Bradford Apartments	Tulsa	OK	192	LIHTC w/Section II
Edenwood Apartments	Tulsa	OK	192	LIHTC w/Section II
SUBTOTALS		4	624	
Preacon Place Apartments	Memphis	TN	272	LIHTC
Foxlaw Apartments	Memphis	TN	171	LIHTC
Aspenwood Square Apartments	Memphis	TN	120	LIHTC
SUBTOTALS		3	563	
Bridgeport Apartments	Dallas	TX	312	Market rate
Deerwood at the Park	Deer Park	TX	216	Market rate
Cedar Ridge Apartments	Duncanville	TX	224	LIHTC
Idenwood Park	Houston	TX	268	Market rate
Wimbledon Apartments	Houston	TX	160	Market rate
Baystone Apartments	Houston	TX	289	Market rate
Villa Americana Apartments	Houston	TX	258	Section II
Village Park Apartments	Houston	TX	419	LIHTC
Ashton Woods Apartments	Houston	TX	177	Market rate
Aspen Park	Houston	TX	236	LIHTC
Coral Hills Apartments	Houston	TX	174	LIHTC
Summit Point Apartments	Houston	TX	291	LIHTC
Hillcrest Apartments	Mesquite	TX	352	LIHTC
The Mark at Parkhurst	San Antonio	TX	252	Market rate
Fair Ridge Apartments	The Woodlands	TX	120	Section II
SUBTOTALS		15	3,769	
TOTAL UNITS / AVERAGE YEAR BUILT			12,475	
TOTAL NUMBER OF PROPERTIES / STATES		80	8	

11. Detailed Project Budget - Use the following table, or comparable format, to provide a complete project budget. Add line-items as necessary to detail the specific funding being requested. Delineate all prior and currently requested RHDA funding by individual line-item.

See attached.

Penco Central, Inc.
Proposal For Renovation of Elm Ridge Apartments
3107 E. 12th Street
Austin, Texas 78702

Penco Proposal Rehab Scope and Specifications

- 68 1 Bedroom Units
- 48 2 Bedroom Units
- 14 3 Bedroom Units

7/2/2009

130	Note #	Description	Qty.	Units	Unit Cost	Total
A		Site				
1		As shown on Site Plan construct new concrete accessible ramp to Office and Laundry.	1	TL	\$ 2,436.65	\$ 2,436.65
2		Remove and replace concrete sidewalk	746	SF	\$ 5.48	\$ 4,089.91
3		Remove Sidewalk	156	SF	\$ 2.44	\$ 380.12
4		At areas noted on Site Plan, remove damaged asphalt, compact subgrade and install new asphalt. Make all cuts with an asphalt saw.	107	SYD	\$ 42.64	\$ 4,562.62
5		Install new 8" concrete curb	48	LF	\$ 21.93	\$ 1,052.63
6		Remove oil deposits and seal and restripe parking lot. Provide 10 accessible parking spaces all van accessible. Provide accessibility signage.	10585	SYD	\$ 2.27	\$ 24,011.33
7		Remove existing speed bumps and construct new asphalt speed bumps where shown on Site Plan. Leave 1'-0" gap at the low point of each speed bump.	399	LF	\$ 14.62	\$ 5,833.33
8		Cut swale - Approx. 8' wide x 10" deep. Install St. Augustine sod over affected areas.	1,520	SF	\$ 3.65	\$ 5,555.56
9		Install new concrete footer and CMU block retaining wall. Average height is Approx. 42' tall.	75	LF	\$ 79.19	\$ 5,939.33
10		Construct Covered Pavilion on concrete slab (3) picnic tables and (3) park grills	1	EA	\$ 17,525.58	\$ 17,525.58
11		Gazebo with sitting area	1	TL	\$ 8,528.27	\$ 8,528.27
12		Construct accessible concrete walk to each site amenity.	1	TL	\$ 3,654.97	\$ 3,654.97
13		Construct ADA ramps	9	EA	\$ 2,436.65	\$ 21,929.82
Total for Site Work Items						\$ 105,500.12

