

EXHIBIT A: APPLICATION FOR FINANCING

A Development Finance Division (DFD) Financing Application – Form 202 – must be submitted which reflects all aspects of the project, including estimated development and operating budgets and pro forma. The application for funding must include all applicable exhibits and attachments as described in this package. Four copies of the application, including all applicable exhibits and attachments, must be sent in separate three-ring notebook binders with each exhibit tabbed.

ATTACHMENTS

- Form 202 – DFD Financing Application (form attached separately – executed hardcopy mandatory)



Application Cover Page

RFP Issued	DHCD/DMH Issued 4-10-09; Closed 5-18-09
Organization Name	Mathews Memorial Terrace Limited Partnership
Project Title	Mathews Memorial Terrace

I certify that I am authorized to obligate Mathews Memorial Terrace Limited Partnership to apply for funding
(name of organization)

from the District of Columbia Department of Housing and Community Development. Furthermore,
I certify that all information contained herein is accurate to the best of my knowledge.

Authorized Organization Official
David Parrish
Print Name

06/01/2009
Date
Authorized Agent
Title



GENERAL INFORMATION

Funding Applied For

Housing Production Trust Fund
Low-Income Housing Tax Credit (LIHTC)
Department of Mental Health (DMH)
Other: TCAP/TCEP

Table with funding amounts: \$ -, \$ 1,000,000, \$ -, \$ 2,477,574

Proposed Use(s) of Funds, ie., new construction, rehabilitation

Table with proposed uses: New Construction, New Construction

APPLICANT INFORMATION

Applicant Name: Matthews Memorial Terrace Limited Partnership
Mailing Address: c/o The Community Builders, 95 Berkeley Street, Boston, MA 02116
Contact: David Parrish
Title: Authorized Agent
E-mail: DParrish@TCBInc.Org

OWNERSHIP ENTITY INFORMATION

Owner/Borrower Name: Matthews Memorial Terrace Limited Partnership
Taxpayer ID: [Redacted]

Type of Ownership (mark one box only)

- Individual, Corporation, General Partnership, Limited Partnership, Limited Liability Corporation, Other

Principals (complete information for corporations and controlling general partners)

Table with columns: Name, Taxpayer ID, Ownership Interest, Nonprofit. Rows include The Community Builders (70%) and Creative Opportunity Ventures, Inc. (30%).

PROJECT INFORMATION

Amenities (mark all that apply)

- Cable Access, Transportation Services, Carpet, Dishwasher, Disposal, Microwave, Laundry Facilities, Washer/Dryer Hook-up, Other: Community Room, Community Services Center, (in adjacent future building), (see Exhibit Appendix 1)

Type of Project (mark all that apply)

- New Construction, Substantial Rehabilitation (over \$30,000 per unit), Moderate Rehabilitation (under \$30,000 per unit)

Existing Building Information (complete all that apply)

Percentage currently occupied: N/A

Project includes historic rehabilitation? Yes No
 Project involves the permanent relocation of tenants? Yes No
 Project involves the temporary relocation of tenants? Yes No
 Year the building was built N/A

Number of Residential Buildings

Garden (walk-up) _____
 Townhouse _____
 Detached _____
 Semi-detached _____
 Elevator (< 5 floors) _____ 1
 Mid-rise (5-10 floors) _____
 High-rise (> 10 floors) _____
 Total Buildings **1**

Type of Occupancy (show number of units)

Families _____ 62
 DMH Consumer _____
 Special Needs _____ 37
 Total Units **99**

Total Land Area (acres)

70,123

Total Building Area (gross square footage)

Residential Units: Low-Income **85,875**
 Residential Units: Market _____
 Nonresidential Units _____
 Common Space:
 circulation (hallways, stairways etc.) _____ 10,899
 recreation: (Community Room) _____ 2,228
 lobbies: _____ 615
 offices: _____ 476
 other: (laundry rooms) _____ 498
 garage _____ 10,593
 Total Gross Square Footage **111,184**

Targeted Special Needs Population Met (show number of units)

Licensed assisted living facilities.
 Homeless shelters or transitional housing for the homeless.
 Housing targeted people with disabilities (barrier-free housing).

 Other: Seniors

Total Special Needs Units _____

 _____ 5

 _____ 32
37

Occupancy Restrictions of Project (show number of units)

Units to be occupied by households with income 30% or less of the area median _____
 Units to be occupied by households with income at 31-40% of the area median _____ 10
 Units to be occupied by households with income at 41-50% of the area median _____ 40
 Units to be occupied by households with income at 51-60% of the area median _____ 49
 Units to be occupied by households with income at 61-80% of the area median _____
 Units to be occupied by households with income at 81-100% of the area median _____
 Units that will be unrestricted (>100% of area median) _____
 Total Units **99**

Low-Income Use Restrictions

What is the total number of years for the units to be restricted? _____ 40

ANTICIPATED DEVELOPMENT SCHEDULE

Activity	Date (MM/YYYY)
Site Control	
Site Control Established	05/01/09
Date site will be leased by the leasing entity	11/01/09
Zoning Status	
Current Zoning Classification <u>R-5B --> C-2A</u>	
Describe Current Classification	
See Exhibit D for detailed description of PUD process that changed from residential to	

commercial district designed to provide facilities for shopping & business needs, housing, & mixed-income uses, outside of central core, near low and medium density residential area.

