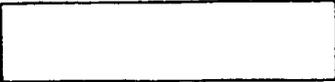


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| SECTION G - ESTIMATE OF REPLACEMENT COST | | SECTION I - ESTIMATE OF ANNUAL EXPENSE | |
|--|----------|---|----------|
| LAND IMPROVEMENTS | | ADMINISTRATIVE | |
| 1. Unusual Land Improvements | \$ _____ | 1. Advertising | \$ _____ |
| 2. Other Land Improvements | \$ _____ | 2. Management Fee (____ %) | \$ _____ |
| 3. TOTAL LAND IMPROVEMENTS | \$ _____ | 3. Other | \$ _____ |
| STRUCTURES | | 4. TOTAL ADMINISTRATIVE | \$ _____ |
| 4. Main Buildings | \$ _____ | OPERATING | |
| 5. Accessory Buildings | \$ _____ | 5. Elevator Maintenance Exp. | \$ _____ |
| 6. Garage | \$ _____ | 6. Fuel - Heating | \$ _____ |
| 7. All Other Buildings | \$ _____ | 7. Fuel - Domestic Hotwater | \$ _____ |
| 8. TOTAL STRUCTURES | \$ _____ | 8. Lighting and Misc. Power | \$ _____ |
| 9. SUBTOTAL (Line 3 plus Line 8) | \$ _____ | 9. Water | \$ _____ |
| 10. General Requirements (Line 9 x _____ %) | \$ _____ | 10. Gas | \$ _____ |
| 11. SUBTOTAL (Line 9 plus Line 10) | \$ _____ | 11. Garbage and Trash Removal | \$ _____ |
| FEES | | 12. Payroll | \$ _____ |
| 12. Builder's General Overhead (Line 11 x _____ %) | \$ _____ | 13. Other | \$ _____ |
| 13. Builder's Profit (Line 11 x _____ %) | \$ _____ | 14. TOTAL OPERATING | \$ _____ |
| 14. SUBTOTAL (Sum of Lines 11 through 13) | \$ _____ | MAINTENANCE | |
| 15. Bond Premium | \$ _____ | 15. Decorating | \$ _____ |
| 16. Other Fees | \$ _____ | 16. Repairs | \$ _____ |
| 17. ESTIMATED TOTAL COST OF CONSTRUCTION | \$ _____ | 17. Exterminating | \$ _____ |
| 18. Architect's Fee - Design (Line 14 x _____ %) | \$ _____ | 18. Insurance | \$ _____ |
| 19. Architect's Fee-Supervisory (Line 14 x _____ %) | \$ _____ | 19. Ground Expense | \$ _____ |
| 20. TOTAL FOR ALL IMPROVEMENTS (Sum of Lines 17 through 19) | \$ _____ | 20. Other | \$ _____ |
| 21. Cost per Gross Square Foot (Line 20 divided by Item 8, Section E) | \$ _____ | 21. TOTAL MAINTENANCE | \$ _____ |
| 22. Construction Time _____ Months Plus 2 = _____ Months | | 22. Replacement Res.: New Const. = (.006 x Line 8, Sec. G Total Struct.) Plus = (.004 x Mort./Loan Requested in Sec. M) | \$ _____ |
| CHARGES AND FINANCING DURING CONSTRUCTION | | 23. SUBTOTAL EXPENSES (Sum of Lines 4, 14, 21 and 22) | \$ _____ |
| 23. Interest on \$ _____ @ _____ % for _____ Months | \$ _____ | 24. Real Estate: Est. Assessed Value = \$ _____ at \$ _____ per \$1000 = \$ _____ | |
| 24. Taxes | \$ _____ | 25. Personal Prop. Est. Assessed Value = \$ _____ at \$ _____ per \$1000 = \$ _____ | |
| 25. Insurance | \$ _____ | 26. Employee Payroll Tax | \$ _____ |
| 26. HUD/FHA Mgt. Ins. Pre. (.85%) | \$ _____ | 27. Other | \$ _____ |
| 27. HUD/FHA Exam. Fee (.85%) | \$ _____ | 28. Other | \$ _____ |
