

FHA FORM NO. 2384
Rev. 8/72

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FEDERAL HOUSING ADMINISTRATION

RENTAL HOUSING
PROJECT INCOME ANALYSIS AND APPRAISAL

- Feasibility
- Conditional
- Firm

Project Name: **PLEASANT VALLEY APARTMENTS** Project No.: **000-66000-LDI**

A. LOCATION AND DESCRIPTION OF PROPERTY:

1. Street No.: **2545-47-49-53** 2. Street: **Palm Avenue** 3. Municipality: **Somerville** 4. Census Tract No.: **000-451** 5. County: **Boyer** 6. State and Zip Code: **Massachusetts**

7. Type of Project: Elevator Walkup Detached Semi-Detached 2 Slab on Grade Full Basement Partial Basement Crawl Space Basement Floor Structural Slab on Slab on Grade

8. No. Stories: **2** 9. Foundation: Slab on Grade Full Basement Partial Basement Crawl Space Basement Floor Structural Slab on Slab on Grade

10. Proposed Existing 11. Access Non-Res. 12. No. of Ridges: **4** 13. List Accessory Bldgs. and Area: 14. List Recreation Facilities and Area:

B. INFORMATION CONCERNING LAND OR PROPERTY:

14. Dimensions: **300** ft. by **666.66** ft. or **200,000** sq. ft. 15. Zoning: **R-4** 16. Eriector: **Finish** 17. Structural System: 18. Floor System: 19. Heating/A/C System:

19. Date Acquired: **6-10-72** 20. Purchase Price: **\$ 51,000** 21. Addition of Costs Paid or Accrued: **\$** 22. Less: Held Against General Real: **\$** 23. Total Cost: **\$ 51,000** 24. Outstanding Balance: **\$** 25. Relationship - Beginning, Progress or Other Between Seller and Buyer:

26. Unusual Site Features - Cuts Fills Rock Formations Erosion None Poor Drainage High Water Table Retaining Walls Off Site Improvements

C. ESTIMATE OF INCOME:

27. No. of Each Family Type Unit	Living Area (Sq. Ft.)	Composition of Units	Unit Rent Per Month	Total Monthly Rent For Unit Type
10	450	0BR	\$85.65	\$ 856.50
20	600	1BR	104.98	2,099.60
30	750	2BR	121.55	3,646.50
30	910	3BR	127.08	3,812.40
10	1,080	4BR	132.60	1,326.00
28. TOTAL ESTIMATED RENTALS FOR ALL FAMILY UNITS				\$ 11,741.00

29. No. Parking Spaces - Attended Self Park Open Spaces \$ per month Covered Spaces \$ per month

30. Commercial: Area-Ground Level **100** Sq. Ft. @ \$ **.25** per sq. ft./mo. **25.00**
Other Levels Sq. Ft. @ \$ per sq. ft./mo.

31. **TOTAL ESTIMATED GROSS PROJECT INCOME AT 100% OCCUPANCY** **\$ 11,766.00**

32. **TOTAL ANNUAL RENT (Item 31 x 12 months)** **\$ 141,192**

33. Gross Floor Area: **90,882** Sq. Ft. 34. Net Rentable Residential Area: **77,250** Sq. Ft. 35. Net Rentable Commercial Area: **100** Sq. Ft.

36. **NON-REVENUE PRODUCING SPACE**

Type of Employee	No. Rms.	Composition of Unit	Location of Unit in Project

D. EQUIPMENT AND SERVICES INCLUDED IN RENT. (Check Appropriate Items)

37. EQUIPMENT - Range (Gas or Elec.) Disposal Refriger. (Gas or Elec.) Dishwasher Carpet Drapes Laundry Facilities Other (Specify):

38. SERVICES - GAS: Heat Hot Water Cooling Air Conditioning ELEC: Heat Hot Water Cooling Air Conditioning Lights, etc. in Unit OTHER FUEL: Heat Hot Water WATER OTHER:

39. SPECIAL ASSESSMENTS: a. Proprietary Non-Proprietary b. Principal Balance \$ c. Annual Payment \$ d. Remaining Term Years

