

# ATTACHMENT C

1/7/2015 Date

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## 20 YEAR OPERATING PRO FORMA ROCKWOOD COTTAGES APARTMENTS Using Current Rents and Expenses

20 Units

PRE-TAX CASH FLOW ANALYSIS		Year No. & Date=																			
: Application #	Income Escalator	1		2		3		4		5		6		7		8		9		10	
	Expense Escalator	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023										
Gross Rent Potential	3.00%	\$ 126,544	\$ 130,340	\$ 134,251	\$ 138,278	\$ 142,426	\$ 146,699	\$ 151,100	\$ 155,633	\$ 160,302	\$ 165,111										
+ Interest Income	4.00%	\$ 85	\$ 88	\$ 90	\$ 93	\$ 96	\$ 99	\$ 101	\$ 105	\$ 108	\$ 111										
+ Other Income		\$ 927	\$ 955	\$ 983	\$ 1,013	\$ 1,043	\$ 1,075	\$ 1,107	\$ 1,140	\$ 1,174	\$ 1,210										
= Gross Income or Rent		\$ 127,556	\$ 131,383	\$ 135,324	\$ 139,384	\$ 143,565	\$ 147,872	\$ 152,309	\$ 156,878	\$ 161,584	\$ 166,432										
- Loss to Lease (Current Residents)		\$ (6,816)	\$ (3,787)	\$ (2,272)	\$ (757)	\$ (757)	\$ (9,970)	\$ (10,269)	\$ (10,894)	\$ (11,221)	\$ (11,558)										
- Vacancy Allowance @	7.00%	\$ (8,858)	\$ (9,124)	\$ (9,398)	\$ (9,679)	\$ (9,970)	\$ (10,269)	\$ (10,577)	\$ (10,894)	\$ (11,221)	\$ (11,558)										
= EFFECTIVE NET RENT		\$ 111,882	\$ 118,472	\$ 123,655	\$ 128,947	\$ 133,596	\$ 137,603	\$ 141,732	\$ 145,983	\$ 150,363	\$ 154,874										
- Operating Expenses		\$ (98,645)	\$ (102,591)	\$ (106,694)	\$ (110,962)	\$ (115,401)	\$ (120,017)	\$ (124,817)	\$ (129,810)	\$ (135,002)	\$ (140,403)										
- Replacement Reserve Contribution @ \$250 pupa		\$ (5,000)	\$ (5,200)	\$ (5,408)	\$ (5,624)	\$ (5,849)	\$ (6,083)	\$ (6,327)	\$ (6,580)	\$ (6,843)	\$ (7,117)										
= NET OPERATING INCOME		\$ 8,237	\$ 10,681	\$ 11,552	\$ 12,361	\$ 12,346	\$ 11,503	\$ 10,588	\$ 9,594	\$ 8,518	\$ 7,355										
- Debt Service (4. Local Government Loans)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -										
Total Debt Service		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -										
= NET RENTAL CASH FLOW AVAILABLE		\$ 8,237	\$ 10,681	\$ 11,552	\$ 12,361	\$ 12,346	\$ 11,503	\$ 10,588	\$ 9,594	\$ 8,518	\$ 7,355										

Expenses from RR (Net of City Funding 2015) 0  
 EOY BALANCE IN REPLACEMENT RESERVE 34,135

FOR YEAR 1 0 (2161)  
 FOR YEARS 1-20 0 (6589) (6156) (7220) (3579) (6954) (2863) (7390)  
 FOR YEARS 1-20 34,135 39,335 42,582 41,617 41,311 40,174 42,921 42,547 46,527 46,254  
 FOR YEARS 2-20 (2161) (6589) (6156) (7220) (3579) (6954) (2863) (7390)  
 EOY RR Balance 34,135 39,335 42,582 41,617 41,311 40,174 42,921 42,547 46,527 46,254  
 Expenses from RR 0 (2161) (6589) (6156) (7220) (3579) (6954) (2863) (7390)

This pro forma uses the Project's "Operating Budget" rent, interest & other income, expense and \$250 PUPA reserve figures.  
 Vacancy Allowance is assumed to be SEVEN PERCENT (7.0%) of the Yearly Gross Rent.  
 Debt Service under the Notes is zero (0) for the pro forma period.  
 An Annual Income Escalator of THREE PERCENT (3%) and an annual Expense & Reserve Escalator of FOUR PERCENT (4.0%) are applied annually.  
 Beginning Balance includes Owner advances made prior to approval of City Funding.  
 Figures used from calculation of annual Capital needs 2016-30 (attached). Use 2030 figure for 2031-33.