| 28. HUD/FHA Imp. Fee (.85%) | \$ _____ | 29. TOTAL TAXES | \$ _____ |
| 29. Financing Fee (____ %) | \$ _____ | 30. TOTAL EXPENSES (Line 23 plus Line 29) | \$ _____ |
| 30. FNMA/GNMA Fee (____ %) | \$ _____ | 31. Avg. exp. per unit per annum (PUPA) (Line 30 divided by TOTAL Item 7 Sec. C) | \$ _____ |
| 31. AMPO (.25%) | \$ _____ | SECTION J - TOTAL SETTLEMENT REQUIREMENTS | |
| 32. Contingency (Sec. 202) (3.5%) | \$ _____ | 1. Development Costs (Line 48, Section G) | \$ _____ |
| 33. Title and Recording | \$ _____ | 2. Cash Req. for Land Debt/Acquisition | \$ _____ |
| 34. TOTAL CHARGES AND FINANCING | \$ _____ | 3. SUBTOTAL (Lines 1 plus 2) | \$ _____ |
| LEGAL, ORGANIZATION AND AUDIT FEE | | 4. Mortgage Amount | \$ _____ |
| 35. Legal | \$ _____ | 5. Development/Cash (Lines 3 minus 4) +/- | \$ _____ |
| 36. Organization | \$ _____ | 6. Initial Operating Deficit | \$ _____ |
| 37. Cost Certification Audit Fee | \$ _____ | 7. Discount Costs | \$ _____ |
| 38. TOTAL LEGAL, ORG. AND AUDIT FEE | \$ _____ | 8. Interest Yield Costs | \$ _____ |
| 39. Builder's and Sponsor's Profit and Risk | \$ _____ | 9. Working Capital (2% of Mortgage Amount) | \$ _____ |
| 40. Consultant Fee (Nonprofit Only) | \$ _____ | 10. Min. Capital Investment (Sec. 202) | \$ _____ |
| 41. Supplemental Management Fund | \$ _____ | 11. Off-Site Construction Costs | \$ _____ |
| 42. Contingency Reserve (Rehabilitation Only) | \$ _____ | 12. Non-Mortgageable Relocation Expenses | \$ _____ |
| 43. Relocation Expenses | \$ _____ | 13. Other | \$ _____ |
| 44. Other | \$ _____ | 14. TOTAL ESTIMATED CASH REQUIRED (Sum of Lines 5 through 13) | \$ _____ |
| 45. TOTAL ESTIMATED DEVELOPMENT COST (Lines 20 + 34 + 38 through 44) | \$ _____ | FUNDS AVAILABLE FOR CASH REQUIREMENTS | |
| 46. Land (Estimated Market Price of Site) _____ sq. ft. @ \$ _____ per sq. ft. | \$ _____ | 15. Source of Cash: | |
| 47. TOTAL ESTIMATED REPLACEMENT COST OF PROJECT (Line 43 plus Line 44) | \$ _____ | a. _____ | \$ _____ |
| 48. Average Cost per Living Unit (Line 48 divided by Total in Sec. C, Item 7) | \$ _____ | b. _____ | \$ _____ |
| SECTION H - ANNUAL INCOME COMPUTATIONS | | c. _____ | \$ _____ |
| 1. Estimated Project Gross Income (Line 7, Section E, Page 1) | \$ _____ | SUBTOTAL (a + b + c) | \$ _____ |
| 2. Occupancy (Estate Project) _____ % | | 16. Source of Fees and Grants: | |
| 3. Effective Gross Income (Line 1 + Line 2) | \$ _____ | a. _____ | \$ _____ |
| 4. Total Project Expenses (Line 38, Section I) | \$ _____ | b. _____ | \$ _____ |
| 5. Net Income to Project (Line 3 minus Line 4) | \$ _____ | c. _____ | \$ _____ |
| 6. Earning Ratio (Line 4 divided by Line 3) | ____ % | SUBTOTAL (a + b + c) | \$ _____ |
| | | 17. TOTAL Cash, Fees and Grants (Sum of Items 15 plus 16) | \$ _____ |