Zoning change, variance or waiver required? Yes No

Date application for zoning change filed

09/26/08

Date of final hearing on zoning change

03/05/09

Date of final approval of zoning change

05/11/09

Date financing applications filed with other lenders (*public and private*)

07/01/09

Date of financing reservation from the Department (*60 days from application deadline*)

08/01/09

Date firm commitments received from other lenders (*public and private*)

08/01/09

Date final plans and specifications completed

08/01/09

Date 10% of project costs incurred (*no later than 5 months from carryover allocation*)

11/01/09

Date of construction loan closing (all sources)

11/01/09

Date construction or rehabilitation begins (*total construction period will be 16 months*)

11/01/09

Date 50% of construction or rehabilitation completed

07/01/10

Date of substantial completion of construction or rehabilitation

03/01/11

Date first certificate of occupancy received

03/01/11

Date final certificate of occupancy received

08/01/11

Date sustaining occupancy achieved

01/01/12

Date of permanent loan closing

04/01/11



DEVELOPMENT TEAM INFORMATION

DEVELOPMENT TEAM MEMBERS

Developer	The Community Builders / Creative Opportunity Ventures, Inc.		
Mailing Address	See Info Below under Nonprofit and MBE/WBE Participant, respectively		
Contact	See Below	Phone	() -
Title	See Below	Fax	() -
D&B Duns Number	See Below	E-mail	See Below
Guarantor	The Community Builders		
Mailing Address	95 Berkeley Street, Suite 500, Boston, MA 02116		
Contact	Beverly Bates	Phone	(857) 221-8669
Title	Senior Vice President	Fax	(857) 221-8618
D&B Duns Number		E-mail	BBates@TCBInc.Org
General Contractor	Hamel Builders		
Mailing Address	5710 Furnace Avenue, Suite H, Elkridge, MD 21075		
Contact	Tom Wahl	Phone	(301) 621-1106
Title	Executive Vice President	Fax	(410) 379-6705
D&B Duns Number		E-mail	TWahl@HamelBuilders.Com
Management Agent	The Community Builders		
Mailing Address	1901 Spring Garden Street, Philadelphia, PA 19130		
Contact	Charmaine Edmunds	Phone	(215) 313-9572
Title	Senior Portfolio Manager	Fax	(215) 564-5344
D&B Duns Number		E-mail	CEdmunds@TCBInc.Org
Consultant			
Mailing Address			
Contact		Phone	() -
Title		Fax	() -
D&B Duns Number		E-mail	
Architect	PGN Architects		
Mailing Address	210 7th Street, SE, Suite 201, Washington, DC 20003		
Contact	Jeff Goins	Phone	(202) 822-5995 ext 23
Title	Partner	Fax	(202) 822-0908
D&B Duns Number	None	E-mail	J.Goins@PGNArchitects.Com
Nonprofit Participant	The Community Builders		
Mailing Address	1333 H Street, NW, Suite 1100 West, Washington, DC 20020		
Contact	David Parrish	Phone	(202) 552-2505
Title	Director of Development	Fax	(202) 955-4535
D&B Duns Number		E-mail	DParrish@TCBInc.Org
MBE/WBE Participant	Creative Opportunity Ventures Inc.		
Mailing Address	2616 Martin Luther King, Junior Avenue, SE, Washington, DC 20020		
Contact	Bishop C. Matthew Hudson, Jr.	Phone	(202) 610-0630
Title	President and CEO	Fax	(202) 610-0631
D&B Duns Number	None	E-mail	CMHudJr@AOL.Com

DEVELOPMENT TEAM MEMBERS

Equity Provider Red Capital
Mailing Address 470 Atlantic Avenue, 3rd Floor, Boston, MA 02210
Contact Bruce Sorota Phone (617) 603-0170
Title Director Fax (617) 603-0171
D&B Duns Number [REDACTED] E-mail BRSorota@RedCapitalGroup.Com

Closing Attorney The Community Builders
Mailing Address 95 Berkeley Street, Suite 500, Boston, MA 02116
Contact Johanna Smith Phone (857) 221-8637
Title Regional Counsel Fax (857) 221-8618
D&B Duns Number [REDACTED] E-mail JSmith@TCBInc.Org

Private Lenders United Bank
Mailing Address 1677 K Street, NW, Washington, DC 20006
Contact Jonathan Kivell Phone (202) 828-6786
Title Community Development Officer Fax (202) 293-6966
D&B Duns Number [REDACTED] E-mail JKivell@UnitedBank-VA.Com

Private Lenders
Mailing Address
Contact Phone () -
Title Fax () -
D&B Duns Number E-mail

Private Lenders
Mailing Address
Contact Phone () -
Title Fax () -
D&B Duns Number E-mail

DEVELOPMENT TEAM HISTORY

Are there direct or indirect identity of interests, financial or otherwise, among any members of the development team? If yes, explain. Yes No
The Community Builders is the Developer and Management Agent, as well as the controlling (70% shareholder) of the Applicant. Otherwise, there is no identity of interest among mebers of the Development Team.

Has any development team member* participated in the development or operation of a project that has defaulted on a Department or other government or private sector loan in the previous ten (10) years? If yes, explain. Yes No
See Attachment C of the Developer's Qualifications Form.

Has any development team member* consistently failed to provide documentation required by the Department in connection with other loan applications or the management and operation of other, existing developments? If yes, explain. Yes No

Does any development team member* have a limited denial of participation from HUD or is any development team member* debarred, suspended or voluntarily excluded from participation in any federal or state program, or have been involuntarily removed within the previous ten (10) years as a general partner or managing member from any affordable housing project whether or not financed or subsidized by the programs of this Department? If yes, explain. Yes No

Does any development team member* acting in the roles of sponsor, developer, guarantor or owner have any chronic past due accounts, substantial liens, judgments, foreclosures or bankruptcies within the past ten (10) years? If yes, explain. Yes No
See Attachment B of the Developer's Qualifications Form.

Has any development team member* received a reservation, allocation or commitment of funding or a carryover allocation of tax credits from the Department within the last four years that it was unable to use, or place their project in service within the time allowed by the tax credit program? If yes, explain. Yes No
In a planned project in Durham, NC, owned and sponsored by The Community Builders (TCB), despite a concerted and exhaustive effort to begin the project within the timeframe that would permit placement in service at the end of 2008 as required under the LIHTC regulations, encountered a critical delay due to an unexpected determination by the NC Department of Natural Resources Division of Water Quality that there was a feature on the site that would be subject to certain buffer regulations that would require redesign of the project or a lengthy appeals process. As a result, the LIHTC awarded to the project by North Carolina Housing Finance Agency (NCHFA) were returned.

