SECTION 236 RENT FORMULA

• PROJECT NO. _____

MORTGAGE TERM _____YEARS   MARKET INTEREST RATE _____%

A. Basic Rents

1. a. Total Replacement Cost of Project.............................$_____

    b. Maximum Cost Supportable by Market Comparison Rents
        (From Appendix 3 revised 5/75)................................$_____

    c. Cost Supportable by Maximum Basic Rents (From Appendix 30).........$_____

    d. Least of Line 1a, Line 1b and Line 1c...$_____

2. Total Mortgage Amount...$_____   *

3. Equity Investment (L.D. Project only) (Line 2 divided by 9).....................$_____

4. Mortgagor's Annual Contribution

    P & I @ 1%_____% x Line 2...$_____

5. a. L.D. Project - Equity Dividend (6% x Line 3)

    b. N.P. Project - Net Income Reserve (Line 4 x 6.383%)

    c. Cooperative Project - Enter zero.
        Enter a, b, or c, as applicable..$_____

6. Annual Ground Lease Payment (Enter annual payments to ground lease, if any. Where
    mortgage is on a leasehold estate, the replacement cost of the property, in
    Line 1a and the Maximum Cost Supportable by Market Comparison Rents in Line 1b
    must be the replacement cost or supportable cost of the leasehold estate rather than
    the replacement cost or supportable cost in fee simple.)................................$_____

7. Total Expense, Taxes and Reserves..$_____

8. Effective Gross Basic Rent (Sum of Lines 4, 5, 6 and 7)...........................$_____

9. Gross Basic Rent - Rental Project (Line 8 divided by ____% Occupancy)(Cooperative, Line 8 x 1.05)$_____

10. Annual Commercial Income, Parking and Laundry Income (_____ Per Mo. x 12 Mos)..................$_____

11. Residential Annual Basic Rent (Line 9 - Line 10)...............................$_____

12. Residential Monthly Basic Rent (Line 11 divided by 12 Mos.)...................................$_____
    Enter in Line H-1 of Form 2264.

B. Market Rents

13. Annual Subsidy (Line 2 x _____% Subsidy Rate).......................................$_____

14. Residential Annual Market Rent (Line 11 plus Line 13)...$_____

15. Total Annual Market Rent (Line 14 plus Line 10)..$_____
    For Cooperative (Line 14 plus Annual Accessory Income at 100% Occupancy)

16. Residential Monthly Market Rent (Line 14 divided by 12 Mos.).....................................$_____
    (Residential Monthly Market Rents are allocated to living units by using
    Appendix 31 and the result entered in Line H-6 of Form 2264)

    *Round to the next lower $100 multiple.