

Section 3

SOURCES AND USES OF FUNDS

Sources of Funds

Private Equity:

81 . Developer's Cash Equity	\$37,371,752
82 . Tax Credit Equity (net amount) <i>(See line 360, Section 5, page 18.)</i>	\$
83 . Developer's Fee/Overhead, Contributed or Loaned	\$
84 . Other Source:	\$

Optional user calculations

Public Equity:

85 . HOME Funds, as Grant	\$
86 . Grant:	\$
87 . Grant:	\$
88 . Total Public Equity	\$0

Subordinate Debt (see definition):

89 . Home Funds-DHCD, as Subordinate Debt	\$0	%	yrs.	yrs.
Source: _____				
90 . Home Funds-Local, as Subordinate Debt	\$0	%	yrs.	yrs.
Source: _____				
91 . Subordinate Debt	\$0	%	yrs.	yrs.
Source: _____				
92 . Subordinate Debt	\$0	%	yrs.	yrs.
Source: _____				
93 . Subordinate Debt	\$0	%	yrs.	yrs.
Source: _____				
94 . Total Subordinate Debt	\$0			

Permanent Debt (Senior):

95 . MHFA	MHFA Program 1	\$	%	%	yrs.	yrs.	%
96 . MHFA	MHFA Program 2	\$	%	%	yrs.	yrs.	%
97 . MHP Fund Permanent Loan	\$37,371,752		5.86%		30.00	7.00	%
98 . Other Permanent Senior Mortgage	\$	%			yrs.	yrs.	%
Source:							
99 . Other Permanent Senior Mortgage	\$	%			yrs.	yrs.	%
Source:							
100 . Total Permanent Senior Debt		\$37,371,752					

Construction Period Financing:		<i>Amount</i>	<i>Rate</i>	<i>Term</i>
102 .	Construction Loan	\$0	%	mos.
Source:				
Repaid at:			(event)	
103 .	Other Interim Loan	\$0	%	mos.
Source:				
Repaid at:			(event)	
104 .	Syndication Bridge Loan	\$0	%	mos.
Source:				
Repaid at:			(event)	

Uses of Funds

The Contractor certifies that, to the best of their knowledge, the construction estimates, and trade-item breakdown on this page are complete and accurate.

Direct Construction:

105 . Who prepared the estimates?	AvalonBay Communities, Inc.	
	Name	Signature

106 . Basis for estimates?	Comparable Buyouts	
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	DV	Trade Item	Amount	Description
107 .	3	Concrete	\$2,700,000	
108 .	4	Masonry	\$658,416	
109 .	5	Metals	\$1,164,500	
110 .	6	Rough Carpentry	\$8,322,068	
111 .	6	Finish Carpentry	\$2,823,079	Includes cabinets
112 .	7	Waterproofing	\$198,836	
113 .	7	Insulation	\$1,248,644	
114 .	7	Roofing	\$476,160	
115 .	7	Sheet Metal and Flashing		In Exterior Siding Number
116 .	7	Exterior Siding	\$2,371,259	Includes siding, sheet metal and flashing
117 .	8	Doors	\$1,529,520	
118 .	8	Windows	\$1,417,098	
119 .	8	Glass	\$61,065	
120 .	9	Lath & Plaster		
121 .	9	Drywall	\$2,584,448	
122 .	9	Tile Work	\$455,236	
123 .	9	Acoustical		
124 .	9	Wood Flooring		
125 .	9	Resilient Flooring	\$1,430,703	
126 .	9	Carpet		
127 .	9	Paint & Decorating	\$694,548	
128 .	10	Specialties	\$534,735	
129 .	11	Special Equipment		
130 .	11	Cabinets		Included in finish carpentry
131 .	11	Appliances	\$680,000	
132 .	12	Blinds & Shades	\$126,258	
133 .	13	Modular/Manufactured		
134 .	13	Special Construction		
135 .	14	Elevators or Conveying Syst.		
136 .	15	Plumbing & Hot Water	\$4,021,840	
137 .	15	Heat & Ventilation	\$3,591,650	Includes air conditioning
138 .	15	Air Conditioning		Included in heat and ventilation
139 .	15	Fire Protection	\$1,178,369	
140 .	16	Electrical	\$5,385,127	
141 .		Accessory Buildings	\$665,000	Includes trash/recycling building, mail kiosk/package, bike rack, pet amenity
142 .		Other/misc		
143 .		Subtotal Structural	\$44,318,558	
144 .	2	Earth Work	\$1,758,948	
145 .	2	Site Utilities	\$3,493,634	
146 .	2	Roads & Walks	\$1,039,063	
147 .	2	Site Improvement		
148 .	2	Lawns & Planting	\$355,555	
149 .	2	Geotechnical Conditions		
150 .	2	Environmental Remediation	\$28,000	
151 .	2	Demolition	\$53,544	
152 .	2	Unusual Site Cond		
153 .		Subtotal Site Work	\$6,728,744	
154 .		Total Improvements	\$51,047,302	
155 .	1	General Conditions	\$5,268,709	
156 .		Subtotal	\$56,316,011	
157 .	1	Builders Overhead	\$1,483,243	
158 .	1	Builders Profit		
159 .		TOTAL	\$57,799,254	