Does any development team member* have unpaid fees due to the Department on other projects, or for general partners or management agents, have tax credit compliance problems resulting in the issuance of an IRS Form 8823 and that are still outstanding in the following year? If yes, explain. Yes No

* i.e., Applicant, Developer, Guarantor Owner, Architect, General Contractor, Management Agent, Consultant.

LOCAL AND SMALL DISADVANTAGED BUSINESS ENTERPRISE (LSDBE) PARTICIPATION *(voluntary)*

Are any of the development team members LSDBEs? If yes, provide the following data on the business (mark all that apply):

- American Indian or Alaskan Native Black Yes No
 Asian or Pacific Islander Female
 Hispanic Other: _____

Is the entity an Office of Human Rights certified LSDBE? Yes No

NONPROFIT PARTICIPATION *(voluntary)*

Are any development team members* nonprofit entities? Yes No

Is a nonprofit entity involved in the project in a role other than as a development team member*? If yes, describe the entity's role. Yes No

Is the nonprofit entity headquartered in the same community as the project? Yes No

Does the nonprofit entity provide services to the same community as the project? If yes, describe the services provided. Yes No

The Community Builders, the nonprofit entity, has been active in SE, east of the river with two separate developments, TCB Fairlawn Marshall, and Matthews Memorial Terrace. TCB has provided development services, management services, and relocation management at Fairlawn Marshall and development services for Matthews Memorial Terrace.

Does the nonprofit entity have a board of directors that includes community residents or members of organizations headquartered in the same community as the project? If yes, show the percentage of the board that is community- Yes No

Is the nonprofit entity affiliated with or controlled by a for-profit organization? If yes, describe the affiliation. Yes No

Is the nonprofit entity tax-exempt under Section 501(c)(3) or 501(c)(4) of the Internal Revenue Code? Yes No

Does the nonprofit entity's exempt purpose include the fostering of low income housing? Yes No

COMMUNITY-BASED INVOLVEMENT *(voluntary)*

Does the project involve the DC Housing Authority or DC Housing Finance Agency? If yes, describe the DCHA/DCHFAs role. Yes No

Matthews Memorial Terrace is part of Phase I of Replacement Housing for Barry Farms residents as part of the New Communities Initiative. As a result, the DC Housing Authority is participating in the development by providing both Capital and Operational subsidy to Matthews Memorial Terrace.

* *i.e., Applicant, Developer, Guarantor Owner, Architect, General Contractor, Management Agent, Consultant.*

COMMUNITY REVITALIZATION This Section is Not Applicable

Is the project in a neighborhood classified as one of the following:

- NIF
- NRSA
- New Communities
- Great Streets

Is the project located in a qualified census tract as defined in Section 42(d)(5)(C) of the Internal Revenue Code? If yes, describe.

Yes No

Matthews Memorial Terrace is located in Census Tract 74.1, a qualified census tract as defined in Section 42(d)(5)(c) of
A map from the DC Office of Planning showing the Census Tract and materials from the HUDUser GIS Service, which
confirm the location as a Qualified Census Tract are provided in Exhibit E: Geographic Targeting section of the
Application.



PROJECT INCOME

RESIDENTIAL RENTAL INCOME

Low-Income Units

Unit Description		Median Income	Number of Units	Unit Size (Net Leasable Sq. Ft.)	Tenant Paid Utilities*	Contract Rent	Rent Subsidy	Income per Unit	Monthly Income	Annual Income
Bedrooms	Baths									
1	1	40%	1	680	\$173	\$108.00	\$425	533	\$ 533	\$ 6,396
2	2	40%	8	905	\$223	\$58.00	425	483	3,864	46,368
3	2	40%	1	1,134	\$272	\$9.00	425	434	434	5,208
1	1	50%	2	680	\$173	\$108.00	425	533	1,066	12,792
2	2	50%	18	905	\$223	\$58.00	425	483	8,694	104,328
3	2	50%	4	1,134	\$272	\$9.00	425	434	1,736	20,832
1	1	50%	14	680	\$173	\$790.00		790	11,060	132,720
2	2	50%	2	905	\$223	\$932.00		932	1,864	22,368
1	1	60%	34	680	\$173	\$844.00		844	28,696	344,352
2	2	60%	15	905	\$223	\$1,040.00		1,040	15,600	187,200
Total			99	79,265					\$ 73,547	\$ 882,564
Vacancy Allowance (Total Annual Income x Vacancy Rate)						5.00%				\$ (44,128)
Effective Gross Income/Low Income Units (Total Annual Income - Vacancy Allowance)										\$ 838,436

Market Rate Units

NOT APPLICABLE

Unit Description		Number of Units	Unit Size (Net Leasable Sq. Ft.)	Contract Rent	Monthly Income	Annual Income
Bedrooms	Baths					
					\$	\$
Total Market Rate					\$	\$
Vacancy Allowance (Total Annual Income x Vacancy Rate)						\$
Effective Gross Income/Market Rate Units (Total Annual Income - Vacancy Allowance)						\$

NONRESIDENTIAL INCOME

<i>Description of Type and Size</i>	<i>Square footage</i>	<i>Monthly Income</i>		<i>Annual Income</i>
Laundry Rooms		417		\$ 5,000
Total Nonresidential		\$ 417		5,000
Vacancy Allowance (Total Annual Income x Vacancy Rate)				
Effective Gross Income/Nonresidential Space (<i>Total Annual Income - Vacancy Allowance</i>)				5,000
Effective Gross Income (<i>sum Low Income, Market Rate, Nonresidential totals</i>)				843,436

NON-INCOME PRODUCING UNITS (*including management units, tenant services units, recreation, etc.*)

<i>Description of Type and Size</i>	<i>Number of Units</i>	<i>Square Footage</i>
Community Room	1	2,228
Management Office	1	476
Total Non-income	2	2,704

* **Tenant Paid Utilities** (*mark all utilities to be paid by tenants*)

- Household Electric _____
- Air Conditioning _____
- Hot Water (describe): _____