20 YEAR OPERATING PRO FORMA  
**ROCKWOOD COTTAGES APARTMENTS**  
 Using Current Rents and Expenses

1/7/2015 Date  
 20 Units

PRE-TAX CASH FLOW ANALYSIS	Year No. & Date=		11		12		13		14		15		16		17		18		19		20		
	Income Escalator	Expense Escalator	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042		
Gross Rent Potential	3.00%	4.00%	\$ 170,065	\$ 175,166	\$ 180,421	\$ 185,834	\$ 191,409	\$ 197,151	\$ 203,066	\$ 209,158	\$ 215,433	\$ 221,896	\$ 228,547	\$ 235,394	\$ 242,437	\$ 249,677	\$ 257,114	\$ 264,748	\$ 272,480	\$ 280,311	\$ 288,242	\$ 296,274	
+ Interest Income			\$ 114	\$ 118	\$ 121	\$ 125	\$ 129	\$ 132	\$ 136	\$ 140	\$ 145	\$ 149	\$ 154	\$ 159	\$ 164	\$ 169	\$ 174	\$ 179	\$ 184	\$ 189	\$ 194	\$ 199	
+ Other Income			\$ 1,246	\$ 1,283	\$ 1,322	\$ 1,361	\$ 1,402	\$ 1,444	\$ 1,488	\$ 1,532	\$ 1,578	\$ 1,626	\$ 1,675	\$ 1,725	\$ 1,776	\$ 1,828	\$ 1,881	\$ 1,935	\$ 1,990	\$ 2,046	\$ 2,103	\$ 2,161	
= Gross Income or Rent			\$ 171,425	\$ 176,567	\$ 181,864	\$ 187,320	\$ 192,940	\$ 198,728	\$ 204,690	\$ 210,831	\$ 217,156	\$ 223,670	\$ 230,375	\$ 237,274	\$ 244,377	\$ 251,584	\$ 258,895	\$ 266,311	\$ 273,832	\$ 281,459	\$ 289,192	\$ 297,031	
- Loss to Lease (Current Residents)			\$ (11,905)	\$ (12,262)	\$ (12,630)	\$ (13,008)	\$ (13,399)	\$ (13,801)	\$ (14,215)	\$ (14,641)	\$ (15,080)	\$ (15,533)	\$ (16,001)	\$ (16,488)	\$ (16,991)	\$ (17,510)	\$ (18,045)	\$ (18,596)	\$ (19,163)	\$ (19,746)	\$ (20,345)	\$ (20,960)	
- Vacancy Allowance @ 7.00%			\$ (159,520)	\$ 164,306	\$ 169,235	\$ 174,312	\$ 179,541	\$ 184,927	\$ 190,475	\$ 196,190	\$ 202,075	\$ 208,138	\$ 214,369	\$ 220,768	\$ 227,336	\$ 234,073	\$ 240,979	\$ 248,055	\$ 255,291	\$ 262,688	\$ 270,246	\$ 277,965	
= EFFECTIVE NET RENT			\$ (146,019)	\$ (151,859)	\$ (157,934)	\$ (164,251)	\$ (170,821)	\$ (177,654)	\$ (184,760)	\$ (192,151)	\$ (199,837)	\$ (207,830)	\$ (216,139)	\$ (224,764)	\$ (233,605)	\$ (242,664)	\$ (251,941)	\$ (261,436)	\$ (271,149)	\$ (281,079)	\$ (291,226)	\$ (301,591)	
-- Operating Expenses			\$ (7,401)	\$ (7,697)	\$ (8,005)	\$ (8,325)	\$ (8,658)	\$ (9,005)	\$ (9,365)	\$ (9,740)	\$ (10,129)	\$ (10,534)	\$ (10,955)	\$ (11,392)	\$ (11,845)	\$ (12,314)	\$ (12,799)	\$ (13,299)	\$ (13,815)	\$ (14,347)	\$ (14,894)	\$ (15,457)	
= NET OPERATING INCOME			\$ 6,100	\$ 4,749	\$ 3,296	\$ 1,735	\$ 62	\$ (1,731)	\$ (3,650)	\$ (5,701)	\$ (7,890)	\$ (10,227)	\$ (12,722)	\$ (15,377)	\$ (18,192)	\$ (21,167)	\$ (24,302)	\$ (27,597)	\$ (31,052)	\$ (34,667)	\$ (38,442)	\$ (42,377)	
- Debt Service (4. Local Government Loans)			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Debt Service			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
= NET RENTAL CASH FLOW AVAILABLE			\$ 6,100	\$ 4,749	\$ 3,296	\$ 1,735	\$ 62	\$ (1,731)	\$ (3,650)	\$ (5,701)	\$ (7,890)	\$ (10,227)	\$ (12,722)	\$ (15,377)	\$ (18,192)	\$ (21,167)	\$ (24,302)	\$ (27,597)	\$ (31,052)	\$ (34,667)	\$ (38,442)	\$ (42,377)	
Expenses from RR (Net of City Funding 2015)			(7714)	(8023)	(8344)	(14954)	(9025)	(7663)	(8852)	(8852)	(8852)	(8852)	(8852)	(8852)	(8852)	(8852)	(8852)	(8852)	(8852)	(8852)	(8852)	(8852)	
EOY BALANCE IN REPLACEMENT RESERVE			45,941	45,615	45,276	38,648	38,281	39,623	40,136	41,023	42,300	43,982											

FOR YEAR 1 This pro forma uses the Project's "Operating Budget" rent, interest & other income, expense and \$250 PUPA reserve figures.  
 FOR YEARS 1-20 Vacancy Allowance is assumed to be SEVEN PERCENT (7.0%) of the Yearly Gross Rent.  
 FOR YEARS 1-20 Debt Service under the Notes is zero (0) for the pro forma period.  
 FOR YEARS 2-20 An Annual Income Escalator of THREE PERCENT (3%) and an annual Expense & Reserve Escalator of FOUR PERCENT (4.0%) are applied annually.  
 EOY RR Balance Beginning Balance includes Owner advances made prior to approval of City Funding.  
 Expenses from RR Figures used from calculation of annual Capital needs 2016-30 (attached). Use 2030 figure for 2031-33.