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| SECTION K - NAMES, ADDRESSES AND TELEPHONE NUMBERS OF THE FOLLOWING | | | |
|--|---|--|--|
| 1. <input type="checkbox"/> Sponsor, <input type="checkbox"/> Mortgagee, <input type="checkbox"/> Borrower, <input type="checkbox"/> Owner Name: _____ Address: _____ Telephone Number: _____ ZIP Code: _____ | 4. General Contractor Name: _____ Address: _____ Telephone Number: _____ ZIP Code: _____ | | |
| 2. Name: _____ Address: _____ Telephone Number: _____ ZIP Code: _____ | 5. Sponsor's Attorney Name: _____ Address: _____ Telephone Number: _____ ZIP Code: _____ | | |
| 3. <input type="checkbox"/> Consultant, <input type="checkbox"/> Agent, <input type="checkbox"/> Other Authorized Representative Name: _____ Address: _____ Telephone Number: _____ ZIP Code: _____ | 6. Architect Name: _____ Address: _____ Telephone Number: _____ ZIP Code: _____ | | |

SECTION L - APPLICATION (SAMA and Feasibility Letter)

A. The Undersigned certifies that: (1) He/She is legally authorized to represent the entity(ies) identified below with respect to all transactions pertaining to this application and all matters related to it; (2) Any and all action(s) by the undersigned is/are legally binding on the principal(s) and the entity(ies) being represented; (3) He/She is familiar with the provisions of the regulations issued by the Department of Housing and Urban Development (HUD) pursuant to the above-identified Section(s) of the respective Housing Act(s); (4) to the best of his/her knowledge and belief, the entity(ies) identified below has/have complied, or will be able to comply, with all the requirements of the regulations which are a prerequisite with respect to participation in the program(s) selected; (5) The principal(s) of the entity(ies) identified below are familiar with the specific provisions of the Right to Financial Privacy Act of 1978; (6) the principal(s) is/are aware that disclosure of certain financial information will be required by HUD in the course of processing this application; (7) That he/she has made a physical inspection of the property and, in his/her opinion, the site plan submitted conveys a concept which can be reasonably followed in practice; (8) The proposed construction will not violate recorded zoning ordinances or restrictions; (9) To the best of his/her knowledge and belief no information or data contained herein or in the exhibits or attachments submitted herewith, are in any way false or incorrect and that they are truly descriptive of the project or property which is intended as security for the proposed mortgage loan and/or is presented for consideration with respect to the request for approval of a Housing Assistance Payments Contract.

B. The Undersigned assures and agrees that: (1) Pursuant to the regulations and the related requirements of HUD neither the entity (ies) identified below, nor anyone authorized to act on its/their behalf, will decline to sell, rent or otherwise make available any of the property or housing in the project, identified herein, to a prospective purchaser or tenant because of race, color, religion, sex, or national origin; (2) The entity(ies) identified below will comply with Federal, State and local laws and ordinances prohibiting discrimination; and (3) Failure or refusal to comply with the requirements of either (1) or (2) shall constitute sufficient basis for the Commissioner to reject requests for future business with the identified entity(ies) or to take any other action that may be appropriate.

C. Herewith is a check for \$ _____ in payment of the required fee for a SAMA letter.

Principal Contact: _____ Signed: _____ Date: _____
 Telephone Number: _____ On Behalf of: Sponsor, Mortgagee, Borrower, Owner

SECTION M - TO THE FEDERAL HOUSING COMMISSIONER

1. Request for Mortgage Insurance:
 Request is hereby made for a CONDITIONAL COMMITMENT FIRM COMMITMENT to provide mortgage insurance on a loan, which will involve: Insurance of Advances During Construction Insurance Upon Completion, with respect to a principal loan of \$ _____ which will bear interest at the rate of _____ % on the Construction Loan and _____ % on the Permanent Loan. The undersigned mortgagee requests consideration for mortgage insurance pursuant to the provisions of Section _____ of the National Housing Act, and the HUD regulations applicable thereto. Said insurance is being requested to cover a loan which is to be secured by a first mortgage on the property described herein. After examining the proposed security, the undersigned considers such project to be desirable and is interested in making a loan in the principal amount and at the interest rate stated above. The loan will require repayment of the principal over a period of _____ months (_____ years) in accordance with an amortization plan acceptable to you. It is understood and agreed that the actual financing fee (Item G-29) will not exceed _____ % of your commitment amount. Presented herewith is a check for \$ _____ which is in payment of the application fee required by HUD regulations.