- Cooking (describe): _____
- Heat (describe): _____
- Other (describe): _____



PROJECT EXPENSES

ADMINISTRATIVE EXPENSES

Advertising and Marketing		\$	3,000
Other Administrative Expense (<i>describe</i>)	Credit Checks		1,500
Office Salaries			65,758
Office Supplies			8,000
Office or Model Apartment Rent			
Management Fee (<i>Effective Gross Income x Annual Rate of</i>	<u>6.00%</u>)		50,606
Manager or Superintendent Rent Free Unit			
Legal Expenses (<i>project only</i>)			4,500
Auditing Expenses (<i>project only</i>)			14,000
Bookkeeping Fees and Accounting Services			
Telephone and Answering Services			10,000
Bad Debts			
Miscellaneous Administrative Expenses (<i>describe</i>)	<u>inc. Bookkeeping, Travel & Education</u>		10,000
Annual Tax Credit Monitoring Fee (\$25.00 per tax credit unit)			
Total Administrative Expenses			\$ 167,364

UTILITY EXPENSES (*paid by owner*)

Fuel Oil		\$	
Electricity			35,540
Gas			
Water			28,376
Sewer			34,681
Total Utility Expenses			\$ 98,597

OPERATING AND MAINTENANCE EXPENSES

Janitor and Cleaning Payroll		\$	
Janitor and Cleaning Supplies			1,000
Janitor and Cleaning Contract			25,000
Exterminating Payroll or Contract			1,800
Exterminating Supplies			300
Garbage and Trash Removal			8,640
Security Payroll or Contract			5,000
Grounds Payroll			
Grounds Supplies			2,000
Grounds Contract			12,375
Repairs Payroll			39,981
Repairs Material			10,300
Repairs Contract			5,020
Elevator Maintenance or Contract			7,200
Heating and Air Conditioning Maintenance or Contract			3,000
Swimming Pool Maintenance or Contract			
Snow Removal			5,000
Decorating Payroll or Contract			7,000
Decorating Supplies			1,500
Other Operating and Maintenance Expenses (<i>describe</i>)	<u>LIHTC Monitoring Fee</u>		3,465
Miscellaneous Operating and Maintenance Expenses			4,950
Total Operating and Maintenance Expenses			\$ 143,531

TAXES AND INSURANCE

Real Estate Taxes			\$	
Payment in Lieu of Taxes	<i>Total:</i> _____	<i>Years:</i> _____	<i>Annual:</i>	24,750
Payroll Taxes (FICA)				7,996
Miscellaneous Taxes, Licenses and Permits				
Property and Liability Insurance (<i>hazard</i>)				42,570
Fidelity Bond Insurance				
Workmen's Compensation				1,549
Health Insurance and Other Employee Benefits				25,988
Other Insurance (<i>describe</i>)	_____			
Total Taxes and Insurance			\$	102,853
Reserve for Replacement			\$	29,700
Total Operating Expenses			\$	542,045
Net Operating Income (<i>Effective Gross Income - Total Operating Expenses</i>)			\$	301,391



USES OF FUNDS

TOTAL DEVELOPMENT COSTS

Construction or Rehabilitation Costs

Type of Uses	Percentage	Total Budgeted Cost	Acquisition Basis*	Construction Basis*	Not in Basis*
01 Net Construction Costs		13,263,384		13,128,384	\$ 135,000
02 General Requirements	6.39%	847,850		847,850	
03 Builder's Profit	5.30%	702,362		702,362	
04 Builder's General Overhead	2.12%	280,945		280,945	
05 Bond Premium		89,700		89,700	
06 Other		12,000		12,000	
07 Total Construction Contract		\$ 15,196,241	\$	\$ 15,061,241	135,000
08 Construction Contingency	4.36%	663,169			663,169
09 Total Construction Costs		\$ 15,859,410	\$	\$ 15,061,241	\$ 798,169

Fees Related to Construction or Rehabilitation

Type of Uses	Percentage	Total Budgeted Cost	Acquisition Basis*	Construction Basis*	Not in Basis*
10 Architect's Design Fee	3.63%	\$ 551,600	\$	\$ 551,600	\$
11 Architect's Supervision Fee	1.40%	212,538		212,538	
12 Architect Reimbursable Additional Design					
13 Real Estate Attorney		265,000		238,500	26,500
14 Marketing		50,000			50,000
15 Surveys		20,000		16,000	4,000
16 Soil Borings		10,000		7,500	2,500
17 Appraisal		15,000		15,000	
18 Market Study		10,000		10,000	
19 Environmental Report		20,000		15,000	5,000
20 Tap Fees					
21 Other:		521,854		425,000	96,854
22 Total Fees		\$ 1,675,992	\$	\$ 1,491,138	\$ 184,854

Financing Fees and Charges

Type of Uses	Total Budgeted Cost	Acquisition Basis*	Construction Basis*	Not in Basis*
23 Construction Interest	\$ 479,000	\$	\$ 378,410	\$ 100,590
24 Real Estate Taxes				
25 Insurance Premium	82,938		82,938	
26 Mortgage Insurance Premium				
27 Title and Recording	250,000		200,000	50,000
28 Financing (soft cost) Contingency				
29 Other Lenders' Origination Fees (non-syndication only)	143,660		82,000	61,660
30 Other Lenders' Legal Fees (non-syndication only)				
31 Other				
32 Total Financing Fees and Charges	\$ 955,598	\$	\$ 743,348	\$ 212,250

* Complete for Tax Credit Requests Only

Acquisition Costs

<i>Type of Uses</i>		<i>Total Budgeted Cost</i>	<i>Acquisition Basis*</i>	<i>Construction Basis*</i>	<i>Not in Basis*</i>
33	Building Acquisition				\$
34	Land Acquisition	300,000			300,000
35	Carrying Charges: Describe: _____				
36	Relocation Costs				
37	Other				
38	Total Acquisition Costs	\$ 300,000	\$	\$	\$ 300,000
39	Total Development Costs (TDC)	\$ 18,791,000	\$	\$ 17,295,727	\$ 1,495,273

