

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

Organization Name

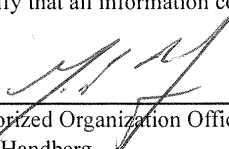
Brookland Artspace Lofts LLC

Project Title

Brookland Artspace Lofts

I certify that I am authorized to obligate ___ Brookland Artspace Lofts
(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
Greg Handberg
Print Name

5/28/09

Date
Officer
Title



GENERAL INFORMATION

Stage of Processing (mark the appropriate box)

[] Preliminary Application for Funding

[x] Final Application for Funding

Funding Applied For

Housing Production Trust Fund
Community Development Block Grant (CDBG)
HOME Investment Partnership Program (HOME)
Low-Income Housing Tax Credit (LIHTC)
Other: Acquisition Funds - DHCD

Table with 2 columns: Amount, Funding Source. Rows include \$1,050,000, \$-, \$-, \$8,348,309, \$862,000.

Agency ID (Internal Use)

Table with 2 columns: Agency ID, Internal Use. Multiple empty rows.

PROJECT NAME AND LOCATION

Project Name: Brookland Artspace Lofts
Street Address: 3305 - 3313 8th Street NE
Lot 47, Square 3832
City and State: Washington, DC
Ward: 5
Parcel: 11001009201
Tax Map: 20017
Zip Code: 20017
Census Tract: 92

APPLICANT INFORMATION

Applicant Name: Brookland Artspace Lofts LLC c/o Artspace Projects, Inc.
Mailing Address: 250 Third Ave North #500, Minneapolis, MN 55401
Contact: Heidi Kurtze
Title: Director of Property Development
Phone: 612-465-0215
Fax: 612-333-9012
E-mail: heidi@artspaceusa.org

OWNERSHIP ENTITY INFORMATION

Owner/Borrower Name: Brookland Artspace Lofts, LLC
Taxpayer ID: [Redacted]

Type of Ownership (mark one box only)

- [] Individual
[] Corporation
[] General Partnership
[] Limited Partnership
[x] Limited Liability Corporation
[] Other:

Principals (complete information for corporations and controlling general partners)

Table with 4 columns: Name, Taxpayer ID, Ownership Interest, Nonprofit. Row 1: Artspace Projects, Inc., [Redacted], 100%, [x]Yes []No.

PROJECT INFORMATION

Amenities (mark all that apply)

- [x] Cable Access
[x] Transportation Services
[] Carpet
[x] Dishwasher
[x] Disposal
[] Microwave
[x] Laundry Facilities
[] Washer/Dryer Hook-up
[] Other: Gallery and Studio Space
[] Other: Access to computers
[] Other:
[] Other:

Type of Project (mark all that apply)

- [] Acquisition of Existing Building(s)
[] Substantial Rehabilitation (over \$30,000 per unit)
[] Moderate Rehabilitation (under \$30,000 per unit)
[] New Construction
[] Community/Commercial Facility
[] Home Ownership Project

Existing Building Information (complete all that apply)

Percentage currently occupied: 100% non-residential
Project includes historic rehabilitation? []Yes XNo
Project involves the permanent relocation of tenants? []Yes XNo
Project involves the temporary relocation of tenants? []Yes XNo
Year the building was built: 1927 will be demolished

Number of Residential Buildings

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

Type of Occupancy (show number of units)

Families	_____ 41
Elderly	_____
Commercial	_____
Special Needs	_____
Total Units	41

Special Needs Met (show number of units)

Licensed assisted living facilities.	_____
Homeless shelters or transitional housing for the homeless.	_____
Housing targeting people with disabilities (barrier-free housing).	_____
Other: _____	_____
Total Special Needs Units	_____

Preservation of Affordable Units: with expiring federal subsidies

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	_____
Units to be occupied by households with income at 41-50% of the area median	21
Units to be occupied by households with income at 51-60% of the area median	18
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)	2
Total Units	41

Low-Income Use Restrictions

What is the total number of years for the units to be restricted?	39
-------------------------------------------------------------------	----

Total Land Area (acres)

14376.20 SF

Total Building Area (gross square footage)

Residential Units: Low-Income	34,897
Residential Units: Market	1,495
Nonresidential Units	_____
Common Space:	_____
circulation (hallways, stairways etc.)	11,140
recreation:	2,108
other: _____	_____
Garage	13,771
Total Gross Square Footage	63,411

Yes No

ANTICIPATED DEVELOPMENT SCHEDULE

Activity	Date (MM/YYYY)
Site Control	
Sponsor has site control?	YES
Date site control expires	11/01/09
Date site will be acquired by the ownership entity	11/01/09
Zoning Status	
Current Zoning Classification _____	CM1
Describe Current Classification _____	
BZA Approval required for slight height and FAR variance. _____	
PUD has been filed to allow for required variances _____	
Zoning change, variance or waiver required? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	YES
Date application for zoning change filed	5.11.09
Date of final hearing on zoning change	7.23.09
Date of final approval of zoning change	9.14.09
Date financing applications filed with other lenders (public and private)	4.14.09
Date of financing reservation from the Department (45 days from application deadline)	8.1.09
Date firm commitments received from other lenders (public and private)	9.1.09
Date final plans and specifications completed	8.1.09
Date 10% of project costs incurred (no later than 5 months from carryover allocation)	1.1.10
Date of construction loan closing	12.1.09
Date construction or rehabilitation begins (total construction period will be 14 months)	1.1.10
Date 50% of construction or rehabilitation completed	7.1.10
Date of substantial completion of construction or rehabilitation	3.1.11
Date first certificate of occupancy received	3.1.11
Date final certificate of occupancy received	5.1.11
Date sustaining occupancy achieved	5.1.11
Date of permanent loan closing	8.1.11