B		Building Exteriors							
1	Remove existing windows. Prep opening and install new vinyl single hung, double glazed low e glass window. Remove existing screens and reinstall after new window is installed. Replace window sill as necessary. Install new vertical blinds at new windows	1	TL	\$	201,362.15	\$	201,362.15		
2	Remove all entry storm doors.	130	EA	\$	47.54	\$	6,180.76		
3	Where noted as F or R on the replacement Matrix, remove existing exterior doors and replace with new six panel metal clad systems	121	EA	\$	377.68	\$	45,699.32		
4	Replace entry hardware only	4	EA	\$	54.82	\$	219.30		
5	Where noted in General Comments, at stair landing pans. Sand to remove rust and re-paint to match existing.	17	EA	\$	103.56	\$	1,760.48		
6	Install cane detection railing at stairwells. See Drawings.	1	TL	\$	6,091.62	\$	6,091.62		
7	Where noted on drawings, extend handrails to bottom of concrete stair.	1	TL	\$	4,873.29	\$	4,873.29		
8	Where noted on drawings, weld an extension to the top of the rails at the stair landings and building landings.	1	LF	\$	16,203.70	\$	16,203.70		
9	Remove & Reset mailboxes on new concrete pad (Approx. 200 sf)	1	LS	\$	2,619.40	\$	2,619.40		
10	Remove and replace all Hot Water closet doors. Install two 12" x 12" through door louvers for ventilation. Includes Hardware.	43	EA	\$	304.58	\$	13,096.98		
11	Remove and replace all water heaters noted in Hot Water Heater matrix as manufacturer prior to 2004.	25	EA	\$	730.99	\$	18,274.85		
12	Remove wood louvers and trim above water heater closets. Install wall wrap and install horizontal cementitious siding and rough sawn cedar trim. Paint finish.	43	EA	\$	305.50	\$	13,136.43		
13	Remove applied vertical 2x4 and plywood siding at window panels	1980	SF	\$	0.61	\$	1,206.14		
14	Remove original plywood panels between stacked windows. Install wall wrap and install cementitious siding. Paint finish.	1980	SF	\$	12.32	\$	24,389.77		

Elm Ridge Apartments - Scope and Specifications

15	Remove plywood siding and battens at unit entries and replace with horizontal cementitious siding and trim. Includes Paint.	14	BLDGS	\$	4,763.22	\$	66,685.11
16	Remove existing fascia and soffit and associated trim and replace with cementitious panels and trim to match existing detailing. Install perforated soffit material. Paint new materials.	15	BLDGS	\$	8,394.29	\$	125,914.36
17	Install gutters and downspouts. Downspouts where noted on drawings.	7,705	LF	\$	3.96	\$	30,508.35
Total for Building Exterior Work Items							\$ 578,222.00

C	Unit Interiors						
1	Replace refrigerators noted F or R in Replacement Matrix with Energy Star refrigerators	130	EA	\$	493.06	\$	64,098.15
2	Replace gas ranges noted as F or R in Replacement Matrix.	99	EA	\$	475.44	\$	47,068.89
3	Replace range hoods noted F or R in Replacement Matrix.	120	EA	\$	98.68	\$	11,842.11
4	Install two smoke suppressants at each range hood.	130	Pair	\$	54.82	\$	7,127.19
5	Install ceiling fans with 4-bulb light kit	336	EA	\$	213.21	\$	71,637.43
6	Energy star or equivalent light fixtures in all units	130	TL	\$	91.37	\$	11,878.65
7	Install new breaker panel w/breakers	130	APTS	\$	578.70	\$	75,231.48
8	Install electrical circuits for dishwasher and disposal.	130	APTS	\$	243.66	\$	31,676.41
9	Install new garbage disposal in each Kitchen.	130	EA	\$	91.37	\$	11,878.65
10	Install new Energy Star dishwashers in each Kitchen.	130	EA	\$	420.32	\$	54,641.81
11	Modify (3) three units to audio/visual accessible units.	3	APTS	\$	1,827.49	\$	5,482.46
12	Convert (13) seven units to accessible units.	13	APTS	\$	10,355.75	\$	134,624.76
13	Replace all above counter electrical outlets in Kitchen and Bath with GFI.	390	EA	\$	54.82	\$	21,381.58
14	Replace all receptacle, switch, communication outlet cover plates.	130	EA	\$	60.92	\$	7,919.10
15	Replace all medicine cabinets in Baths	130	EA	\$	58.48	\$	7,602.34
16	Replace all light fixtures in Baths.	130	EA	\$	60.92	\$	7,919.10
17	Replace Kitchen and Bath cabinets and countertops.	130	APTS	\$	1,656.07	\$	215,289.15