OTHER USES OF FUNDS

Developer's Fee

<i>Type of Uses</i>		<i>Total Budgeted Cost</i>	<i>Acquisition Basis*</i>	<i>Construction Basis*</i>	<i>Not in Basis*</i>
40	Fee on Non-Acquisition Costs (<i>calculate below</i>)	\$ 2,282,783		2,282,783	\$ 0
41	Fee on Acquisition Costs (<i>calculate below</i>)	30,000			30,000
42	Total Developer's Fee (\$2.5 million maximum)	\$ 2,312,783	\$	\$ 2,282,783	\$ 30,000

Syndication Related Costs

<i>Type of Uses</i>		<i>Total Budgeted Cost</i>	<i>Acquisition Basis*</i>	<i>Construction Basis*</i>	<i>Not in Basis*</i>
43	Syndication Fee		\$	\$	\$
44	Legal (<i>syndication only</i>)				
45	Bridge Loan Fees	500		500	
46	Bridge Loan Interest	16,800		16,800	
47	Organizational Costs				
48	Tax Credit Application Fee	500			500
49	Accounting and Auditing Fee	25,000		25,000	
50	Partnership Management Fee				
51	Other	123,465			123,465
52	Total Syndication Related Costs	\$ 166,265	\$	\$ 42,300	\$ 123,965

Guarantees and Reserves (*funded amounts only*)

<i>Type of Uses</i>		<i>Total Budgeted Cost</i>	<i>Acquisition Basis*</i>	<i>Construction Basis*</i>	<i>Not in Basis*</i>
53	Construction Guarantee				
54	Operating Reserve	397,211			397,211
55	Rent-up Reserve	129,030			129,030
56	Other	346,861			346,861
57	Total Guarantees and Reserves	\$ 873,102			\$ 873,102
58	Total Uses of Funds	\$ 22,143,150	\$	\$ 19,620,810	\$ 2,522,340

* Complete for Tax Credit Requests Only

MAXIMUM DEVELOPER'S FEE

	<i>Fee on Costs Over \$10 Million</i>	<i>Fee on Costs \$10 Million or Less</i>	
Fee on Non-acquisition Costs			
59 Total Development Costs (from line 39 above)	\$ 18,791,000		
60 Less Acquisition Costs (from line 38 above)	(300,000)		
61 Less Construction Contingency (from line 08 above)	(663,169)		
62 Less Financing (Soft Cost) Contingency (from line 28 above)			
63 Non-acquisition Costs	17,827,831		
64 Lesser of \$10,000,000 or Non-acquisition Costs (enter on both lines)	10,000,000	10,000,000	
65 Non-acquisition Fee Basis	7,827,831	10,000,000	
66 Fee Percentage	10%	15%	
67 Fee on Non-acquisition Costs	\$ 782,783	\$ 1,500,000	Total = \$ 2,282,783

Fee on Acquisition Costs

68 Acquisition Costs (from line 38 above)	\$ 300,000		
69 Lesser of \$10,000,000 or Acquisition Costs (enter on both lines)	300,000	300,000	
70 Acquisition Fee Basis		300,000	
71 Fee Percentage	5%	10%	
72 Fee on Acquisition Costs	\$	\$ 30,000	Total = \$ 30,000

73 **Total Developer's Fee** (Fee on Non-acquisition Costs + Fee on Acquisition Cost) (\$2.5 million maximum) \$ 2,312,783



SOURCES OF FUNDS

TOTAL DEVELOPMENT COSTS

DEBT

Primary Debt Service Financing

Type of Funds	Requested Source of Funds (Name of Lender)	Debt Coverage Ratio	Annual Payment	Interest Rate	Amortization Period	Loan Term	Loan Amount
Tax-exempt Bonds				%			
Private Loan	United Bank	1.20	251,150	7.250%	30	30	3,068,000
HPTF	DCDHCD			%			
				%			
Other				%			
Credit Enhancement							
Total Debt Service Financing			\$ 251,150				\$ 3,068,000

Subordinate Debt Service Financing

Type of Funds	Requested Source of Funds (Name of Lender)	DCR/% Cash Flow	If Grant, enter Y here	Annual Payment	Interest Rate	Loan Term	Loan or Grant Amount
HPTF	DCDHCD			\$	%		
New Communities Initiative Funding	OPMPED DC		Y		%		6,120,000
DC Housing Authority	DCHA		N		3.000%	40	2,700,000
DMH Grant	DCDHCD						
Other	TCAP/TCEP						2,477,574
Other	Deferred Developer Fee		Y		%		578,196
Total Subordinate Debt Service Financing				\$			\$ 2,477,574
Total Debt (Debt Service + Cash Flow Financing)				\$ 251,150			\$ 5,545,574
Total Debt and Grants							\$ 14,943,770

EQUITY

<i>Type of Equity</i>	<i>Source of Equity</i>	<i>Amount</i>
Historic Tax Credit Proceeds <i>(from next section)</i>		\$
Low Income Housing Tax Credit Proceeds <i>(from next section)</i>		\$ 7,199,280
Developer's Equity <i>(not from syndication proceeds)</i>		100
Interim Income <i>(occupied rehabilitation projects)</i>		
Other:		
Total Equity		\$ 7,199,380
Total Sources of Funds <i>(Total Debt and Grants+ Equity)</i>		\$ 22,143,150

Maximum DHCD Loan Amount *(cash flow financing)*

Total Uses of Funds <i>(from previous section)</i>	\$ 22,143,150
Debt Service Financing <i>(from above)</i>	\$ (3,068,000)
Other Cash Flow non-DHCD Primary Financing and grants <i>(from above)</i>	\$ (11,875,770)
Non-DHCD Primary including DHCD	\$ (100)
Historic Tax Credit Syndication Proceeds <i>(from next section)</i>	\$
Low Income Tax Credit Syndication Proceeds <i>(from next section)</i>	\$ (7,199,280)
Maximum DHCD Funds Loan Amount	\$ 0