**ROCKWOOD COTTAGES APARTMENTS  
CAPITAL IMPROVEMENTS NEED PROJECTIONS**

**2016-30**

Revised: 1/7/2015

	Need		Per Unit Price	2016		2017		2018		2019		2020		2021	
	Total	Units		Total	Units										
<b>Appliances</b>															
Range	12		\$505	1		1		0		1		0		1	
Refrigerator	3		\$676	0		1		0		1		0		0	
Range Hood	6		\$76	1		1		1		1		1		1	
<b>Vinyl</b>															
IBR	3		\$502	1		0		1		0		1		0	
2BR	0		\$590	0		0		0		0		0		0	
<b>Carpet</b>															
IBR	0		\$952	0		0		0		0		0		0	
2BR	1		\$1,369	0		0		0		0		1		0	
<b>Cabinets</b>															
Kitchen	11		\$3,920	0		1		0		1		0		1	
Bathrooms	14		\$320	1		1		1		1		1		1	
<b>Foundation Repair</b>															
Per Building	0		\$3,596	0		0		0		0		0		0	
<b>HVAC</b>															
HVAC- New Unit	2		\$3,900	0		0		1		0		0		0	
<b>Plumbing</b>															
Water Heaters	13		\$675	1		0		1		1		1		1	
Toilets	0		\$220	0		0		0		0		0		0	
<b>Structures</b>															
Roofs	0		\$53,200	0		0		0		0		0		0	
Interior Painting	1		\$595	0		1		0		0		0		0	
Exterior Painting	0		\$660	0		0		0		0		0		0	
<b>Paving/Walks</b>															
Paving & Walks Repair	0		\$20,400	0		0		0		0		0		0	
<b>Landscape &amp; Grounds</b>															
Site Improvements	0		\$2,350	0		0		0		0		0		0	
Repair Decks Rails	0		\$5,366	0		0		0		0		0		0	
<b>Accessibility Features</b>															
Site & Exterior	0		\$10,963	0		0		0		0		0		0	
Dwelling Interiors	0		\$9,590	0		0		0		0		0		0	
<b>Price Escalator</b>															
	1.04		4.00%	1.04		1.0816		1.1249		1.1699		1.2167		1.2653	
<b>Annual Capital Items Cost</b>	<b>\$2,161</b>			<b>\$6,589</b>		<b>\$6,156</b>		<b>\$7,220</b>		<b>\$3,579</b>		<b>\$6,954</b>			

**ROCKWOOD COTTAGES APARTMENTS  
CAPITAL IMPROVEMENTS NEED PROJECTIONS**

2016-30

Revised: 1/7/2015

	2022	2023	2024	2025	2026	2027	2028	2029	2030	TOTALS
	Total Units									
<b>Appliances</b>										
Range	1	1	1	1	1	1	1	1	0	12
Refrigerator	1	0	0	0	0	0	0	0	0	3
Range Hood	0	0	0	0	0	0	0	0	0	6
<b>Vinyl</b>										
1BR	0	0	0	0	0	0	0	0	0	3
2BR	0	0	0	0	0	0	0	0	0	0
<b>Carpet</b>										
1BR	0	0	0	0	0	0	0	0	0	0
2BR	0	0	0	0	0	0	0	0	0	1
<b>Cabinets</b>										
Kitchen	0	0	1	1	1	2	1	1	1	11
Bathrooms	1	1	1	1	1	1	1	0	1	14
<b>Foundation Repair</b>										
Per Building	0	0	0	0	0	0	0	0	0	0
<b>HVAC</b>										
HVAC- New Unit	0	1	0	0	0	0	0	0	0	2
<b>Plumbing</b>										
Water Heaters	1	1	1	1	1	1	1	0	1	13
Toilets	0	0	0	0	0	0	0	0	0	0
<b>Structures</b>										
Roofs	0	0	0	0	0	0	0	0	0	0
Interior Painting	0	0	0	0	0	0	0	0	0	1
Exterior Painting	0	0	0	0	0	0	0	0	0	0
<b>Paving/Walks</b>										
Paving & Walks Repair	0	0	0	0	0	0	0	0	0	0
<b>Landscape &amp; Grounds</b>										
Site Improvements	0	0	0	0	0	0	0	0	0	0
Repair Decks Rails	0	0	0	0	0	0	0	0	0	0
<b>Accessibility Features</b>										
Site & Exterior	0	0	0	0	0	0	0	0	0	0
Dwelling Interiors	0	0	0	0	0	0	0	0	0	0

Price Escalator 4.00%

1.3159	1.3686	1.4233	1.4802	1.5395	1.6010	1.6651	1.7317	1.8009
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Annual Capital Items Cost

\$2,863	\$7,390	\$7,714	\$8,023	\$8,344	\$14,954	\$9,025	\$7,563	\$8,852	TOTAL	\$107,487
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**ROCKWOOD COTTAGES APARTMENTS  
CAPITAL IMPROVEMENTS NEED PROJECTIONS  
2016-30**

CAPITAL IMPROVEMENTS	TOTAL NEED *	WORK RECENTLY	WORK PROPOSED ***	TOTAL COMPLETED WORK	REMAINING NEED
		COMPLETED **	IN 2015 WITH CITY FUNDS	AFTER CITY FUNDS - EOY 2015	2016-30 ****
Appliances					
Range	20	6	2	8	12
Refrigerator	20	11	6	17	3
Range Hood	20	10	4	14	6
Vinyl					
1BR	15	6	6	12	3
2BR	5	1	4	5	0
Carpet					
1BR	15	11	4	15	0
2BR	5	1	3	4	1
Cabinets					
Kitchen	20	6	3	9	11
Bathrooms	20	4	2	6	14
Foundation Repair					
Per Building	2	0	2	2	0
HVAC					
HVAC- New Unit	20	7	11	18	2
Plumbing					
Water Heaters	20	4	3	7	13
Toilets	20	0	20	20	0
Structures					
Roofs	1	0	1	1	0
Interior Painting	20	6	13	19	1
Exterior Painting	1	0	1	1	0
Paving/Walks					
Paving & Walks Repair	1	0	1	1	0
Landscape & Grounds					
Site Improvements	1	0	1	1	0
Repair Decks Rails	1	0	1	1	0
Accessibility Features					
Site & Exterior	1	0	1	1	0
Dwelling Interiors	1	0	1	1	0

## NOTES:

\* TOTAL PROJECTED CAPITAL NEEDS BY 2030 (WITH SPECIFIC COUNT PER IMPROVEMENT TO ACHIEVE COMPLETE REPLACEMENTS).

