RENT SCHEDULE

Type of Units	No. of Units	Square Footage	Tenant Paid Rent Limit	Gross	Net Rent Per month	Rent Per Sq Ft	Annual Rent		Affordable To
1 Bedroom - rehab	10	650	386	708	708	1.09	84,960	**PBRA**	**30% AMI**
2 Bedroom - rehab	3	850	464	839	839	0.99	30,204	**PBRA**	**30% AMI**
1 Bedroom - new	10	650	386	708	708	1.09	84,960	**PBRA**	**30% AMI**
2 Bedroom - new	2	850	464	839	839	0.99	20,136	**PBRA**	**30% AMI**
1 Bedroom - rehab	11	650	386	708	708	1.09	93,456	**PBRA**	**60% AMI**
2 Bedroom - rehab	2	850	464	839	839	0.99	20,136	**PBRA**	**60% AMI**
1 Bedroom - new	10	650	386	708	708	1.09	84,960	**PBRA**	**60% AMI**
2 Bedroom - new	2	850	464	839	839	0.99	20,136	**PBRA**	**60% AMI**
Studio - rehab	2	550	721	721	540	0.98	12,960		60% AMI
1 Bedroom - rehab	20	650	773	773	575	0.88	138,000		60% AMI
2 Bedroom - rehab	1	850	928	928	660	0.78	7,920		60% AMI
1 Bedroom - new	15	650	773	773	575	0.88	103,500		60% AMI
2 Bedroom - new	1	850	928	928	660	0.78	7,920		60% AMI
Total	89						709,248		

OPERATING EXPENSES

	Total
Administrative	35,300
Payroll	115,800
Maintenance	56,500
Utilities	63,300
Taxes	52,000
Insurance	20,000
Subtotal	342,900
Mgmt. Fee	36,278
Replacement Reserve	26,700
Total Operating Expenses	405,878
Per Unit Expense w/ Mgmt.Fee & RR	4,560
Per Unit Expense w/o RR	4,260

* All expenses related to the pre-k facility will be under the management of DPS

SOURCES

Sources	DSCR	Amount	Term	Amort	Rate	Commences
1st Mortgage	1.20	2,910,000	180	360	6.13%	1/1/2015
City Loan	1.15	500,000	360	360	2.00%	1/1/2015
County funding		1,500,000	1	1	0.00%	1/1/2015
Durham Public School Funding		5,000,000				
Federal LIHTC Equity		6,033,793				
State LIHTC Equity		1,232,429				
Fed HTC Equity		2,444,494				
State HTC Equity		1,358,052				
Deferred Developer Fee		170,363	180	180	0.00%	10.44% deferred
Total Sources		21,149,131				

Uses	
Construction Costs	15,560,625
Hard Cost Contingency	1,301,463
Professional Services	785,044
Third Party Costs	426,333
Local Government Fees	79,800
Financing Fees	514,802
Tax Credit Fees	152,625
Syndication Costs	45,000
Developer's Overhead and Fee	1,631,313
Start-Up and Reserves	652,128
Total Uses	21,149,131

PROJECTED CASH FLOW

Compliance Period		1	2	3	4	5	6	7	8	9	10
Year	**Base Year**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Rental Income (LIHTC)	709,248	709,248	724,284	739,639	755,319	771,332	787,684	804,383	821,436	838,851	856,634
Gross Rental Income	709,248	709,248	724,284	739,639	755,319	771,332	787,684	804,383	821,436	838,851	856,634
Vacancy (LIHTC)	(49,647)	(49,647)	(50,700)	(51,775)	(52,872)	(53,993)	(55,138)	(56,307)	(57,501)	(58,720)	(59,964)
Effective Gross Rental Income	659,601	659,601	673,584	687,864	702,447	717,339	732,546	748,076	763,936	780,131	796,670
Management Fee (LIHTC)	36,278	36,278	37,047	37,833	38,635	39,454	40,290	41,144	42,016	42,907	43,817
Operating Expenses (LIHTC)	342,900	342,900	353,187	363,783	374,696	385,937	397,515	409,441	421,724	434,375	447,407
Total Operating Expenses and Management Fees	379,178	379,178	390,234	401,615	413,331	425,391	437,805	450,585	463,740	477,283	491,224
Replacement Reserve (LIHTC)	26,700	26,700	27,768	28,879	30,034	31,235	32,485	33,784	35,135	36,541	38,002
Total Replacement Reserve	26,700	26,700	27,768	28,879	30,034	31,235	32,485	33,784	35,135	36,541	38,002
NOI	253,723	253,723	255,582	257,370	259,082	260,713	262,257	263,708	265,060	266,308	267,444
1st Mortgage	212,178	212,178	212,178	212,178	212,178	212,178	212,178	212,178	212,178	212,178	212,178
Cash Flow after 1st Mortgage	41,545	41,545	43,404	45,192	46,904	48,535	50,079	51,530	52,882	54,130	55,266
City Loan	8,450	8,450	10,067	11,622	13,111	14,529	15,871	17,133	18,309	19,394	20,382
Cash Flow after MIP	33,095	33,094	33,337	33,570	33,793	34,006	34,207	34,397	34,573	34,736	34,884
Asset Management Fee (AMF)		5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524
Cash Flow after AMF		28,094	28,187	28,266	28,330	28,378	28,411	28,426	28,424	28,402	28,360
Deferred Developer Fee (DDF)		28,094	28,187	28,266	28,330	28,378	28,411	697	-	-	-
Cash Flow after DDF		-	-	-	-	-	-	27,729	28,424	28,402	28,360
DSCR - 1st Mortgage	1.20	1.20	1.20	1.21	1.22	1.23	1.24	1.24	1.25	1.26	1.26
DSCR - Combined all loans	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15