LOW-INCOME HOUSING TAX CREDIT

Complete This Section Only If You Are Applying For Tax Credits

Type of Low Income Housing Tax Credit Requested *(mark all that apply)*

- New Construction
- Substantial Rehabilitation *(as defined in Tax Credit Regulations--Department's standard is different)*

EXISTING BUILDING INFORMATION

Location and Placed-in-Service Information

Building Address	Control Document	Date Control Document Expires	Number of Units	Purchase Price	Date Last Placed in Service (PIS)	Sponsor's Purchase Date	Years Between PIS & Purchase Date
N/A		/ /		\$	/ /	/ /	
		/ /			/ /	/ /	
		/ /			/ /	/ /	
		/ /			/ /	/ /	
		/ /			/ /	/ /	
		/ /			/ /	/ /	
		/ /			/ /	/ /	
		/ /			/ /	/ /	
		/ /			/ /	/ /	
		/ /			/ /	/ /	
		/ /			/ /	/ /	
		/ /			/ /	/ /	
		/ /			/ /	/ /	
		/ /			/ /	/ /	
Total				\$	-		

Substantial Rehabilitation Determination *(for Tax Credit eligibility--Department's standard is different)*

Total rehabilitation related costs equal: \$ _____

Total rehabilitation related costs must exceed the greater of the following tests *(mark one box only)*

- Costs are at least \$6000 per unit: Total Units _____ x \$6000 = \$ _____ -
- Costs are at least 20% of the project's adjusted basis: Basis \$ _____ x 20% = \$ _____ -

ELECTIONS

Minimum Set-aside Election *(mark one box only)*

- 20% of the units will be occupied by households with income below 50% of the area median
- 40% of the units will be occupied by households with income below 60% of the area median

Rent Floor Election

The rent floor for the project will be established as of *(mark one box only)*

- Date of allocation
- Date the project is placed in service

SYNDICATION INFORMATION

Name of Syndicator Red Capital
 Contact Bruce Sorota Phone (617) 603-0170

Type of Offering (mark one box only)

- Public
 Private

Type of Investors (mark one box only)

- Individuals
 Fund
 Corporation

Schedule for Funds to be Paid

Percent Paid	Amount Paid	Date Paid
25%	\$1,799,820	11/01/09
50%	\$3,599,640	03/01/11
25%	\$1,799,820	12/01/11
%	\$	/ /
%	\$	/ /
%	\$	/ /

CALCULATION OF TAX CREDIT AMOUNT

Maximum Low-Income Housing Tax Credit Based on Eligible Costs

Description	Acquisition Basis	Construction Basis
Total Uses of Funds (from Uses of Funds worksheet)	\$	\$ 17,338,027
Federal Grants Financing Qualifying Costs (list below)		
Other Non-qualifying Financing	()	()
Value of Commercial Space	()	()
Non-qualifying Units of Higher Quality	()	()
Federal Historic Tax Credit	()	()
Adjusted Project Costs		\$ 17,338,027
Adjustment for Qualified Census Tract (130% maximum)		130%
Eligible Basis	\$	\$ 22,539,435
Applicable Fraction (calculate below)	%	100%
Qualified Basis	\$	\$ 22,539,435
Applicable Percentage (construction basis qualified for 4% or 9%?)	4%	9%
Low Income Housing Tax Credit Eligible	\$	\$ 2,028,549

Estimated Low-Income Housing Tax Credit Syndication Proceeds

Description	Amount
Combined Low Income Housing Tax Credit Eligible (result from previous table)	\$ 1,000,000
Tax Credit Period (10 years)	x 10
Total Tax Credit Received Over Period	\$ 10,000,000
Raise Ratio from Syndicator's Proposal	0.72
Gross Proceeds from Low Income Housing Tax Credit	\$ 7,199,280
Gross Proceeds from Historic Tax Credit (calculate below)	
Total Equity from Syndication Proceeds	\$ 7,199,280

Maximum Low-Income Housing Tax Credit Based on Proceeds Needed

Description	Amount
Proceeds Needed (enter lesser of Total Equity from Syndication Proceeds or Financing Gap)	7,199,280
Gross Proceeds from Historic Tax Credit (calculate below)	()
Low Income Housing Tax Credit Syndication Proceeds (to Sources of Funds worksheet)	\$ 7,199,280
Raise Ratio from Syndicator's Proposal	0.72
Total Tax Credit Received Over Period	\$ 10,000,000
Tax Credit Period (10 years)	÷ 10
Maximum Low-Income Housing Tax Credit	\$ 1,000,000

Sources of Federal Financing

Show all direct and indirect federal funds financing qualified costs below

Other _____	
Total Federal Funds	\$

Applicable Fraction

The applicable fraction is the lesser of the following formulas (*mark one box only*)

Percent of Units

Low Income Units 99

Total Units 99

Unit Percentage 100.00%

Percent of Square Footage

Low Income Sq. Ft.

Total Sq. Ft.

Sq. Ft. Percentage

Gross Proceeds from Historic Tax Credits

Historic Tax Credit \$ -

Raise Ratio from Syndicator's Proposal x

Gross Proceeds from Historic Tax Credit (*to Sources of Funds worksheet*) \$



PROJECT SUMMARY INFORMATION

GENERAL INFORMATION

Project Information

Project Name	Matthews Memorial Terrace		
Address	2636-2640 Martin Luther King, Junior Avenue, SE		
City and State	Washington, DC	Zip Code	20020
Sponsor	Matthews Memorial Terrace Limited Partnership		

Funding Applied For

Housing Production Trust Fund	\$ -
Low-Income Housing Tax Credit (LIHTC)	\$ 1,000,000
Other: <u>TCAP/TCEP</u>	\$ 2,477,574
Department of Mental Health	\$ -

Occupancy Restrictions

Units 30% or less of AMI	
Units at 31-40% of AMI	10
Units at 41-50% of AMI	40
Units at 51-60% of AMI	49
Units at market rates	
Total Units	99

PROJECT INCOME (Effective Gross Income)