\*\* RECENTLY COMPLETED OR "IN PROGRESS" IMPROVEMENTS THAT HAVE REMAINING USEFUL LIFE DURING THE PROJECTION PERIOD.

\*\*\* IMPROVEMENTS TO BE COMPLETED WITH THE REQUESTED CITY FUNDING IN 2015.

\*\*\*\* IMPROVEMENTS SCHEDULED TO BE COMPLETED WITH FUTURE REPLACEMENT RESERVE FUNDS IN ATTACHED PRO FORMA.

# ATTACHMENT C

## 20 YEAR OPERATING PRO FORMA MUTUAL MANOR APARTMENTS Using Current Rents and Expenses

1/7/2015      Date  
18      Units

Page 1

PRE-TAX CASH FLOW ANALYSIS	Application #		Year No. & Date=									
	Income Escalator	Expense Escalator	1	2	3	4	5	6	7	8	9	10
Gross Rent Potential	3.00%	4.00%	\$ 104,400	\$ 107,532	\$ 110,758	\$ 114,081	\$ 117,503	\$ 121,028	\$ 124,659	\$ 128,399	\$ 132,251	\$ 136,218
+ Interest Income			\$ 89	\$ 92	\$ 94	\$ 97	\$ 100	\$ 103	\$ 106	\$ 109	\$ 113	\$ 116
+ Other Income			\$ 2,057	\$ 2,119	\$ 2,182	\$ 2,248	\$ 2,315	\$ 2,385	\$ 2,456	\$ 2,530	\$ 2,606	\$ 2,684
= Gross Income or Rent			\$ 106,546	\$ 109,742	\$ 113,035	\$ 116,426	\$ 119,918	\$ 123,516	\$ 127,221	\$ 131,038	\$ 134,969	\$ 139,018
- Loss to Lease ("Grandfathered" Residents)			\$ (8,735)	\$ (6,118)	\$ (4,368)	\$ (1,310)						
- Vacancy Allowance @ 7.00%			\$ (7,308)	\$ (7,527)	\$ (7,753)	\$ (7,986)	\$ (8,225)	\$ (8,472)	\$ (8,726)	\$ (8,988)	\$ (9,258)	\$ (9,535)
= EFFECTIVE NET RENT			\$ 90,503	\$ 96,097	\$ 100,914	\$ 107,130	\$ 111,693	\$ 115,044	\$ 118,495	\$ 122,050	\$ 125,712	\$ 129,483
-- Operating Expenses			\$ (82,980)	\$ (86,299)	\$ (89,751)	\$ (93,341)	\$ (97,075)	\$ (100,958)	\$ (104,996)	\$ (109,196)	\$ (113,564)	\$ (118,106)
-- Replacement Reserve Contribution @ \$250 pupa			\$ (4,500)	\$ (4,680)	\$ (4,867)	\$ (5,062)	\$ (5,264)	\$ (5,475)	\$ (5,694)	\$ (5,922)	\$ (6,159)	\$ (6,405)
= NET OPERATING INCOME			\$ 3,023	\$ 5,118	\$ 6,295	\$ 8,727	\$ 9,354	\$ 8,611	\$ 7,805	\$ 6,933	\$ 5,989	\$ 4,972
-- Debt Service (4. Local Government Loans)			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Debt Service			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
= NET RENTAL CASH FLOW AVAILABLE			\$ 3,023	\$ 5,118	\$ 6,295	\$ 8,727	\$ 9,354	\$ 8,611	\$ 7,805	\$ 6,933	\$ 5,989	\$ 4,972

Expenses from RR (Net of City Funding 2015)      0      0      (4018)      (4355)      (4903)      (5089)      (4700)      (5962)      (5083)      (5510)

EOY BALANCE IN REPLACEMENT RESERVE      19,674      24,354      25,203      25,910      26,271      26,657      27,651      27,611      28,687      29,581

FOR YEAR 1      This pro forma uses the Project's "Operating Budget" rent, interest & other income, expense and \$250 PUPA reserve figures.

FOR YEARS 1-20      Vacancy Allowance is assumed to be SEVEN PERCENT (7.0%) of the Yearly Gross Rent.

FOR YEARS 1-20      Debt Service under the Notes is zero (0) for the pro forma period.

FOR YEARS 2-20      An Annual Income Escalator of THREE PERCENT (3%) and an annual Expense & Reserve Escalator of FOUR PERCENT (4.0%) are applied annually.

EOY RR Balance      Beginning Balance includes Owner advances made prior to approval of City Funding.

Expenses from RR      Figures used from calculation of annual Capital needs 2016-30 (attached). Use 2030 figure for 2031-33.