*** Owner will refinance the project at the end of the 1st Mortgage's term**

PROJECTED CASH FLOW

Compliance Period	11	12	13	14	15	16	17	18	19	20
Year	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**
Rental Income (LIHTC)	874,795	893,340	912,279	931,620	951,370	971,539	992,136	1,013,169	1,034,648	1,056,583
Gross Rental Income	874,795	893,340	912,279	931,620	951,370	971,539	992,136	1,013,169	1,034,648	1,056,583
Vacancy (LIHTC)	(61,236)	(62,534)	(63,860)	(65,213)	(66,596)	(68,008)	(69,449)	(70,922)	(72,425)	(73,961)
Effective Gross Rental Income	813,559	830,807	848,420	866,406	884,774	903,531	922,686	942,247	962,223	982,622
Management Fee (LIHTC)	44,746	45,694	46,663	47,652	48,663	49,694	50,748	51,824	52,922	54,044
Operating Expenses (LIHTC)	460,829	474,654	488,893	503,560	518,667	534,227	550,254	566,761	583,764	601,277
Total Operating Expenses and Management Fees	505,575	520,348	535,556	551,213	567,330	583,921	601,002	618,585	636,687	655,321
Replacement Reserve (LIHTC)	39,523	41,103	42,748	44,457	46,236	48,085	50,009	52,009	54,089	56,253
Total Replacement Reserve	39,523	41,103	42,748	44,457	46,236	48,085	50,009	52,009	54,089	56,253
NOI	268,462	269,355	270,116	270,736	271,209	271,525	271,676	271,653	271,447	271,047
1st Mortgage	212,178	212,178	212,178	212,178	212,178	212,178	212,178	212,178	212,178	212,178
Cash Flow after 1st Mortgage	56,284	57,177	57,938	58,558	59,031	59,347	59,498	59,475	59,269	58,869
City Loan	21,267	22,044	22,177	22,177	22,177	22,177	22,177	22,177	22,177	22,177
Cash Flow after MIP	35,017	35,133	35,761	36,381	36,854	37,170	37,321	37,298	37,092	36,692
Asset Management Fee (AMF)	6,720	6,921	7,129	7,343	7,563	7,790	8,024	8,264	8,512	8,768
Cash Flow after AMF	28,297	28,212	28,632	29,039	29,291	29,380	29,297	29,034	28,580	27,925
Deferred Developer Fee (DDF)	-	-	-	-	-	-	-	-	-	-
Cash Flow after DDF	28,297	28,212	28,632	29,039	29,291	29,380	29,297	29,034	28,580	27,925
DSCR - 1st Mortgage	1.27	1.27	1.27	1.28	1.28	1.28	1.28	1.28	1.28	1.28
DSCR - Combined all loans	1.15	1.15	1.15	1.16	1.16	1.16	1.16	1.16	1.16	1.16

*** Owner will refinance the project at the end of the**

PROJECTED CASH FLOW

Compliance Period	21	22	23	24	25	26	27	28	29	30
Year	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**
Rental Income (LIHTC)	1,078,982	1,101,857	1,125,216	1,149,070	1,173,431	1,198,307	1,223,712	1,249,654	1,276,147	1,303,201
Gross Rental Income	1,078,982	1,101,857	1,125,216	1,149,070	1,173,431	1,198,307	1,223,712	1,249,654	1,276,147	1,303,201
Vacancy (LIHTC)	(75,529)	(77,130)	(78,765)	(80,435)	(82,140)	(83,882)	(85,660)	(87,476)	(89,330)	(91,224)
Effective Gross Rental Income	1,003,453	1,024,727	1,046,451	1,068,636	1,091,291	1,114,426	1,138,052	1,162,178	1,186,817	1,211,977
Management Fee (LIHTC)	55,190	56,360	57,555	58,775	60,021	61,293	62,593	63,920	65,275	66,659
Operating Expenses (LIHTC)	619,316	637,895	657,032	676,743	697,045	717,956	739,495	761,680	784,530	808,066
Total Operating Expenses and Management Fees	674,505	694,255	714,587	735,518	757,066	779,250	802,088	825,600	849,805	874,725
Replacement Reserve (LIHTC)	58,503	60,843	63,277	65,808	68,440	71,178	74,025	76,986	80,065	83,268
Total Replacement Reserve	58,503	60,843	63,277	65,808	68,440	71,178	74,025	76,986	80,065	83,268
NOI	270,445	269,628	268,587	267,310	265,784	263,998	261,939	259,593	256,946	253,984
1st Mortgage	212,178	212,178	212,178	212,178	212,178	212,178	212,178	212,178	212,178	212,178
Cash Flow after 1st Mortgage	58,267	57,450	56,409	55,132	53,606	51,820	49,761	47,415	44,768	41,806
City Loan	22,177	22,177	21,376	20,265	18,939	17,386	15,595	13,555	11,253	8,678
Cash Flow after MIP	36,090	35,273	35,033	34,867	34,668	34,435	34,166	33,860	33,515	33,128
Asset Management Fee (AMF)	9,031	9,301	9,581	9,868	10,164	10,469	10,783	11,106	11,440	11,783
Cash Flow after AMF	27,059	25,972	25,453	24,999	24,504	23,966	23,383	22,753	22,075	21,346
Deferred Developer Fee (DDF)	-	-	-	-	-	-	-	-	-	-
Cash Flow after DDF	27,059	25,972	25,453	24,999	24,504	23,966	23,383	22,753	22,075	21,346
DSCR - 1st Mortgage	1.27	1.27	1.27	1.26	1.25	1.24	1.23	1.22	1.21	1.20
DSCR - Combined all loans	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15

*** Owner will refinance the project at the end of the**