

COST SUPPORTABLE BY MARKET COMPARISON RENTS

1. Total Monthly Market Rent by Comparison
(Residential, Commercial, Parking and
Laundry) \$ _____
2. Total Annual Market Rent
(Line 1 x 12 Mos.) \$ _____
3. Effective Gross Market Rent
(Line 2 x _____ % Occupancy) \$ _____
4. Total Expense
\$ _____ Per Unit x _____ Units \$ _____
5. Ground Rent (if any) \$ _____
6. Net Market Income (All Sources)
(Line 3 minus Line 4 minus Line 5) \$ _____
7. (a) Basic Rent Formula Rate _____ %
(b) Subsidy Rate _____ %
x _____ % Loan Ratio
x _____ %* Occupancy Ratio = _____ %
(c) Earning Rate for Market Income
(Line 7a + Line 7b) = _____ %
8. Supportable Cost
(Line 6 divided by Line 7c) = \$ _____

* The effect of multiplying the subsidy rate by the occupancy ratio is to restore to net income that portion of the vacancy allowance provided for in Line 3 which is attributable to the subsidy. *