20 YEAR OPERATING PRO FORMA  
**MUTUAL MANOR APARTMENTS**  
 Using Current Rents and Expenses

18 Units

PRE-TAX CASH FLOW ANALYSIS		Year No. & Date=										
Application #		11	12	13	14	15	16	17	18	19	20	
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
	Income Escalator		3.00%									
	Expense Escalator		4.00%									
	Gross Rent Potential	\$ 140,305	\$ 144,514	\$ 148,849	\$ 153,315	\$ 157,914	\$ 162,652	\$ 167,531	\$ 172,557	\$ 177,734	\$ 183,066	
	+ Interest Income	\$ 120	\$ 123	\$ 127	\$ 131	\$ 135	\$ 139	\$ 143	\$ 147	\$ 152	\$ 156	
	+ Other Income	\$ 2,764	\$ 2,847	\$ 2,933	\$ 3,021	\$ 3,111	\$ 3,205	\$ 3,301	\$ 3,400	\$ 3,502	\$ 3,607	
	= Gross Income or Rent	\$ 143,189	\$ 147,485	\$ 151,909	\$ 156,466	\$ 161,160	\$ 165,995	\$ 170,975	\$ 176,104	\$ 181,387	\$ 186,829	
	- Loss to Lease (Current Residents)	\$ (9,821)	\$ (10,116)	\$ (10,419)	\$ (10,732)	\$ (11,054)	\$ (11,386)	\$ (11,727)	\$ (12,079)	\$ (12,441)	\$ (12,815)	
	- Vacancy Allowance @ 7.00%	\$ 133,368	\$ 137,369	\$ 141,490	\$ 145,734	\$ 150,106	\$ 154,610	\$ 159,248	\$ 164,025	\$ 168,946	\$ 174,014	
	= EFFECTIVE NET RENT	\$ (122,831)	\$ (127,744)	\$ (132,854)	\$ (138,168)	\$ (143,695)	\$ (149,442)	\$ (155,420)	\$ (161,637)	\$ (168,102)	\$ (174,826)	
	- Operating Expenses	\$ (6,661)	\$ (6,928)	\$ (7,205)	\$ (7,493)	\$ (7,793)	\$ (8,104)	\$ (8,428)	\$ (8,766)	\$ (9,116)	\$ (9,481)	
	- Replacement Reserve	\$ 3,876	\$ 2,697	\$ 1,431	\$ 74	\$ (1,381)	\$ (2,937)	\$ (4,601)	\$ (6,377)	\$ (8,272)	\$ (10,293)	
	= NET OPERATING INCOME	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	- Debt Service (4. Local Government Loans)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Total Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	= NET RENTAL CASH FLOW AVAILABLE	\$ 3,876	\$ 2,697	\$ 1,431	\$ 74	\$ (1,381)	\$ (2,937)	\$ (4,601)	\$ (6,377)	\$ (8,272)	\$ (10,293)	

Expenses from RR (Net of City Funding 2015) (5498) (11821) (5947) (5363) (6559) (13829) (6957) (6957) (6957) (6957) (6957)

EOY BALANCE IN REPLACEMENT RESERVE 30,745 25,851 27,109 29,239 30,472 24,747 26,219 28,027 30,187 32,710

FOR YEAR 1 This pro forma uses the Project's "Operating Budget" rent, interest & other income, expense and \$250 PUPA reserve figures.

FOR YEARS 1-20 Vacancy Allowance is assumed to be SEVEN PERCENT (7.0%) of the Yearly Gross Rent.

FOR YEARS 1-20 Debt Service under the Notes is zero (0) for the pro forma period.

FOR YEARS 2-20 An Annual Income Escalator of THREE PERCENT (3%) and an annual Expense & Reserve Escalator of FOUR PERCENT (4.0%) are applied annually.

EOY RR Balance Beginning Balance includes Owner advances made prior to approval of City Funding.

Expenses from RR Figures used from calculation of annual Capital needs 2016-30 (attached). Use 2030 figure for 2031-33.



MUTUAL MANOR APARTMENTS  
CAPITAL IMPROVEMENTS NEED PROJECTIONS

2016-30

Revised: 1/7/2015

	2022	2023	2024	2025	2026	2027	2028	2029	2030	TOTALS
	Total									
	Units									
<b>Appliances</b>										
Range	1	0	1	0	1	0	1	0	1	8
Refrigerator	0	1	0	1	0	0	0	1	0	5
Range Hood	0	0	0	0	0	0	1	0	0	2
<b>Vinyl</b>										
IBR	0	0	0	0	0	0	0	0	0	0
2BR	0	0	0	0	0	0	0	0	0	1
<b>Carpet</b>										
IBR	0	0	0	0	0	0	0	0	0	1
2BR	0	0	0	0	0	0	0	0	0	0
<b>Cabinets</b>										
Kitchen	1	1	1	1	1	1	1	1	1	14
Bathroom (Not Ap)	0	0	0	0	0	0	0	0	0	0
<b>HVAC</b>										
HVAC- New Unit	0	0	0	1	0	0	0	1	0	3
<b>Plumbing</b>										
Water Heaters	0	0	0	0	0	0	0	0	0	0
Toilets	0	0	0	0	0	0	0	0	0	0
<b>Major Electrical</b>										
Access/Security System	0	0	0	0	0	0	0	0	0	0
<b>Structures</b>										
Roof	0	0	0	0	0	0	0	0	0	0
Interior Painting	0	0	0	0	0	0	0	0	0	0
Exterior Paint (Not Ap)	0	0	0	0	0	0	0	0	0	0
<b>Paving/Walks</b>										
Paving Parking Lot	0	0	0	0	0	0	0	0	0	0
Sidewalks (linear feet)	0	0	0	0	0	0	0	0	0	0
<b>Accessibility Features</b>										
Office/Commons/Ext.	0	0	0	0	0	0	0	0	0	0
Dwelling Interiors	0	0	0	0	0	0	0	0	0	0

Price Escalator 4.00%

Annual Capital Items Cost

1.3159	1.3686	1.4233	1.4802	1.5395	1.6010	1.6651	1.7317	1.8009		
\$5,083	\$5,510	\$5,498	\$11,821	\$5,947	\$5,363	\$6,559	\$13,829	\$6,957		
<b>TOTAL</b>										<b>\$95,594</b>

