

ATTACHMENT "A" - ACQUISITION PRICE AND PURCHASE FINANCING ANALYSIS FOR 36-UNIT PORTFOLIO						
City-Owned Rental Unit Inventory				36		
<b>Annual City-Owned Rental Unit Income Potential</b>					<b>Per Unit</b>	<b>Total</b>
Annual Tenant Rental Income (Low Income-restricted @ 80% AMI)					\$13,476	\$485,136
<b>Total Annual Income Potential</b>					<b>\$13,476</b>	<b>\$485,136</b>
<b>Total City-Owned Rental Unit Expenses</b>						
Vacancy Loss		5%	of Annual Rental Potential		\$674	\$24,256.80
Property Management Fee					\$858	\$30,880
HOA Dues					\$3,502	\$126,078
Repairs Allowance					\$2,662	\$95,821
Mileage					\$10	\$346
Supplies					\$235	\$8,455
Replacement & Reserves					\$2,400	\$86,400
Insurance					\$400	\$14,400
<b>Total Annual Expenses</b>					<b>\$10,740</b>	<b>\$386,636</b>
<b>Annual Net Operating Income</b>					<b>\$2,736</b>	<b>\$98,500</b>
<b>Acquisition Price Assumptions</b>						
Required Market Capitalization Rate (Cap Rate)			5.50%			
<b>Assumed Acquisition Price</b>					<b>\$49,747</b>	<b>\$1,790,909</b>
<b>Purchase Financing Assumptions</b>						
Maximum Loan-to-Value			70%			
Interest Rate			6.25%			
Loan Term (Years)			30			
DSCR			1.25			
Monthly Acquisition Loan Payment						\$6,567
Annual Acquisition Loan Payment						\$78,800
Loan Amount Based on LTV						\$1,253,636
Loan Amount Based on DSCR						\$1,066,507
<b>Maximum Loan Amount (DSCR &amp; LTV)</b>						<b>\$1,066,507</b>