Source of Income	Total Units	Vacancy Rate	Annual EGI	Years Until Sustaining Occupancy	Annual Trending	Trended EGI
Low-Income Units	99	5.00%	\$ 838,436		2.00%	\$ 855,205
Market Rate Units			\$		%	\$
Nonresidential			\$ 5,000		2.00%	\$ 5,100
Total	99		\$ 843,436			
Trended Effective Gross Income						\$ 860,305

PROJECT EXPENSES

Expense Categories	Annual Expense	Years Until Sustaining Occupancy	Annual Trending	Trended Expense
Administrative	\$ 116,758		3.00%	\$ 120,261
Management Fee (Effective Gross Income x percentage)	50,606			\$ 51,618
Utilities	98,597		3.00%	\$ 101,555
Operating and Maintenance	143,531		3.00%	\$ 147,837
Taxes and Insurance	102,853		3.00%	\$ 105,939
Reserve for Replacement	\$ 29,700		3.00%	\$ 29,700
Total Project Expenses	\$ 542,045			\$ 556,909
Trended Net Operating Income (Effective Gross Income - Project Expenses)				\$ 303,395
Annual Debt Service Financing Payments				\$ (252,378)
Annual Cash Flow Financing Payments				\$ (252,378)
Remaining Cash Flow (Net Operating Income - Financing Payments)				\$ (201,361)

SOURCES OF FUNDS

Primary Debt Service Financing

Source of Funds	Lender	Debt Coverage	Interest Rate	Amortization Term	Loan Term	Annual Payment	Amount
Tax-exempt Bonds			%				
Private Loan		1	0	30	30	252,378	3,068,000
HPTF	DCDHCD		%				
			%				
Other			%				
Total Debt Service Financing						\$ 252,378	\$ 3,068,000

Subordinate Debt Service Financing

Requested Source of Funds	Lender		Interest Rate	Loan Term	Annual Payment	Amount	
HPTF	DCDHCD				\$	\$	
			%			6,120,000	
			0	40		2,700,000	
OTHER					252,378	3,055,770	
Total Cash Flow Financing						\$ 252,378	\$ 11,875,770

Equity

Type of Equity	Source of Equity	Amount
Developer's Equity (not from syndication proceeds)		\$ 100
Interim Income (occupied rehabilitation projects)		
Historic Tax Credit Proceeds		
Low Income Housing Tax Credit Proceeds		7,199,280
Total Equity		7,199,380
Total Sources of Funds (must equal Total Uses of Funds)		22,143,150

USES OF FUNDS

Type of Uses	Amount
Construction or Rehabilitation Costs	\$ 15,859,410
Fees Related to Construction or Rehabilitation	1,675,992
Financing Fees and Charges	955,598
Acquisition Costs	300,000
Total Development Costs	18,791,000
Syndication Related Costs	166,265
Guarantees and Reserves	873,102
Developer's Fee	2,312,783
Total Uses of Funds	\$ 22,143,150

PROJECT DESCRIPTION

Matthews Memorial Terrace is a proposed 99 unit affordable residential development that is part of Phase I of the Barry Farm/Park Chester/Wade Road Redevelopment Plan, which is part of the District's New Communities Initiative being implemented by the Office of the Deputy Mayor for Planning and Economic Development. The development will include 34 Public Housing replacement units for Barry Farms Residents, 32 Units for Seniors, and 33 units for other Families whose incomes are at or below 60% of Median Income.



20-YEAR OPERATING PRO FORMA:

Income	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>Year 4</i>	<i>Year 5</i>	<i>Year 6</i>	<i>Year 7</i>
Low Income Units	\$ 882,564	\$ 900,215	\$ 918,220	\$ 936,584	\$ 955,316	\$ 974,422	\$ 993,910
Market Rate Units							
Nonresidential	5,100	\$ 5,202	\$ 5,306	\$ 5,412	\$ 5,520	\$ 5,631	\$ 5,743
Gross Project Income	887,664	905,417	923,526	941,996	960,836	980,053	999,654
Vacancy Allowance	(44,128)	(45,011)	(45,911)	(46,829)	(47,766)	(48,721)	(49,696)
Effective Gross Income	\$ 843,536	\$ 860,407	\$ 877,615	\$ 895,167	\$ 913,070	\$ 931,332	\$ 949,958

Expenses

Administrative	\$ 116,758	\$ 120,261	\$ 123,869	\$ 127,585	\$ 131,412	\$ 135,355	\$ 139,415
Management Fee	50,606	51,624	52,657	53,710	54,784	55,880	56,997
Utilities	98,597	101,555	104,602	107,740	110,972	114,301	117,730
Maintenance	143,531	147,837	152,272	156,840	161,545	166,392	171,384
Taxes and Insurance	102,853	105,939	109,117	112,390	115,762	119,235	122,812
Replacement Reserve	29,700	29,700	29,700	29,700	29,700	29,700	29,700
Total Expenses	\$ 542,045	\$ 556,916	\$ 572,216	\$ 587,965	\$ 604,176	\$ 620,862	\$ 638,038
Net Operating Income	\$ 301,491	\$ 303,491	\$ 305,399	\$ 307,202	\$ 308,895	\$ 310,470	\$ 311,920

Primary Debt Service Financing

Tax-exempt Bonds							
Private Loan	251,150	251,150	251,150	251,150	251,150	251,150	251,150
HPTF							
DHS							
Other							
Total Debt Service	\$ 251,150	\$ 251,150	\$ 251,150	\$ 251,150	\$ 251,150	\$ 251,150	\$ 251,150
Cash Flow	\$ 50,341	\$ 52,341	\$ 54,249	\$ 56,052	\$ 57,745	\$ 59,320	\$ 60,770
Debt Coverage Ratio	1.20	1.21	1.22	1.22	1.23	1.24	1.24

Subordinate Debt Service Financing (displays grants and loans)