**MUTUAL MANOR APARTMENTS  
CAPITAL IMPROVEMENTS NEED PROJECTIONS  
2016-30**

1/7/2015

CAPITAL IMPROVEMENTS	TOTAL NEED *	WORK RECENTLY COMPLETED **		WORK PROPOSED *** IN 2015 WITH CITY FUNDS		TOTAL COMPLETED WORK AFTER CITY FUNDS - EOY 2015		REMAINING NEED 2016-30 ****	
		COMPLETED **	IN 2015 WITH CITY FUNDS	AFTER CITY FUNDS - EOY 2015	REMAINING NEED 2016-30 ****				
Appliances									
Range	18	4	6	10	8				
Refrigerator	18	5	8	13	5				
Range Hood	18	10	6	16	2				
Vinyl									
1BR	12	7	5	12	0				
2BR	6	3	2	5	1				
Carpet									
1BR	12	6	5	11	1				
2BR	6	4	2	6	0				
Cabinets									
Kitchen	18	2	2	4	14				
Bathroom (Not Ap)	None	0	0	0	0				
HVAC									
HVAC- New Unit	22	5	14	19	3				
Plumbing									
Water Heaters	20	0	20	20	0				
Toilets	20	0	20	20	0				
Major Electrical									
Access/Security System	1	0	1	1	0				
Structures									
Roof	1	1	0	1	0				
Interior Painting	18	3	15	18	0				
Exterior Paint (Not Ap)	None	0	0	0	0				
Paving/Walks									
Paving Parking Lot	1	1	0	1	0				
Sidewalks (linear feet)	125	0	125	125	0				
Accessibility Features									
Office/Commons/Ext.	1	0	1	1	0				
Dwelling Interiors	1	0	1	1	0				

NOTES:  
 \* TOTAL PROJECTED CAPITAL NEEDS BY 2030 (WITH SPECIFIC COUNT PER IMPROVEMENT TO ACHIEVE COMPLETE REPLACEMENTS),  
 \*\* RECENTLY COMPLETED OR "IN PROGRESS" IMPROVEMENTS THAT HAVE REMAINING USEFUL LIFE DURING THE PROJECTION PERIOD.  
 \*\*\* IMPROVEMENTS TO BE COMPLETED WITH THE REQUESTED CITY FUNDING IN 2015.  
 \*\*\*\* IMPROVEMENTS SCHEDULED TO BE COMPLETED WITH FUTURE REPLACEMENT RESERVE FUNDS IN ATTACHED PRO FORMA.

# ATTACHMENT C

## 20 YEAR OPERATING PRO FORMA MATHISON APARTMENTS Using Current Debt, Rents and Expenses

Date 1/7/2015  
Units 9  
Page 1

PRE-TAX CASH FLOW ANALYSIS		Year No. & Date=									
Application #		1	2	3	4	5	6	7	8	9	10
	Income Escalator Expense Escalator										
Gross Rent Potential	3.00%	\$ 69,120	\$ 71,194	\$ 73,329	\$ 75,529	\$ 77,795	\$ 80,129	\$ 82,533	\$ 85,009	\$ 87,559	\$ 90,186
+ Interest Income	4.00%	\$ 1,999	\$ 2,059	\$ 2,121	\$ 2,184	\$ 2,250	\$ 2,317	\$ 2,387	\$ 2,459	\$ 2,532	\$ 2,608
= Gross Income or Rent		\$ 71,119	\$ 73,253	\$ 75,450	\$ 77,714	\$ 80,045	\$ 82,446	\$ 84,920	\$ 87,467	\$ 90,091	\$ 92,794
- Loss to Lease		\$ (300)	\$ (309)	\$ (318)	\$ (328)	\$ (338)	\$ (348)	\$ (358)	\$ (369)	\$ (380)	\$ (391)
- Vacancy Allowance @ 7.00%		\$ (4,838)	\$ (4,984)	\$ (5,133)	\$ (5,287)	\$ (5,446)	\$ (5,609)	\$ (5,777)	\$ (5,951)	\$ (6,129)	\$ (6,313)
= EFFECTIVE NET RENT		\$ 65,981	\$ 67,960	\$ 69,999	\$ 72,099	\$ 74,262	\$ 76,490	\$ 78,784	\$ 81,148	\$ 83,582	\$ 86,090
-- Operating Expenses		\$ (38,501)	\$ (40,041)	\$ (41,643)	\$ (43,308)	\$ (45,041)	\$ (46,842)	\$ (48,716)	\$ (50,665)	\$ (52,691)	\$ (54,799)
-- Replacement Reserve Contribution @ \$250 pupa		\$ (2,250)	\$ (2,340)	\$ (2,434)	\$ (2,531)	\$ (2,632)	\$ (2,737)	\$ (2,847)	\$ (2,961)	\$ (3,079)	\$ (3,202)
= NET OPERATING INCOME		\$ 25,230	\$ 25,579	\$ 25,923	\$ 26,259	\$ 26,589	\$ 26,910	\$ 27,221	\$ 27,522	\$ 27,812	\$ 28,088
-- Debt Service (4. Local Government Loans)		\$ (11,838)	\$ (11,838)	\$ (11,838)	\$ (11,838)	\$ (11,838)	\$ (11,838)	\$ (11,838)	\$ (11,838)	\$ (11,838)	\$ (11,838)
-- Debt Service (5. Other Loan)		\$ (9,901)	\$ (9,901)	\$ (9,901)	\$ (9,901)	\$ (9,901)	\$ (9,901)	\$ (9,901)	\$ (9,901)	\$ (9,901)	\$ (9,901)
Total Debt Service		\$ (21,739)	\$ (21,739)	\$ (21,739)	\$ (21,739)	\$ (21,739)	\$ (21,739)	\$ (21,739)	\$ (21,739)	\$ (21,739)	\$ (21,739)
= NET RENTAL CASH FLOW AVAILABLE		\$ 3,491	\$ 3,840	\$ 4,184	\$ 4,520	\$ 4,850	\$ 5,171	\$ 5,482	\$ 5,783	\$ 6,073	\$ 6,349

Expenses from RR (Net of City Funding 2015) 0 0 (1504) (1291) (1256) (2171) (5507) (2738) (474) (1831)

EOY BALANCE IN REPLACEMENT RESERVE 1,954 4,294 5,224 6,464 6,840 7,406 4,746 4,969 7,574 8,946

FOR YEAR 1 This pro forma uses the Project's "Operating Budget" rent, interest & other income, expense and \$250 PUPA reserve figures.