E. ESTIMATE OF ANNUAL EXPENSE:		G. ESTIMATED REPLACEMENT COST:					
ADMINISTRATIVE-		36a. Unusual Land Improvements - \$					
1. Advertising -	\$	36b. Other Land Improvements -					
2. Management -		36c. Total Land Improvements -	\$ 35,000				
3. Other -		STRUCTURES-					
4. TOTAL ADMINISTRATIVE -	\$	37. Main Buildings -	\$				
OPERATING-		38. Accessory Buildings -					
5. Elevator Maint. Exp. -	\$	39. Garages -					
6. Fuel (Heating and Domestic Hot Water) -		40. All Other Buildings -					
7. Lighting & Misc. Power -		41. TOTAL STRUCTURES -	\$ 946,152				
8. Water -		42. General Requirements -	\$ 19,623				
9. Gas -		FEES-					
10. Garb. & Trash Removal -		43. Builder's Gen. Overhead @ 2.0 % -	\$ 20,016				
11. Payroll -		44. Builder's Profit -					
12. Other -		45. Arch. Fee-Design @ 4.5 % -	\$ 45,936				
13. TOTAL OPERATING -	\$	46. Arch. Fee-Supvr. @ 1.5 % -	\$ 15,312				
MAINTENANCE-		47. Bond Premium -	\$ 4,400				
14. Decorating -	\$	48. Other Fees -					
15. Repairs -		49. TOTAL FEES -	\$ 85,664				
16. Estimating -		50. TOT. For all Impts. (Lines 36c, 41, 42 & 49) -	\$ 1,086,439				
17. Insurance -		51. Cost Per Gross Sq. Ft. -	\$ 11.95				
18. Ground Expense -		52. Estimated Construction Time -	12 Months				
19. Other -		CARRYING CHARGES & FINANCING-					
20. TOTAL MAINTENANCE -	\$	53. Int. 12 Mos. @ 7.5 % on \$ 1,260,000 -	\$ 47,250				
21. Replacement Reserve (.0060 x total structures Line 41) -	\$ 5,677	54. Taxes -	\$ 2,300				
22. TOTAL OPERATING EXPENSE -	\$	55. Insurance -	\$ 5,000				
TAXES-		56. FHA Mtg. Ins. Pr. (0.5%) -	\$ 6,300				
23. Real Estate Est. Assessed Value \$ -		57. FHA Exam. Fee (0.3%) -	\$ 3,780				
\$ per \$1000 -		58. FHA Inspec. Fee (0.5%) -	\$ 6,300				
24. Personal Prop. Est. Assessed Value \$ -		59. Financing Fee () -	\$ 25,200				
\$ per \$1000 -		60. AMPD -					
25. Equal. Payroll Tax -		61. FNMA/CNMA FEE () -	\$ 22,050				
26. Other -		62. Title & Recording -	\$ 7,999				
27. Other -		63. TOTAL CARRYING CHGS. & FINANCING -	\$ 126,379				
28. TOTAL TAXES -	\$	LEGAL AND ORGANIZATION-					
29. TOTAL EXPENSE (Attach Worksheets) -	\$ 87,500	64. Legal -	\$ 7,000				
F. INCOME COMPUTATIONS:		65. Organization -	\$ 2,000				
30. Estimated Project Gross Income (Line C 32 Page 1) -	\$ 141,192	66. TOTAL LEGAL AND ORGANIZATION -	\$ 9,000				
31. Occupancy (Base Project) Percentage -	95%	67. Supplemental Management Fund -					
32. Effective Gross Income (Line 30 x Line 31) -	\$ 134,132	68. Consultant Fee -					
33. Total Project Expenses (Line 28) -	\$ 87,500	69. Builder and Sponsor Profit & Risk -	\$ 122,182				
34. Net Income to Project (Line 32 - Line 33) -	\$ 46,632	70. Contingency Reserve -					
35. Expense Ratio (Line 29 - Line 32) -	63.23%	71. TOTAL EST. DEVELOPMENT COST (Excl. of Land or Off-site Costs) (500-614 66+67+68+69+70) -	\$ 1,346,000				
H. MAXIMUM PERMISSIBLE RENTAL ANALYSIS:		72. Waranteed Price of Land - J-14(3) -	\$ 56,000				
1. Rent Formula Residential Total Rent Per Month -		73. TOTAL ESTIMATED REPLACEMENT COST OF PROJECT (46+71+72) -	\$ 1,400,000				
APARTMENT TYPE							
	0 BEDROOM	1 BEDROOM	2 BEDROOM	3 BEDROOM	4 BEDROOM		
2. Monthly Administrative Rent Limits (NOTE: Each limit must be followed by E for exception or R for regular) -	\$ 87.19R	\$ 106.88R	\$ 123.75R	\$ 129.38R	\$ 135.00R		
3. Personal Benefit Expenses -	0	0	0	0	0		
4. Administrative Rent Limits Less Personal Benefit Expenses -	\$ 87.19R	106.88R	123.75R	129.38R	135.00R		
5. Unit Basic Rent -	85.65	104.98	121.55	127.08	132.60		
6. Unit Market Rent by Rent Formula -	126.70	155.30	179.81	187.99	196.15		
7. Unit Market Rent by Comparison* -	135.00	160.00	200.00	230.00	300.00		
*Attach Documentation							
I. ESTIMATE OF OPERATING DEFICIT:							
Periods	Gross Income	Occup. %	Effec. Gross	Expenses	Net Income	Debt Serv. Reqmt.	Deficit
1. 1st	\$ 141,192	75	\$ 105,894	\$ 60,000	\$ 45,894	\$ 38,231	\$ 0
2. 2nd							
*Attach Absorption Data						J. TOTAL OPERATING DEFICIT -	

PROPERTY SITE ANALYSIS AND APPRAISAL

1. In Location and Neighborhood Acceptable... YES NO
 2. In Size Adequate to Size for Proposed Project... YES NO
 3. In Site Zoning Provisions for Intended Use... YES NO
 4. Are Utilities Available from to Serve the Site... YES NO
 5. Is there a Market at this Location for the Use... YES NO
 at the proposed use.