HPTF	\$	\$	\$	\$	\$	\$	\$
Other	578,196	578,196	578,196	578,196	578,196	578,196	578,196
Total Cash Flow Debt	\$	\$	\$	\$	\$	\$	\$
Remaining Cash Flow	\$ 50,341	\$ 52,341	\$ 54,249	\$ 56,052	\$ 57,745	\$ 59,320	\$ 60,770
Debt Coverage Ratio	1.20	1.21	1.22	1.22	1.23	1.24	1.24



Income	<i>Year 8</i>	<i>Year 9</i>	<i>Year 10</i>	<i>Year 11</i>	<i>Year 12</i>	<i>Year 13</i>	<i>Year 14</i>
Low Income Units	\$ 1,013,789	\$ 1,034,064	\$ 1,054,746	\$ 1,075,841	\$ 1,097,357	\$ 1,119,305	\$ 1,141,691
Market Rate Units							
Nonresidential	\$ 5,858	\$ 5,975	\$ 6,095	\$ 6,217	\$ 6,341	\$ 6,468	\$ 6,597
Gross Project Income	1,019,647	1,040,040	1,060,841	1,082,057	1,103,699	1,125,773	1,148,288
Vacancy Allowance	(50,689)	(51,703)	(52,737)	(53,792)	(54,868)	(55,965)	(57,085)
Effective Gross Income	\$ 968,957	\$ 988,337	\$ 1,008,103	\$ 1,028,265	\$ 1,048,831	\$ 1,069,807	\$ 1,091,204

Expenses

Administrative	\$ 143,598	\$ 147,906	\$ 152,343	\$ 156,913	\$ 161,620	\$ 166,469	\$ 171,463
Management Fee	58,137	59,300	60,486	61,696	62,930	64,188	65,472
Utilities	121,262	124,900	128,647	132,506	136,481	140,576	144,793
Maintenance	176,525	181,821	187,275	192,894	198,680	204,641	210,780
Taxes and Insurance	126,496	130,291	134,200	138,226	142,373	146,644	151,043
Replacement Reserve	29,700	29,700	29,700	29,700	29,700	29,700	29,700
Total Expenses	\$ 655,718	\$ 673,917	\$ 692,651	\$ 711,935	\$ 731,785	\$ 752,218	\$ 773,251
Net Operating Income	\$ 313,239	\$ 314,419	\$ 315,452	\$ 316,331	\$ 317,046	\$ 317,590	\$ 317,952

Primary Debt Service Finan

Tax-exempt Bonds							
Private Loan	251,150	251,150	251,150	251,150	251,150	251,150	251,150
HPTF							
DHS							
Other							
Total Debt Service	\$ 251,150	\$ 251,150	\$ 251,150	\$ 251,150	\$ 251,150	\$ 251,150	\$ 251,150
Cash Flow	\$ 62,089	\$ 63,269	\$ 64,302	\$ 65,181	\$ 65,896	\$ 66,440	\$ 66,802
Debt Coverage Ratio	1.25	1.25	1.26	1.26	1.26	1.26	1.27

Subordinate Debt Service F

HPTF	\$	\$	\$	\$	\$	\$	\$
Other	578,196	578,196	578,196	578,196	578,196	578,196	578,196
Total Cash Flow Debt	\$	\$	\$	\$	\$	\$	\$
Remaining Cash Flow	\$ 62,089	\$ 63,269	\$ 64,302	\$ 65,181	\$ 65,896	\$ 66,440	\$ 66,802
Debt Coverage Ratio	1.25	1.25	1.26	1.26	1.26	1.26	1.27



Income	<i>Year 15</i>	<i>Year 16</i>	<i>Year 17</i>	<i>Year 18</i>	<i>Year 19</i>	<i>Year 20</i>
Low Income Units	\$ 1,164,524	\$ 1,187,815	\$ 1,211,571	\$ 1,235,803	\$ 1,260,519	\$ 1,285,729
Market Rate Units						
Nonresidential	\$ 6,729	\$ 6,864	\$ 7,001	\$ 7,141	\$ 7,284	\$ 7,430
Gross Project Income	1,171,254	1,194,679	1,218,572	1,242,944	1,267,803	1,293,159
Vacancy Allowance	(58,226)	(59,391)	(60,579)	(61,790)	(63,026)	(64,286)
Effective Gross Income	\$ 1,113,028	\$ 1,135,288	\$ 1,157,994	\$ 1,181,154	\$ 1,204,777	\$ 1,228,872

Expenses

Administrative	\$ 176,607	\$ 181,905	\$ 187,362	\$ 192,983	\$ 198,773	\$ 204,736
Management Fee	66,782	68,117	69,480	70,869	72,287	73,732
Utilities	149,137	153,611	158,219	162,966	167,855	172,890
Maintenance	217,104	223,617	230,325	237,235	244,352	251,682
Taxes and Insurance	155,574	160,242	165,049	170,000	175,100	180,353
Replacement Reserve	29,700	29,700	29,700	29,700	29,700	29,700
Total Expenses	\$ 794,903	\$ 817,192	\$ 840,135	\$ 863,753	\$ 888,066	\$ 913,094
Net Operating Income	\$ 318,124	\$ 318,097	\$ 317,859	\$ 317,400	\$ 316,710	\$ 315,778

Primary Debt Service Finan

Tax-exempt Bonds						
Private Loan	251,150	251,150	251,150	251,150	251,150	251,150
HPTF						
DHS						
Other						
Total Debt Service	\$ 251,150					
Cash Flow	\$ 66,974	\$ 66,947	\$ 66,709	\$ 66,250	\$ 65,560	\$ 64,628
Debt Coverage Ratio	1.27	1.27	1.27	1.26	1.26	1.26

Subordinate Debt Service F

HPTF	\$	\$	\$	\$	\$	\$
Other	578,196	578,196	578,196	578,196	578,196	578,196
Total Cash Flow Debt	\$	\$	\$	\$	\$	\$
Remaining Cash Flow	\$ 66,974	\$ 66,947	\$ 66,709	\$ 66,250	\$ 65,560	\$ 64,628
Debt Coverage Ratio	1.27	1.27	1.27	1.26	1.26	1.26