FOR YEARS 1-20 Vacancy Allowance is assumed to be SEVEN PERCENT (7.0%) of the Yearly Gross Rent.

FOR YEARS 1-20 Debt Service under the Notes is zero (0) for the pro forma period.

FOR YEARS 2-20 An Annual Income Escalator of THREE PERCENT (3%) and an annual Expense & Reserve Escalator of FOUR PERCENT (4.0%) are applied annually.

EOY RR Balance Beginning Balance includes Owner advances made prior to approval of City Funding.

Expenses from RR Figures used from calculation of annual Capital needs 2016-30 (attached). Use 2030 figure for 2031-33.

20 YEAR OPERATING PRO FORMA  
**MATHISON APARTMENTS**  
 Using Current Debt, Rents and Expenses

PRE-TAX CASH FLOW ANALYSIS	Application #		Year No. & Date=																				
	Income Escalator	Expense Escalator	11	12	13	14	15	16	17	18	19	20	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Gross Rent Potential		3.00%	\$ 92,892	\$ 95,678	\$ 98,549	\$ 101,505	\$ 104,550	\$ 107,687	\$ 110,917	\$ 114,245	\$ 117,672	\$ 121,202	\$ 2,686	\$ 2,767	\$ 2,850	\$ 2,936	\$ 3,024	\$ 3,114	\$ 3,208	\$ 3,304	\$ 3,403	\$ 3,505	
+ Interest Income		4.00%	\$ 2,686	\$ 2,767	\$ 2,850	\$ 2,936	\$ 3,024	\$ 3,114	\$ 3,208	\$ 3,304	\$ 3,403	\$ 3,505											
= Gross Income or Rent			\$ 95,578	\$ 98,445	\$ 101,399	\$ 104,441	\$ 107,574	\$ 110,801	\$ 114,125	\$ 117,549	\$ 121,075	\$ 124,708											
- Loss to Lease (Current Residents)			\$ (403)	\$ (415)	\$ (428)	\$ (441)	\$ (454)	\$ (467)	\$ (481)	\$ (496)	\$ (511)	\$ (526)											
- Vacancy Allowance @ 7.00%			\$ (6,502)	\$ (6,697)	\$ (6,898)	\$ (7,105)	\$ (7,319)	\$ (7,538)	\$ (7,764)	\$ (7,997)	\$ (8,237)	\$ (8,484)											
= EFFECTIVE NET RENT			\$ 88,672	\$ 91,333	\$ 94,073	\$ 96,895	\$ 99,802	\$ 102,796	\$ 105,879	\$ 109,056	\$ 112,328	\$ 115,697											
- Operating Expenses			\$ (56,991)	\$ (59,271)	\$ (61,641)	\$ (64,107)	\$ (66,671)	\$ (69,338)	\$ (72,112)	\$ (74,996)	\$ (77,996)	\$ (81,116)											
- Replacement Reserve Contribution @ \$250 pupa			\$ (3,331)	\$ (3,464)	\$ (3,602)	\$ (3,746)	\$ (3,896)	\$ (4,052)	\$ (4,214)	\$ (4,383)	\$ (4,558)	\$ (4,740)											
= NET OPERATING INCOME			\$ 28,351	\$ 28,598	\$ 28,829	\$ 29,041	\$ 29,234	\$ 29,405	\$ 29,554	\$ 29,677	\$ 29,774	\$ 29,841											
- Debt Service (4. Local Government Loans)			\$ (11,838)	\$ (11,838)	\$ (11,838)	\$ (11,838)	\$ (11,838)	\$ (11,838)	\$ (11,838)	\$ (11,838)	\$ (11,838)	\$ (11,838)											
- Debt Service (5. Other Loan)			\$ (9,901)	\$ (9,901)	\$ (9,901)	\$ (9,901)	\$ (9,901)	\$ (9,901)	\$ (9,901)	\$ (9,901)	\$ (9,901)	\$ (9,901)											
Total Debt Service			\$ (21,739)	\$ (21,739)	\$ (21,739)	\$ (21,739)	\$ (21,739)	\$ (21,739)	\$ (21,739)	\$ (21,739)	\$ (21,739)	\$ (21,739)											
= NET RENTAL CASH FLOW AVAILABLE			\$ 6,612	\$ 6,859	\$ 7,090	\$ 7,302	\$ 7,495	\$ 7,666	\$ 7,815	\$ 7,938	\$ 8,035	\$ 8,102											

Expenses from RR (Net of City Funding 2015) (1067) (2093) (5927) (929) (1126) (513) (909) (909) (909) (909) (909) (909)

EOY BALANCE IN REPLACEMENT RESERVE 11,209 12,580 10,255 13,073 15,843 19,382 22,687 26,161 29,810 33,642

FOR YEAR 1 This pro forma uses the Project's "Operating Budget" rent, interest & other income, expense and \$250 PUPA reserve figures.

FOR YEARS 1-20 Vacancy Allowance is assumed to be SEVEN PERCENT (7.0%) of the Yearly Gross Rent.

FOR YEARS 1-20 Debt Service under the Notes is zero (0) for the pro forma period.