160	Total Cost/square foot:	N/A	Residential Cost/s.f.:	N/A
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Development Budget:

	Total	Residential	Commercial	Comments
161 . Acquisition: Land	\$2,999,000	\$2,999,000		Seller's land acquisition value
162 . Acquisition: Building	\$0			
163 . Acquisition Subtotal	\$2,999,000	\$2,999,000	\$0	

164 . Direct Construction Budget	\$57,799,254	\$57,799,254		(from line 159)
165 . Construction Contingency	\$3,756,952	\$3,756,952		6.5% of construction
166 . Subtotal: Construction	\$61,556,206	\$61,556,206	\$0	

General Development Costs:

167 . Architecture & Engineering	\$1,373,000	\$1,373,000		
168 . Survey and Permits	\$1,930,000	\$1,930,000		Includes utility connection fees
169 . Clerk of the Works	\$250,000	\$250,000		
170 . Environmental Engineer	\$55,000	\$55,000		
171 . Bond Premium	\$0			
172 . Legal	\$510,000	\$510,000		
173 . Title and Recording	\$50,000	\$50,000		
174 . Accounting & Cost Cert.	\$50,000	\$50,000		
175 . Marketing and Rent Up	\$470,000	\$470,000		Marketing and FFE
176 . Real Estate Taxes	\$625,000	\$625,000		
177 . Insurance	\$0			Carried in construction overhead costs
178 . Relocation	\$0			
179 . Appraisal	\$0			
180 . Security	\$0			
181 . Construction Loan Interest	\$2,185,298	\$2,185,298		
182 . Inspecting Engineer	\$0			
183 . Fees to:	\$0			
184 . Fees to:	\$0			
185 . MIP	\$0			
186 . Credit Enhancement Fees	\$0			
187 . Letter of Credit Fees	\$40,000	\$40,000		
188 . Other Financing Fees	\$0			
189 . Development Consultant	\$0			
190 . Other:	\$0			
191 . Other:	\$0			
192 . Soft Cost Contingency	\$250,000	\$250,000		3.3% of soft costs
193 . Subtotal: Gen. Dev.	\$7,788,298	\$7,788,298	\$0	
194 . Subtotal: Acquis., Const and Gen. Dev.	\$72,343,504	\$72,343,504	\$0	

195 . Capitalized Reserves	\$0			
196 . Developer Overhead	\$2,400,000	\$2,400,000		
197 . Developer Fee	\$0			
198 . Total Development Cost	\$74,743,504	\$74,743,504	\$0	TDC per unit \$373,718
199 . TDC, Net	\$74,743,504	\$74,743,504	\$0	TDC, Net per unit \$373,718

Additional Detail on Development Pro-Forma:

200 . Gross Syndication Investment

Off-Budget Costs:**Syndication Costs:**

201 . Syndication Legal
 202 . Syndication Fees
 203 . Syndication Consultants
 204 . Bridge Financing Costs
 205 . Investor Servicing (capitalized)
 206 . Other Syndication Expenses
 207 . Total Syndication Expense
 208 . Current Reserve Balance

\$0

Reserves (capitalized):

209 . Development Reserves
 210 . Initial Rent-Up Reserves
 211 . Operating Reserves
 212 . Net Worth Account
 213 . Other Capitalized Reserves
 214 . Subtotal: Capitalized Reserves

\$0

215 . Letter of Credit Requirements

216 . Total of the Above

\$0**Check: Line 214 is the same as line 195.**

Please Answer The Following	Dev. Reserves	Initial Rent-Up	Op. Reserves	Net Worth	Other	Letter of Credit
Who requires the reserves?						
Who administers the reserves?						
When and how are they used?						
Under what circumstances can they be released?						

Unit Sales (For Sale Projects Only):

217 . Gross Sales From Units
 218 . Cost of Sales (Commissions, etc.)
 219 . Net Receipt from Sales

\$
\$
\$0

Debt Service Requirements:

220 . Minimum Debt Service Coverage

221 . Is this Project subject to HUD Subsidy Layering Review?

 No*Optional user comments*