Elm Ridge Apartments - Scope and Specifications

18	Replace Kitchen and Bath sinks, faucets, p-traps, supply lines and shut-offs.	130	APTS	\$	578.74	\$	75,236.23
19	At refrigerator chases in corner, sand and retexture as necessary. Install wood base. Paint finish.	130	EA	\$	60.92	\$	7,919.10
20	Replace Kitchen ceiling light in all units.	130	EA	\$	78.59	\$	10,217.23
21	Replace Bath tubs noted in Replacement Matrix.	35	EA	\$	537.95	\$	18,828.28
22	Replace tub surrounds noted in Replacement Matrix.	65	EA	\$	395.96	\$	25,737.09
23	Replace Bath trim noted as F or R in Replacement Matrix.	88	EA	\$	196.82	\$	17,320.18
24	Replace all shower heads with low flow shower heads.	130	EA	\$	30.46	\$	3,959.55
25	In Bedrooms with bi-fold closet doors, remove bi-fold doors and trim and install two single leaf doors.	90	EA	\$	529.97	\$	47,697.37
26	Replace all interior door hardware.	630	EA	\$	33.50	\$	21,107.46
27	Replace interior doors noted as F or R in Replacement Matrix.	472	EA	\$	253.41	\$	119,610.14
28	Repair drywall damage noted in General Comments.	130	EA	\$	91.37	\$	11,878.65
29	Install compression fittings at each aluminum wire service to the Distribution Panel in each unit.	130	APT	\$	121.83	\$	15,838.21
30	Replace all supply and return air grilles. Touch up and retexture wall or ceiling a minimum of six inches around grille. Grilles will fit flush with surface.	130	APT	\$	335.04	\$	43,555.07
31	Replace flooring per matrix R and F	1	TL	\$	37,719.30	\$	37,719.30
Total for Building Interior Work Items				\$		\$	1,243,923.12

D	OFFICE/LAUNDRY/MAINTENANCE						
1	See Drawings for scope of work and alteration to OLM building incl. business center (no equipment)	1	TL	\$	31,565.66	\$	31,565.66
Total for Office/Maintenance Work Items				\$		\$	31,565.66

Elm Ridge Apartments - Scope and Specifications

E		Additional Items		14		Bldg.			
1	Scope sewer lines with video	1	TL	\$	670.08	\$	9,381.09		\$
2	Break-away gate at the west side of property	1	TL	\$	2,436.65	\$	2,436.65		\$
3	Repair Perimeter fencing	1	TL	\$	3,654.97	\$	3,654.97		\$
4	Horseshoe Pit	1	TL	\$	913.74	\$	913.74		\$
5	Replenish fill at Playgrounds	2	TL	\$	1,827.49	\$	3,654.97		\$
Total for Structural Work Items									
									\$ 20,041.42

Subtotal	\$ 1,979,252.32
Total General Requirements 6%	\$ 118,755.14
Overhead 2%	\$ 39,585.05
Profit 6%	\$ 118,755.14
Permits	\$ 12,000.00
Bond	\$ 26,000.00
Total Job Cost	\$ 2,294,347.65
Price per unit	\$ 17,648.83

*Bid does not include environmental testing or hazardous material removal.

12. **Funds Proposal** - Provide the following information to facilitate financial review of the proposed project:

- a. **Sources and Uses of Funds** – Complete Tables A & B below, identifying all sources and uses of funds to implement project and include evidence of funds anticipated (financial statements, letters of commitments, etc.).
- b. **Leveraging** – Complete Table C below. Include evidence of other funds leveraged by MHFC funds to implement the project such as owner equity and commitments from private and/or other public resources.
- c. **Operating Proforma** – In a format comparable to Table D below, prepare a minimum twenty (20) year financial Operating Proforma which realistically reflects the operation of the project relative to current and anticipated revenues, expenses and debt. The Proforma must indicate the anticipated debt coverage ratio (DCR) calculated as follows: net operating income (NOI)/debt service (DS) = DCR. Refer to Program Guidelines for additional information related to DCR and “Supportive Housing Projects.”