2. Request for Approval of Housing Assistance Payments Contract (Section 8):
 The undersigned owner requests your consideration with respect to approving a Housing Assistance Payments Contract pursuant to Section 8 of the U.S. Housing Act of 1937, as amended, and the related regulations applicable thereto. Submitted herewith is a proposal which defines the scope of the improvements and the type and quality of the housing which will be provided on the property described herein. Said property, upon completion of the improvements, will comply with the applicable standards and related regulations of the Department of Housing and Urban Development. Such proposed housing is being offered for lease, to eligible tenants at the stated contract rents, pursuant to the provisions of the regulations pertaining to the above-referenced U.S. Housing Act.

3. Request for a Section 202 Loan: Principal Amount \$ _____ @ Permanent Interest Rate of _____ % Pursuant to Section 202 of the Housing Act of 1960, as amended, and the regulations applicable thereto, the undersigned borrower hereby requests a loan in the principal amount and at the interest rate stated above. The proceeds of the loan are to be used for development of the property described herein. The scope of the development of the property will be consistent with that information pertaining to improvements, submitted for your consideration. The loan is to be secured by a first mortgage on the property described herein. The principal amount of the loan will be repaid over a period of _____ months (_____ years) in accordance with an amortization plan acceptable to you.

| | | | |
|-------------------------------|--|-------------------|--|
| Name and Address of Mortgagee | | Principal Contact | |
| | | Telephone Number | |
| | | | |

| | | | |
|---|------|---|------|
| Signed (Proposed Mortgagee) (Use with Item 1) | Date | Signed (Owner-Item 2) (Borrower-Item 3) | Date |
| | | | |

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| SECTION 8 REQUIRED EXHIBITS - MORTGAGE INSURANCE AND SECTION 202 DIRECT LOAN APPLICATIONS | | | | |
|--|--|----------------------|------------------------|-----------------|
| ITEM NUMBER | EXHIBIT TITLE | SAMA OR FEASIBILITY* | CONDITIONAL COMMITMENT | FIRM COMMITMENT |
| 1 | Location Map | X | | |
| 2 | Legal Description of the Property | X | | |
| 3 | Evidence of Permissive Zoning | X | | |
| 4 | Sketch Plan of the Site | X | | |
| 5 | Evidence of Site Control (Option or Purchase) | X | | |
| 6 | Evidence of Last Arms-Length Transaction and Price, including a Certification by Sponsor that Evidence Submitted in Response to this Item Reflects Last-Arms Length Purchase Price | X | | |
| 7 | Form 2010 Equal Employment Opportunity Certification | X | | |
| 8 | Form 3433 - Eligibility as Nonprofit Corporation | X | | |
| 9 | Form HUD-2530 - Previous Participation Certificate | X | | |
| 10 | Form HUD-92013-E Supplement to HUD-92013 | X** | | |
| 11 | Form FHA-2013R - Application for Project Mortgage Insurance (Rehabilitation) | X**** | X | X |
| 12 | Affirmative Marketing Plan | | X | |
| 13 | Management Plan and Questionnaire for the Sponsor and Managing Agent (HUD-9405A and HUD-9405B) | | X | |
| 14 | Grant and/or Loan Commitment Letter (If applicable) | | | |
| 15 | Form HUD-92013-E Supplement to HUD-92013 | | X** | |
| 16 | Form HUD-92013 - Supplement - For Each Sponsor and General Contractor | | X*** | X |
| 17 | Form HUD-92417 - Personal Financial Statement for Each Sponsor and General Contractor | | X*** | X |
| 18 | Personal and Commercial Credit Report for Each Sponsor and General Contractor | | X*** | X |
| 19 | Owner/Architect Agreement | | X | |
| 20 | Architectural Exhibits - Preliminary | | X | |
| 21 | Architectural Exhibits - Final | | | X |
| 22 | Form HUD-92328 - Contractor's and/or Mortgagor's Cost Breakdown | | | X |
| 23 | Form HUD-92457 and Land Survey | | | X |
| 24 | Form HUD-92013-E Supplement to HUD-92013 | | | X** |
| 25 | Management Agreement | | | X |
| <p>* Mortgage Insurance Applications Only. **** Submit for Rehabilitation Projects only ** For Handicapped and Elderly Projects Only. Complete Sections A, B, C, D, E, F, G, H and I. *** If General Contractor is known - Otherwise submit with Firm Commitment Application</p> | | | | |
| REQUIRED EXHIBITS - SECTION 8 HOUSING ASSISTANCE CONTRACT APPLICATIONS | | | | |
| <p>The Developer Packet which applies to the specific Notification of Fund Availability (NOFA) identifies the exhibits which are required with the Preliminary and Final Proposal Applications.</p> <p>The Developer Packet is available at the HUD Field Office which issued the NOFA to which the application is responding.</p> | | | | |
| FOR HUD USE ONLY | | | | |
| Date Received | | | | |
| Amount | | | | |
| Code | | | | |
| Schedule | | | | |
| Received By | | | | |