6. See acceptable for type of Project Proposed under Section...
 7. If other had, acceptor's address in qualifications listed below.
 Section acceptable for reasons stated below.

Date of Inspection _____

By _____

8. VALUE FULLY IMPROVED. LOCATION OF PROJECT: _____

COMPARABLE SALES ADDRESS	Year Built	Area Sq. Ft.	Area Per Acre	Price Paid	Price Per Sq. Ft.	Notes
1.						
2.						
3.						

Remarks _____

LAND VALUE ESTIMATED AS IN SECTION 207

9. Value of Site Fully Improved \$ _____

Acres	Value per Acre	Total Value

10. ACQUISITION COST: (See Amendment Transactions)

Buyer's Name _____
 Seller's Name _____
 Date of Acquisition _____
 Other _____
 Acquisition Cost (From "11" above) _____
 Total Cost to Sponsor _____

11. VALUE OF SITE "As Is" by Comparison \$ _____
 11. Value of Site "As Is" by Comparison \$ _____

11. OTHER COSTS:

Legal Fees and Zoning Costs _____
 Recording and Title Fees _____
 Interest on Investment _____
 Other _____
 Acquisition Cost (From "11" above) _____
 Total Cost to Sponsor _____

10. VALUE OF LAND AND COST CERTIFICATION:
 (1) Fair Market Value of Land Fully Improved (From "9" above) _____
 (2) Deduct minimal items included in Section C, Item 206 _____
 (3) Unimproved price of land fully improved (Replacement Cost as an excluded) _____
 (4) Deduct cost of annual taxes and imp'd off-lot costs _____
 (5) Estimate of "As Is" by abstracts from improved value _____
 (6) Estimate of "As Is" by direct comparison with similar unimproved sites (From "11" above) _____
 (7) "As Is" based on negotiation cost to sponsor (From "11" above) _____
 (8) Contributor's estimated value of land "As Is" (The lower of 6 or 5 above) _____

*Where land is purchased from LPA by other governmental authority for specific reuse, Section of 6, 5 or 6.

APPENDIX 11

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K. INCOME APPROACH TO VALUE:
1. Estimated Remaining Economic Life _____ Yrs.
Income Approach to Value:
2. Capitalization Rate Determined By: Overall Rate From Comparable Projects.
 Rate From Band of Investment or Summation (Provision for Recapture Must be Added).
3. Rate Selected _____ %
4. Net Income (Line F 34): _____ \$
5. Capitalized Value (Line 4 ÷ Line 3): _____ \$

6. Value of Leased Fee (if any)
Gross Rent \$ _____ + Cap. Rate _____ %
= Value of Leased Fee \$ _____

L. COMPARISON APPROACH TO VALUE:

7. Address of Comparable Sale	Date	Sale Price	No. Units						
8.									
9.									

8. Indicated Value of Subject by Comparison \$ _____

APPRAISAL SUMMARY
9. CAPITALIZATION % _____
SUMMATION \$ _____
COMPARISON \$ _____
The fair market value (or replacement cost) of the property, as of the date below, is \$ _____

M. TO BE COMPLETED BY CONSTRUCTION COST ANALYST:

COST NOT ATTRIBUTABLE TO DWELLING USE:

10. Parking _____ \$
11. Garage _____ \$
12. Commercial _____ \$
13. Special Est. Land Improvements _____ \$
14. Other _____ \$
15. TOTAL _____ \$

TOTAL EST. COST OF OFF-SITE REQUIREMENTS:

16. Off-Site _____ \$
Est. Cost _____ \$
_____ \$
_____ \$

17. TOTAL OFF-SITE COSTS - \$ _____

N. TO BE COMPLETED BY VALUATION SECTION:

CALCULATION OF BUDGETED CONSTRUCTION COST:

18. Maximum Mortgage Amount (from 2064e) + 95% or 110% (Whichever is Appropriate) \$ 1,400,000
19. FHA Land Value (Line G 19) \$ 16,000
20. Carrying Charges and Fl... 126,379
21. Legal and Organization... 9,000
22. Consultant Fee...
23. Design Architect... 45,936
24. Supervisory Architect... 15,312
25. Bond Premium... 6,400
26. Other Fees...
27. TOTAL 19 THRU 26 - DEDUCT \$ 257,027
28. Balance available for construction this includes builder's fee of \$ 1,142,973 or Blain. Ord. & BEPA of \$ 112,198

O. REMARKS, CONCLUSIONS AND SIGNATURES:
Remarks:

(Appraiser/Processor) (Date) (Appraiser/Reviewer)

(Valuation Processor) (Date) (Valuation Reviewer)

(Mortgage Credit Processor) (Date) (Mortgage Credit Reviewer)

(Cost Processor) (Date)

Conclusions:

