

RENTAL ASSISTANCE DEMONSTRATION PROGRAM

Presented By:

The Michaels Development Company

3 East Stow Road,

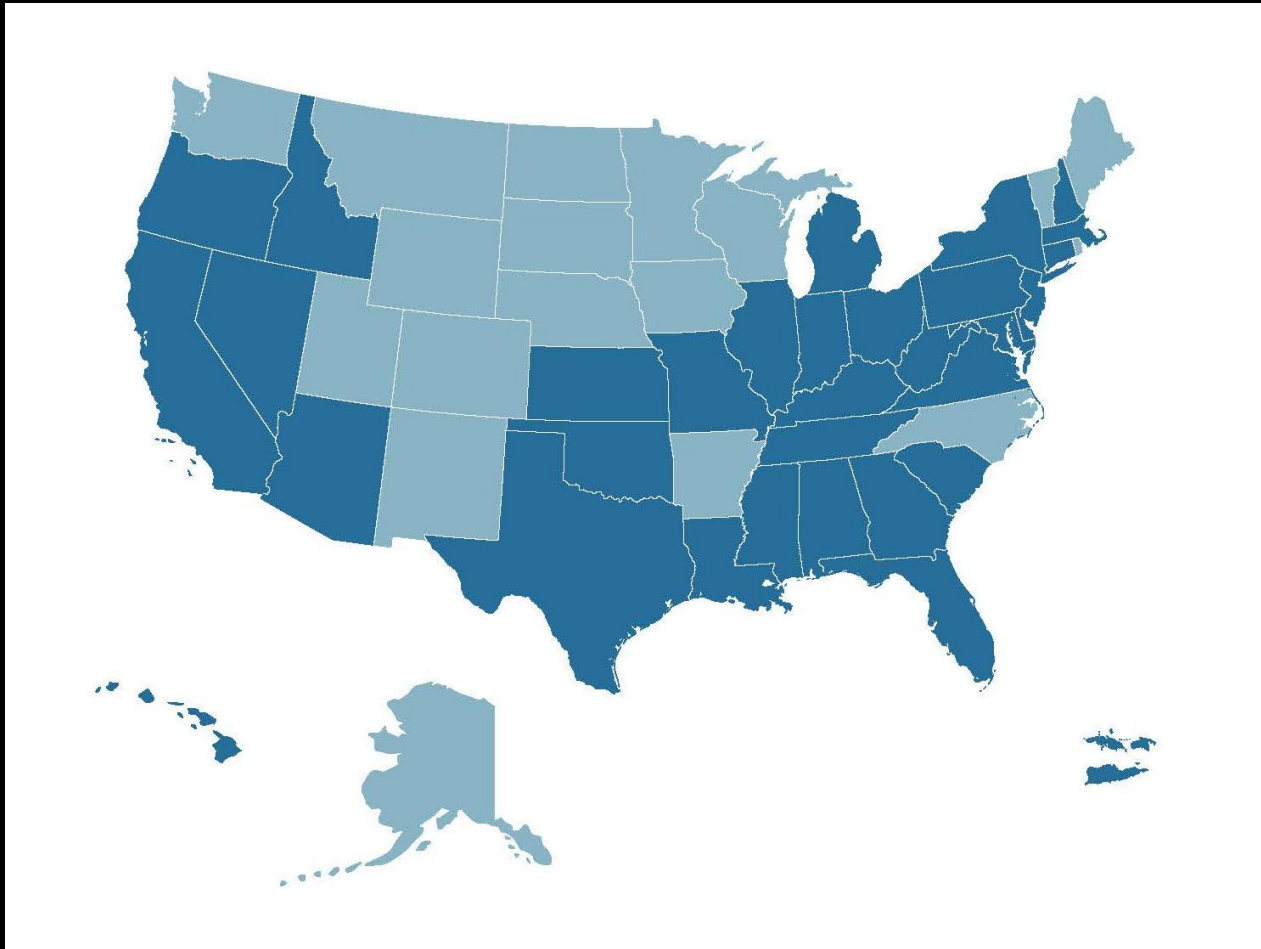
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And NOW ...



We have developed communities in 33 states, the Virgin Islands and Washington, D.C.

Housing Type Variety

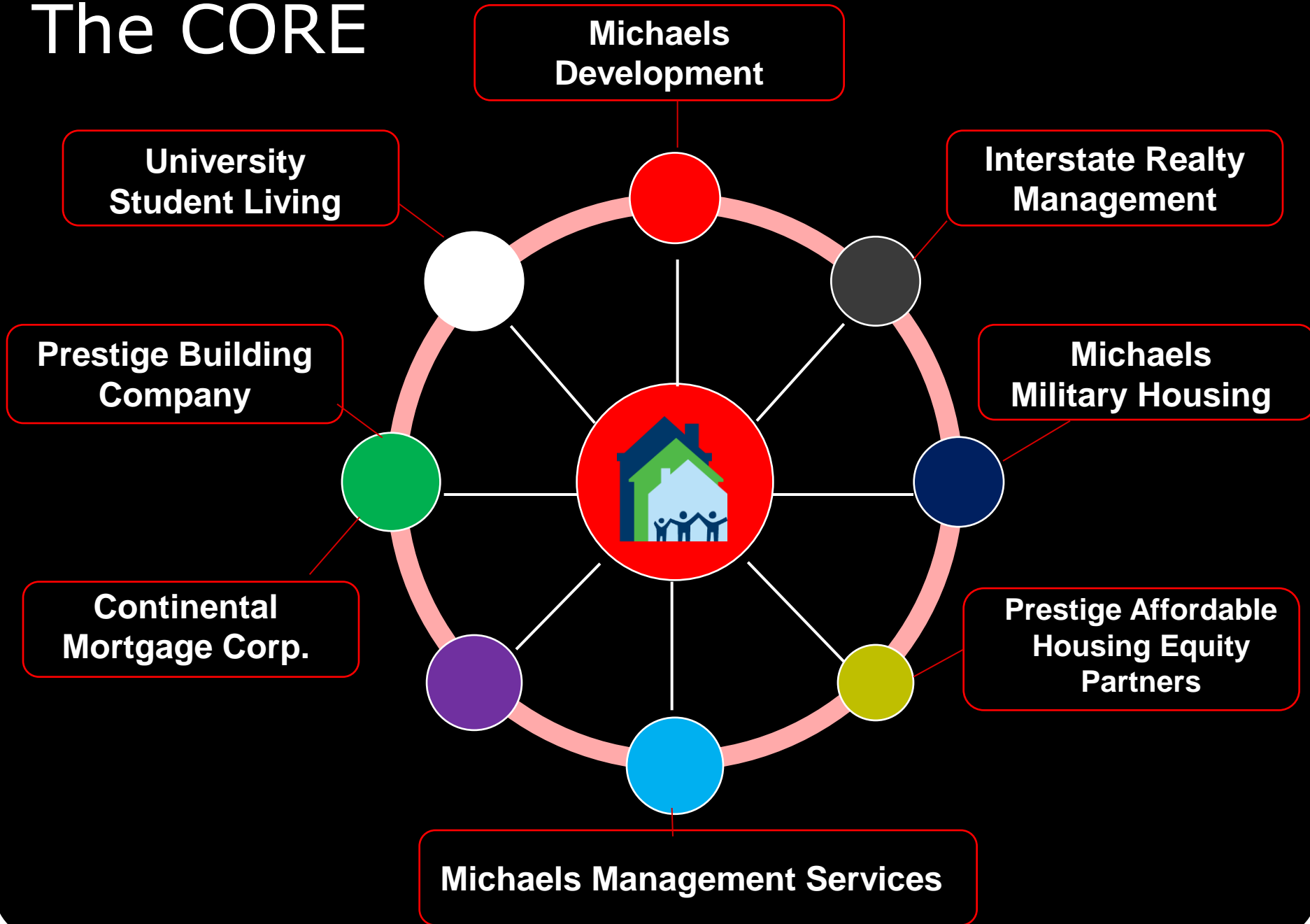


Our residential communities come in every shape and size, from low-density duplexes, townhouses and garden apartments to high-rise towers.

In 26 cities, the **Michaels Development Company** has developed or is in the process of developing, mixed-finance housing in partnership with local public housing authorities. These communities include:

- Philadelphia, Pennsylvania,
- Baltimore, Maryland
- Camden, New Jersey,
- Kansas City, Missouri,
- New Haven, Connecticut,
- Meridian , Mississippi
- Chicago, Illinois
- Wilmington, Delaware
- Los Angeles, California
- Franklin, Tennessee
- Albany, New York,
- St. Thomas, Virgin Islands
- Shreveport, LA
- Jersey City, New Jersey
- New Orleans, Louisiana,
- Tampa, Florida,
- Tulsa, Oklahoma.
- Sarasota, Florida
- Atlantic City, New Jersey
- Honolulu, Hawaii
- Montgomery, Alabama
- Sarasota, Florida
- Miami, Florida
- Newark, New Jersey
- Dayton, Ohio
- Corpus Christi, TX

The CORE



Experience

MERIDIAN, MS



Four-Phased Redevelopment Plan

J. T. Davis Courts, a new, 72 unit mixed –income rental development;

Victory Village, a new, 130 unit rental mixed-income rental community;



Carousel Place Homes, new 16 affordable homeownership units adjacent to Victory Village;

Frank Berry Courts, a rehab, 113 unit rental public housing/LIHTC community

FRANK BERRY COURTS: Snapshot: Before

UNIT MIX	
One Bedroom	37
Two Bedrooms	53
Three Bedrooms	23
TOTALS	113



FRANK BERRY COURTS: Snapshot: After

UNIT MIX	
One Bedroom	37
Two Bedrooms	53
Three Bedrooms	23
TOTALS	113



FRANK BERRY COURTS: Income Assumptions:

CURRENT FUNDING	PUPM	NO UNITS	MTHLY	YRLY
Operating Subsidy	181	113	20,453	245,436
Formula Income	153	113	17,289	207,468
Capital Fund Formula Grant	108	113	12,242	146,900
Total	442	113	49,984	599,804

BEDROOM ADJUSTED CONTRACT RENT BASED ON FMRS				
Bedrooms	FMRS	BDRM ADJ	AVR PUPM	BDRM ADJ RENTS
1	478	0.854	442	378.00
2	560	1.000	442	442.00
3	769	1.373	442	607.00

Bedrooms	RENT CAPS			FMRS	PBV LIMIT*	PBRA LIMIT
	Bdrm Adj Rent	Utilities	Gross Rent	100%	110%	120%
1	378	70	448	478	526	631
2	442	82	524	560	616	739
3	607	99	706	769	846	1,015

* PBV CAP- ALSO RENT REASONABLENESS

FRANK BERRY COURTS

BASE YEAR OPERATING EXPENSES

BASE YEAR OPERATING EXPENSES	BUDGETED	RAD
ADMINISTRATIVE	\$ 133,310	\$ 160,942
OPERATING	\$ 126,574	\$ 126,574
MAINTENANCE	\$ 54,075	\$ 54,075
TAXES AND INSURANCE	\$ 82,400	\$ 89,500
REPLACEMENT RESERVE	\$ 33,900	\$ 33,900
TOTAL ANNUAL EXPENSES & RESERVES	\$ 430,259	\$ 464,991
OPERATING EXPENSES PER UNIT	\$ 3,807.60	\$ 4,114.96

FRANK BERRY COURTS

ACTUAL: ALL ACC/ 4% LIHTC

SOURCES	PERMANENT
TAX-EXEMPT HARD DEBT	-
FEDERAL LIHTC EQUITY @ .69	2,805,901
CFRC LOAN	8,526,576
SELLERS NOTE	471,141
FUNDING GAP	
TOTAL PERMANENT SOURCES	11,803,618
CONSTRUCTION BONDS	5,500,000

USES	
ACQUISITION @ \$9,119 per unit	1,030,500
HARD COSTS @ \$56,668 per unit	6,403,439
SOFT COSTS	2,424,141
RESERVES AND ESCROWS includes ACC Reserve	970,872
DEVELOPMENT FEES @12%	974,667
TOTAL USES	11,803,618

FRANK BERRY COURTS

ACTUAL: ALL RAD/ 9% LIHTC

SOURCES	PERMANENT
FHA INSURED HARD DEBT	2,092,000
FEDERAL LIHTC EQUITY @ \$.92	7,828,107
3 RD PARTY LOAN	101,500
SELLERS NOTE 90% of Acquisition	848,154
FUNDING GAP	
TOTAL PERMANENT SOURCES	10,869,762
CONSTRUCTION LOAN	7,200,000

USES	
ACQUISITION @\$10.619 per unit	1,200,000
HARD COSTS	6,403,439
SOFT COSTS	1,819,170
RESERVES AND ESCROWS excludes ACC Reserve	480,000
DEVELOPMENT FEES	967,153
TOTAL USES	10,869,762

FRANK BERRY COURTS

ACTUAL: ALL RAD/ 4% LIHTC

SOURCES	PERMANENT
TAX-EXEMPT HARD DEBT	2,167,000
FEDERAL LIHTC EQUITY @ \$.97	3,994,211
CFRC LOAN	
SELLERS NOTE 90% of Acquisition	2,034,000
FUNDING GAP	3,546,751
TOTAL PERMANENT SOURCES	11,741,962
CONSTRUCTION BONDS	6,000,000

USES	
ACQUISITION @ \$20,000 per unit	2,260,000
HARD COSTS	6,403,439
SOFT COSTS	1,872,478
RESERVES AND ESCROWS Min. Operating Reserve	232,495
DEVELOPMENT FEES	973,550
TOTAL USES	11,741,962