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

INSTRUCTIONS FOR COMPLETING
APPLICATION - MULTIFAMILY PROJECTS, FORM HUD-92013

FOREWORD: This Application is used for rental projects to request: (a) mortgage insurance, (b) a direct loan under Section 202, or (c) a Section 8 Housing Assistance Payments Contract. For mortgage insurance there are a maximum of three stages: (1) a request for a Site Appraisal and Market Analysis letter (SAMA letter) for new construction, or a Feasibility letter for a rehabilitation project. (Application for a SAMA or Feasibility letter may be submitted directly to a HUD Area Office or Multifamily Service Office by letter or in person); (2) an application for a Conditional Commitment, and (3) for a Firm Commitment. Both (2) and (3) must be submitted by an approved mortgage to a HUD Area Office or Multifamily Service Office. For a direct loan, under Section 202, this Application is submitted to a HUD Area Office or Multifamily Service Office at the Conditional and Firm Commitment stages of processing. If Section 8 is combined with an insured mortgage, the preliminary proposal processing may be combined with SAMA or Feasibility stages of processing. The final proposal is typically processed with the Firm Commitment Application in mortgage insurance.

Except for Rehabilitation Proposals under Section 202, a sponsor may combine two or three stages provided he/she has plans and exhibits that are sufficiently completed.

If a stage of processing is omitted, the exhibits for that stage are submitted with those required for the subsequent stage or stages. Information for all stages must be submitted in triplicate.

HUD Area or Service Office personnel will advise and assist sponsors and potential sponsors at all stages in connection with the submission of applications.

APPLICATION COMPLETION REQUIREMENTS FOR: I. Insured SAMA - Complete Page 1, in its entirety. Page 2, Complete only Section G, Item 46, Land (Estimated Market Price of Site). Page 3, Sections K, L and M. Feasibility - A request for feasibility analysis (rehabilitation) must be submitted with this form completed in its entirety. Conditional/Firm - A request for conditional or firm commitment must be submitted with this form completed in its entirety. II. Section 202 Direct Loan - This form must be completed in its entirety when a conditional or firm commitment under the Section 202 direct loan program is being requested. III. Section 8: Preliminary Proposal - Complete Page 1 in its entirety, (indicate type of occupancy, i.e., Elderly (E), Handicapped (H) or Family (F) in Section E, Unit Type). Page 2, Section G, Lines 46 and 47; Section I, Line 30. Page 3, Section K (to extent known) and Section M, Item 2. Final Proposal - Complete this form in its entirety except for Section L.

SECTION A - IDENTIFICATION

Item 1 - Enter project name. Items 2 and 3 - Enter HUD project number for mortgage insurance and/or Section 8, if known.