FOR YEARS 2-20 An Annual Income Escalator of THREE PERCENT (3%) and an annual Expense & Reserve Escalator of FOUR PERCENT (4.0%) are applied annually.

EOY RR Balance Beginning Balance includes Owner advances made prior to approval of City Funding.

Expenses from RR Figures used from calculation of annual Capital needs 2015-30 (attached). Use 2030 figure for 2031-33.

**MATHISON/FISKE APARTMENTS  
CAPITAL IMPROVEMENTS NEEDED PROJECTIONS**

1/7/2015

2016-30

CAPITAL IMPROVEMENTS	TOTAL NEED *	WORK RECENTLY COMPLETED **	WORK PROPOSED *** IN 2015 WITH CITY FUNDS	TOTAL COMPLETED WORK		REMAINING NEEDED
				AFTER CITY FUNDS - EOY 2015	2016-30 ****	
Appliances						
Range	9	5	2	7	2	2
Refrigerator	9	3	2	5	4	4
Range Hood	9	3	2	5	4	4
Vinyl						
2BR	9	2	3	5	4	4
Carpet						
2BR	9	5	3	8	1	1
Cabinets						
Kitchen	9	3	4	7	2	2
Bathrooms	9	4	2	6	3	3
HVAC						
HVAC- New Unit	9	7	2	9	0	0
Plumbing						
Water Heaters	9	4	2	6	3	3
Toilets	9	0	1	1	8	8
Structures						
Window Repair	3	0	2	2	1	1
Roofs	1	0	1	1	0	0
Interior Painting	9	5	4	9	0	0
Paving/Walks						
Asphalt (Pkg)	1	0	1	1	0	0
French Drainage (LF)	50	0	50	50	0	0
Sidewalks (LF)	30	0	30	30	0	0
Step & Rail (LF)	16	0	16	16	0	0
Landscape & Grounds						
Site Improvements	1	0	1	1	0	0
Repair Retaining walls	2	0	2	2	0	0
Accessibility Features						
Upgrade Int. & Ext	1	0	1	1	0	0

NOTES:  
 \* TOTAL PROJECTED CAPITAL NEEDS BY 2030 (WITH SPECIFIC COUNT PER IMPROVEMENT TO ACHIEVE COMPLETE REPLACEMENTS).  
 \*\* RECENTLY COMPLETED OR "IN PROGRESS" IMPROVEMENTS THAT HAVE REMAINING USEFUL LIFE DURING THE PROJECTION PERIOD.  
 \*\*\* IMPROVEMENTS TO BE COMPLETED WITH THE REQUESTED CITY FUNDING IN 2015.  
 \*\*\*\* IMPROVEMENTS SCHEDULED TO BE COMPLETED WITH FUTURE REPLACEMENT RESERVE FUNDS IN ATTACHED PRO FORMA.

MATHISON/FISKE APARTMENTS  
 CAPITAL IMPROVEMENTS NEED PROJECTIONS  
 2016-30

Revised: 1/7/2015

	Need 2016-30	Per Unit Price	2016		2017		2018		2019		2020		2021	
			Total Units	Units										
<b>Appliances</b>														
Range	2	\$505	0	0	0	0	1	0	0	0	0	0	0	0
Refrigerator	4	\$676	1	0	1	0	0	1	0	0	1	0	0	0
Range Hood	4	\$76	0	1	0	0	0	0	0	0	0	0	1	0
<b>Vinyl</b>														
2BR	4	\$1,118	0	1	0	0	0	0	0	0	0	0	1	0
<b>Carpet</b>														
2BR	1	\$1,351	0	0	0	0	1	0	0	0	0	0	0	0
<b>Cabinets</b>														
Kitchen	2	\$3,850	0	0	0	0	0	0	1	0	1	0	0	0
Bathrooms	3	\$360	0	0	0	1	0	0	0	0	0	0	0	0
<b>HVAC</b>														
HVAC- New Unit	0	\$3,960	0	0	0	0	0	0	0	0	0	0	0	0
<b>Plumbing</b>														
Water Heaters	3	\$750	0	0	0	1	0	0	0	0	0	0	1	1
Toilets	8	\$220	2	0	0	1	0	0	0	0	0	0	1	1
<b>Structures</b>														
Window Repair	1	\$330	1	0	0	0	0	0	0	0	0	0	0	0
Roofs	0	\$15,500	0	0	0	0	0	0	0	0	0	0	0	0
Interior Painting	0	\$695	0	0	0	0	0	0	0	0	0	0	0	0
<b>Paving/Walks</b>														
Asphalt (Pkg)	0	\$19,500	0	0	0	0	0	0	0	0	0	0	0	0
French Drainage (LF)	0	\$40	0	0	0	0	0	0	0	0	0	0	0	0
Sidewalks (LF)	0	\$55	0	0	0	0	0	0	0	0	0	0	0	0
Step & Rail (LF)	0	\$55	0	0	0	0	0	0	0	0	0	0	0	0
<b>Landscape &amp; Grounds</b>														
Site Improvements	0	\$3,200	0	0	0	0	0	0	0	0	0	0	0	0
Repair Retaining walls	0	\$1,771	0	0	0	0	0	0	0	0	0	0	0	0
<b>Accessibility Features</b>														
Upgrade Int. & Ext	0	\$4,135	0	0	0	0	0	0	0	0	0	0	0	0

Price Escalator 4.00%

Annual Capital Items Cost

	2016	2017	2018	2019	2020	2021
Price Escalator	1.04	1.0816	1.1249	1.1699	1.2167	1.2653
Annual Capital Items Cost	\$1,504	\$1,291	\$2,256	\$2,171	\$5,507	\$2,738

