APPENDIX II

MORTGAGE TERM _______ YEARS MARKET INTEREST RATE _______

RENT FORMULA FOR SECTION 236
PROJECTS AFTER COST CERTIFICATION
(WITH OR WITHOUT TAX ABATEMENT)

BASIC RENTS

1. Final Total Mortgage Amount Resulting From Last Firm Commitment
   and Firm Cost Certification Procedures
   $___________

2. Mortgage Amounts Attributable to Tax Abatement (If none, enter zero)
   a. Term _______ years $ _______ Annual Abatement x 90% (All Rates) $___________
      divided by _______ 1% (If 1 - 1% for Term of Abatement)
   b. Term _______ years $ _______ Annual Abatement x 90% (All Rates) $___________
      divided by _______ 1% (If 1 - 1% for Term of Abatement)
   c. Total Mortgage Amount Attributable to Tax Abatement
      (Sum of Lines 2a and 2b)
      $___________

3. Mortgage Amount Not Attributable to Abatement
   (Line 1 less Line 2c)
   $___________

4. Mortgageor's Annual Contribution to Debt Service
   a. Annual Amount of Tax Abated $ _______ x 90% $___________
      (If none, enter zero)
   b. Line 3 x _______ 1% (If 1 - 1% for Project Mortgage Term)
   c. Total Contribution to Debt Service
      (Sum of Lines 4a and 4b)
      $___________

5. a. For LE Projects: Equity Dividends
      (Line 1 x 6% divided by 9)
   b. NY Project: Net Income Reserve
      (Line 5c x 6.383%)
   c. Cooperative Project: Enter zero
      (Enter Line 3a, 3b or 3c, as applicable)
   d. Total Expense, Taxes (excluding the tax abated) and Reserves
      $___________

6. a. Average Ground Lease Payments (If any)
   b. Effective Gross Basic Rent (Sum of Lines 4c, 5c, 6 and 7)
   c. Annual Gross Basic Rent for Project
      (Line 8 divided by _______ % Occupancy)
      (For cooperatives divide Line 8 x 1.05)
   $___________

7. Annual Commercial Income ($ _______ per month x 12 months)
   (From Section C, Form 2264)
   $___________

8. Annual Parking and Laundry Income ($ _______ per month x 12 months)
   (From Section C, Form 2264)
   $___________

9. Annual Basic Rent for Living Units (Line 7 minus Line 10 minus Line 11)
   $___________

10. Monthly Basic Rent For Living Units (Line 12 divided by 12 months)
    $___________
14. Subsidy Amounts Attributable to Tax Abatement
   (If none, enter zero)

   a. Mortgage Amount Line 2a $__________________
      x ________% (Subsidy Rate for that term) $__________________

   b. Mortgage Amount Line 2b $__________________
      x ________% (Subsidy Rate for that term) $__________________

   c. Total Subsidy Attributable to Tax Abatement
      (Line 1a plus Line 1b) $__________________

15. Subsidy Amount Not Attributable to Tax Abatement
   (Mortgage Amount in Line 3 x Subsidy Rate for full mortgage
    term ________)%
   $__________________

16. Total Annual Subsidy Amount (Line 15 plus Line 14) $__________________

17. Annual Market Rent by Formula for Living Units
    (Line 1b plus Line 12) $__________________

18. Annual Market Rent b; Formula for Living Units,
    Commercial, Parking and Laundry
    (Line 17 plus Line 10 plus Line 13) $__________________

19. Monthly Market Rent by Formula for Living Units (Line 17 divided by
    12 months) (This amount is allocated to the units by using
    Appendix 31, and results entered in line 4a, Form 6014) $__________________

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