SECTION B - PURPOSE OF APPLICATION

Indicate actions requested by checking all applicable blocks and/or making entries where appropriate. For example, if an application is being submitted for the first stage of an uninsured project with housing assistance payments under Section 8, the Housing Assistance Payments Section 8 block will be checked as well as blocks for "A Preliminary Proposal", "Conventional Financing", and "Item 2 of Section M." If mortgage insurance will eventually be used "Conventional Financing" is not checked, but instead the block "Mortgage Insurance" is checked and the Section of Act entered in the blank space. In the Section 8 Preliminary Proposal stage do not check SAMA (Site Appraisal and Market Analysis) or feasibility letter, unless SAMA letter or feasibility letter is requested at that time and the SAMA fee is paid. The appropriate block for type of mortgagee (i.e. Profit Motivated, Nonprofit, Limited Dividend, Builder-Seller, or Other) and type of financing (i.e. Conventional, GNMA, Bond, or State Agency must be checked). Also, enter the amount of the requested Mortgage and the Permanent and Interim Interest Rates in the appropriate spaces.

SECTION C - LOCATION AND DESCRIPTION OF PROPERTY

Items 1 through 4 - Self-explanatory. Item 5 - Congressional District may be obtained from the Congressional Directory, Maps Of Congressional Districts. Items 6 through 10 - Self-explanatory. Item 11 - (a) Detached - A dwelling structure containing one living unit, surrounded by permanent open spaces; (b) Semi-detached - A dwelling structure containing two contiguous living units separated by a vertical division termed a common, party, or lot wall; (c) Row or Townhouse - A non-elevator structure containing three or more contiguous living units separated by a vertical divisions termed common, party or lot line walls. Row/townhouse units may not be enclosed on more than two sides by party or lot line walls and must have permanent open space contiguous to no fewer than two sides. Units will usually have private entrance and private interior stairs; (d) Walk-up - A multi-level structure of two or more living units which does not contain an elevator, with the units separated horizontally by floor and/or ceiling structural elements. (Note: Structures containing 2 or more dwelling units, whether one story or multi-story, which do not comply with the definitions herein of either a semi-detached/row or an elevator structure, shall be classified as "walkup"). (e) Elevator Structure - A dwelling structure, having two or more stories above finish grade and containing one or more elevators. Items 12 through 19 - Self-explanatory.

SECTION D - INFORMATION CONCERNING LAND OR PROPERTY

Items 1 and 2 - Self-explanatory. In Item 3 insert any cost paid, or contracted, in addition to the stipulated purchase price. If the proposed site will require demolition expense, or other preparatory expense, this should be indicated and explained on an attached sheet. Items 4 through 8 - Self-explanatory. Item 9 - If the proposed site is leased, indicate the dollar amount of annual ground rental. Items 10 through 12 - Self-explanatory.

SECTION E - ESTIMATE OF INCOME

Item 1 - Unit Type - The various unit types the proposal will have must be listed in this column. Usually the distinction will be on the basis of number of bedrooms and/or number of baths each unit will have. If there are units with the same bedroom and bathroom count but significantly different living area, or other characteristics, that would normally be reflected in rent differential, they must be listed as a separate unit type. If there are both elevator and non-elevator units, a separate identification for unit type must be made for each. Provision has been made for 8 different unit types. This can readily be doubled by dividing each of the existing lines in half. In the rare instance where additional space is needed, an additional page of another Form HUD-92013 or a plain paper listing all of the information shown in Section E for the additional unit types must be attached. (Note: If an attachment is used, a remark asterisked on the original Form HUD-92013 must be made so that all parties using the application would be aware that there is an attachment involved.) Care must be exercised to assure that excessive unit types are not created on the basis of minor unit market characteristics, such as a difference of only a few square feet between units that are otherwise the same. No. of Living Units - Enter here, for each unit type, the number of that unit type the project will have. No. of Units Assessed - Show number of each unit type to receive Section 8 Housing Assistance Payments, if any. Living Area (Sq. Ft.) is the area of each living unit measured from the inside faces of corridor and exterior walls and from the inside faces of partitions separating the living unit from other living or commercial areas. Composition of Units - List here in abbreviated form, the rooms within each unit type. (i.e., L for living room, D for dining room, K for kitchen, BR for bedroom) (precede BR with number of bedrooms - e.g., OBR, 1BR, or 2BR), B for bath (precede the B with 1 for each full bath, a 1/2 for each halfbath, or any combination appropriate.) (Bal. for balcony, etc.) PBE Not in Rent (Sec. F-1) - Personal Benefit Expense (PBE), sometimes referred to as an Utility Allowance in the Section 8 program, is an estimate of the utilities or other expense to be paid by tenants that are not included in the owner's monthly contract rent estimate. This estimate must be compatible with the entries in Item F-1, Utilities (Not in Rent), Unit Rent Per Mo. (\$) - Enter here the proposed rent for each unit type. If elevator units are involved, the issue of proposed rental difference per floor, if appropriate for the market, must be addressed. Usually the midpoint rents