TABLE A: SOURCES OF FUNDS SUMMARY					Intended Use of Funds
	Term	Rate	Amount	Evidence	
Private Financing					
Rockport Mortgage	40 years	6.4% ^a	\$5,200,000	-	Acquisition/ Improvements
Other Sources					
Federal Tax Credit Equity	-	-	\$2,289,048	-	Acquisitions/ Improvements
RHDA Funds	Forgivable	0% ^a	\$2,500,000	-	Acquisition

TABLE B: USES OF FUNDS SUMMARY		
	Total Cost	Cost/Unit
Predevelopment		
Acquisition	\$5,426,273	\$41,740
Improvements	\$2,294,370	\$17,649
Cost of Issuance	\$881,357	\$6,780
Fees and Reserves	\$1,387,046	\$10,670
Total Project Costs	\$9,989,047	\$76,839

TABLE C: LEVERAGE SUMMARY	
TOTAL RHDA FUNDS	\$2,500,000
TOTAL OTHER FUNDS	\$7,489,047
LEVERAGE (%)	25.0%

Elm Kidge 20 Year Feasibility Analysis

GIVEN:

Annual Rent Escalation	2.75%	Vacancy/Collection Loss Rate	5.00%
Annual Other Income, Occupancy Based Escalation	2.75%	Initial Replacement Reserves	\$ 300
Annual Other Income, Not Occupancy Based Escalation	0.00%		
Annual Operating Costs Escalation	3.00%		
Annual Replacement Reserves Escalation	3.00%		

Dev Period	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Tenant Paid Rents	1,187,340	1,219,992	1,253,541	1,288,014	1,323,434	1,359,829
Project Based Rental Assisted Rents	-	-	-	-	-	-
Potential Gross Rental Income	1,187,340	1,219,992	1,253,541	1,288,014	1,323,434	1,359,829
Other Income: Occupancy-based (trended)	14,935	16,954	17,420	17,899	18,391	18,897
Less Vacancy/Collection Loss	(59,367)	(61,000)	(62,677)	(64,401)	(66,172)	(67,991)
Other Income: Not Occupancy-based	-	-	-	-	-	-
Effective Gross Income	1,144,473	1,175,946	1,208,284	1,241,512	1,275,654	1,310,734
Less: Annual Operating Costs	(663,695)	(683,606)	(704,114)	(725,238)	(746,995)	(769,405)
Less: Replacement Reserve	(39,000)	(40,170)	(41,375)	(42,616)	(43,895)	(45,212)
Net Operating Income	441,777	452,170	462,795	473,658	484,764	496,118
1st Mortgage Debt Service; Tax-Exempt Debt	(360,889)	(360,889)	(360,889)	(360,889)	(360,889)	(360,889)
Before Tax Cash Flow	80,889	91,281	101,906	112,769	123,875	135,229

Debt Coverage Ratio	1.22	1.25	1.28	1.31	1.34	1.37
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Distribution

Limited Partner Asset Mgmt. Fee	5,000	5,150	5,305	5,464	5,628	5,796
Incentive Management/Compliance Fees (90%)	75,889	86,131	96,601	107,305	118,247	129,432
Deferred Developer Fee Pmt	-	-	-	-	-	-
Deferred Developer Fee Interest	-	-	-	-	-	-
General Partner loan	-	-	-	-	-	-

Cash Flow After Deferred Developer Fee:						
General Partner	-	-	-	-	-	-
Limited Partner	-	-	-	-	-	-
Total	80,889	91,281	101,906	112,769	123,875	135,229

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Elm Ridge 20 Year Feasibility Analysis

	Year 17	Year 18	Year 19	Year 20	Total
	1,832,670	1,883,069	1,934,853	1,988,062	31,105,214
	1,832,670	1,883,069	1,934,853	1,988,062	31,105,214
	25,468	26,168	26,888	27,627	432,257
	(91,634)	(94,153)	(96,743)	(99,403)	(1,555,261)
	1,766,505	1,815,084	1,864,998	1,916,286	29,982,210
	(1,065,036)	(1,096,987)	(1,129,897)	(1,163,794)	(17,833,745)
	(62,584)	(64,461)	(66,395)	(68,387)	(1,047,945)
	638,885	653,635	668,706	684,105	11,100,520
	(360,889)	(360,889)	(360,889)	(360,889)	(7,217,777)
	277,996	292,746	307,818	323,216	3,882,743
	1.77	1.81	1.85	1.90	
	8,024	8,264	8,512	8,768	134,352
	269,972	284,482	299,305	314,449	3,748,391
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	277,996	292,746	307,818	323,216	3,882,743
	0	0	0	0	0

Deferred
\$ 0