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in a high rise structure are reflected. The dollar difference per floor, if any, must be communicated by the applicant. Total Monthly Unit Rent is the Unit Rent Per Month(\$) times the No. of Living Units of that type and represents the Gross Income that can be anticipated for those units. Employee(s) Living Unit(s) : List the number of employee living units for which rental income will not be received, the square foot area of each unit, and its unit composition. Employee living units must be included in the total units for the project, since they affect project operating expense estimates. Items 2 through 7 - Self-explanatory. Item 8 - At SAMA or feasibility stage insert the estimated gross floor area which is the sum of all floor areas of headroom height within the exterior walls. When completing a request for Conditional or Firm Commitment, insert the gross floor area computed from the plans. Items 9 and 10 - Net Rentable Residential Area/Net Rentable Commercial Area is the sum of all living/commercial areas within the exterior walls, measured from the interior faces of the exterior walls, corridor walls, and partitions separating the area from other living or commercial areas. Existing comparable structures should be used as a guide by the sponsor in making these estimates at SAMA stage. At the Conditional or Firm Commitment stages, these areas should be calculated from the floor plans.

SECTION F - EQUIPMENT AND SERVICES (Self-Explanatory)

SECTION G - ESTIMATE OF REPLACEMENT COST

Line 1 - Unusual Land Improvements - Enter cost for unusual site preparation such as pilings, retaining walls, fill, etc. Line 2 - Other Land Improvements - Enter cost of other land improvements such as on-site utilities, landscape work, drives and walks. Lines 3 through 9 - Self-explanatory. Line 10 - General Requirements - See Uniform System for Construction Specifications, Data Filing and Cost Accounting, Pages 1.3 and 1.4. Lines 11 through 20 - Self-explanatory. Line 21 - Enter the estimated cost per gross square foot of construction area (Line 20 divided by Item 8 of Section E, page 1). Line 22 - Enter the estimated period that will be reflected in the construction contract. The construction time plus the two months equals the total estimated "construction period". Line 23 - Interest is the amount estimated to accrue during the anticipated construction period. It is computed on one-half of the loan amount. Line 24 - Taxes which accrue during the construction are estimated and included as the tax amount. Line 25 - Insurance includes fire, wind, storm, extended coverage, liability, and other risks customarily insured against in the community. It does not include workmen's compensation, or public liability insurance, which are included in the cost estimate. (Note: Lines 26 through 31 are not applicable to Section 202 Direct Loan applications) Line 26 - HUD/FHA mortgage insurance premium is the amount to be earned during the estimated construction period. The amount should be computed on the requested loan amount at 1/2 of 1% per year or fraction of a year. If the estimated construction period exceeds one year, the premium will be based on a two-year period. Line 27 - HUD/FHA examination fee is computed at \$3 per \$1000 of the requested loan amount. Line 28 - HUD/FHA inspection fee is computed at \$6 per \$1000 of the requested loan amount when the project involves new construction, and on the estimated cost of rehabilitation when the project involves the rehabilitation of an existing structure. Line 29 - Financing fee is computed at a maximum of 2% on the loan amount. It is an initial service charge. This fee is not to be confused with discounts. Line 30 - Enter FNMA/GNMA fee here. HUD Field Office personnel will advise interested sponsors and mortgagees of the current maximum allowable rate for this fee and the conditions pursuant to which such fee may be included. Line 31 - AMPO is the Allowance to Make Project Operational and is computed at 2% of the maximum Mortgage insurance amount. It is allowable in cases involving nonprofit mortgagees (not including cooperative mortgagees). Line 32 - Self-explanatory. Line 33 - Title and Recording Expenses - This is the cost typically incurred for these items, by mortgagee, in connection with a mortgage transaction. This cost generally includes such items as recording fees, mortgage and stamp taxes, cost of survey, and title insurance including all title work involved between initial and final endorsement. Line 34 - Self-explanatory. Lines 35, 36 and 37 - Legal Organizational and Cost Certification Audit Fee - This estimate is to be based upon the typical cost usually incurred for these services in the area where the project is to be located. These items must be recorded separately. Line 38 - Self-explanatory. Line 39 - Builder's and Sponsor's Profit and Risk Allowance - This is based on total estimated cost of on-site utilities, landscape work, structures, general over-head expenses, architect's fees, carrying charges, financing, legal, organization and audit expenses. It is allowable in 220, 221(d) (3) Limited Distribution or profit-motivated, 236 Limited Distribution, 221(d)(4), and 231 profit-motivated projects. It is in lieu of, and not in addition to, builder's profit. Line 40 - Consultant's Fee, if any, enter amount to be charged the non-profit sponsor by a qualified consultant. Line 41 - Supplemental Management Fund for subsidized living units only - Allowance must not exceed \$100 per assisted unit, excluding non-revenue producing units, if any. Line 42 - Contingency Reserve - An amount allowable for rehabilitation projects only, not to exceed 10% of the sum of Line 11 in Section G. Lines 43, 44 and 45 - Self-explanatory. Line 46 - Land (Estimated Market Price of Site) - Enter sponsor's estimate of market price of site including off-site costs. If site was purchased from public body, for a specific re-use, enter purchase price plus holding cost and any other cost that the purchaser is required to pay, pursuant to specific conditions of the contract of sale. For Rehabilitation insert the "As Is" Value of Property. Lines 47 and 48 - Self-explanatory.

SECTION H - ANNUAL INCOME COMPUTATIONS (Self-Explanatory)

SECTION I - ESTIMATE OF ANNUAL EXPENSE

Lines 1 through 12 - Self-explanatory. Line 13 - Other - Reflect expense not specifically listed, such as, project security. Contract Security if provided should include contract guard service, performed either part or full-time, in connection with project operation. If security services are performed by staff employees, their salaries are included under Line 12, Payroll expense. Lines 14 through 30 - Self-explanatory. In housing for the Elderly, Line 23, will include only the expenses resulting from supplying tenants with shelter and utilities included in the rent. Separate income and expense budgets for supplying tenants with non-shelter services must be shown on Form HUD 92013-E, supplement to this application and used with all Elderly/Handicapped Housing proposals.

SECTION J - TOTAL SETTLEMENT REQUIREMENTS

Line 1 - Self-explanatory. Line 2 - Enter amount required to clear title to site. If land is to be acquired, the unpaid balance of the purchase price shall be entered. If leasehold, or land owned free and clear of encumbrances, enter "none." Indebtedness against land must be supported by options, purchase agreements, pay-off balances, etc. Line 3 - Enter the sum of "Development Cost" and "Land Indebtedness." Line 4 - Enter principal amount of mortgage requested. Line 5 - Self-explanatory. Line 6 - Enter the amount required to meet operating and debt service expense from project completion until such time as income is adequate to provide a self-sustaining operation. Line 7 - Enter discount to be paid for placement of the permanent mortgage as well as any discount required by the construction lender. Line 8 - Enter the maximum interest yield cost. Line 9 - Enter 2 percent of the mortgage amount requested. No entry is required for nonprofit mortgagees. Line 10 - Enter one-half of one percent (.5%) of the total loan requested or \$10,000, whichever is the lesser. Line 11 - Enter the cost of required improvements beyond property lines, such as streets and utilities, etc., which will not be installed at public or utility company expense. Line 12 - Enter relocation expenses in excess of amount allowed in replacement cost. Line 13 - Other - Enter any and all cost not identified elsewhere. Line 14 - Self-explanatory. Line 15 - Enter principal(s) cash contribution. Line 16 - Identify fees waived or deferred during construction or paid by means other than cash, i.e., BSPPA, builder's profit, identify grants/loans and the respective amounts. Line 17 - Self-explanatory.

SECTIONS K, L, M, AND N - (Self-Explanatory)

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