DEVELOPMENT TEAM INFORMATION

DEVELOPMENT TEAM MEMBERS

Developer: Artspace Projects, Inc. 250 Third Ave N. Suite 500 Minneapolis, MN 55409. Contact: Heidi Kurtze, Director, Property Development. Phone: 612-465-0215, Fax: 612-333-0912, E-mail: heidi@artspaceusa.org.

Guarantor: Artspace Projects, Inc. Mailing Address: Same. Contact: Phone: (), Fax: (), E-mail: .

General Contractor: Bognet Construction Associates, Inc. 1911 N Fort Myer Drive, Suite 705 Arlington, VA 22209. Contact: Jim Bognet, President. Phone: 703-302-1265, Fax: 703-807-1150, E-mail: jim.bognet@bognetconstruction.com.

Management Agent: Edgewood Management 8403 Colesville Road, Suite 400, Silver Spring, MD 20910. Contact: A. Scott Jones, President & CEO. Phone: (301) 562-1723, Fax: 301-562-1670, E-mail: sjones@emcmgmt.com.

Consultant: Cultural Development Corporation 916 G Street NW, Washington D.C. 20001. Contact: Anne Corbett, President. Phone: 202-315-1308, Fax: (), E-mail: anne@culturalde.org.

Architect: Hickok Cole Architects 1031 31st St. NW, Washington D.C. 20007. Contact: Laurence Caudle, Associate Principle, Director of Housing. Phone: 202-667-9776, Fax: 202-667-2260, E-mail: lcaudle@hickokcole.com.

Nonprofit Participant: Artspace Projects, Inc. and Cultural Development Corporation - Same as Above. Contact: Phone: (), Fax: (), E-mail: .

MBE/WBE Participant: JDC Construction Co., LLC - Owner's Representative 1330 New Hampshire Ave., NW Suite 124 Washington, DC 20036. Contact: Shawn Samuel, President. Phone: 202-463-1950, Fax: 202-463-1953, E-mail: samuel@jdc-construction.com.

DEVELOPMENT TEAM MEMBERS

Equity Provider: RBC Capital Markets. Contact: Rick Slagle, Regional Director. Phone: 202-408-4501, Fax: 202-408-4535, E-mail: rick.slagle@rbc.com.

Closing Attorney: Winthrop & Weinstine 225 South Sixth Street, Suite 3500 Minneapolis, MN 55402. Contact: Paul Markwardt@winthrop.com. Phone: 612-604-6643, Fax: 612-604-6843, E-mail: pmarkwardt@winthrop.com.

Private Lenders: M & T Bank. Contact: Ian Joseph, Asst. Vice President. Phone: 202-661-7200, Fax: 202-661-7236, E-mail: ioseph@mtb.com.

Private Lenders: TBD. Contact: Phone: (), Fax: (), E-mail: .

Private Lenders: TBD. Contact: Phone: (), Fax: (), 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

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

Has any development team member* consistently failed to provide documentation required by the Department in connection with other 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) A131 years? If yes, explain. Yes No

NO
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

NO
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): Yes No
 American Indian or Alaskan Native Black
 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* a nonprofit entity? 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
Dance Place is an active partner on this project and will be participating in the overall development of the project, community outreach, and will have permanent low and no cost space within the facility upon its completion.

Is the nonprofit entity headquartered in the same community as the project? Yes No
Artspace - NO
Dance Place - YES
Does the nonprofit entity provide services to the same community as the project? If yes, describe the services provided. Yes No
Dance Place will be Artspace's partner for the community space and they will provide education programs throughout the community including offering dance to charter schools, magnet schools, DC public schools
They also provide after school programs for children and youth. Computer training, life skills training and more. Youth summer camps and countless other outreach programs serving the community.
same community as the project? If yes, show the percentage of the board that is community-based and describe the services provided. Yes No
Artspace has a 36 Member Board of Directors - two Board members are located in the Washington DC Area
Dance Place's Board includes community members and members of organizations headquartered in Washington DC - 80%

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

COMMUNITY-BASED INVOLVEMENT (voluntary)

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


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


COMMUNITY REVITALIZATION

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

Strategic Neighborhood Investment Area (Target Area)	Project is Qualified NIF	Target Area #8	<input checked="" type="checkbox"/>
Neighborhood Revitalization Strategy Area (NRSA)	No	No	<input type="checkbox"/>
Federal or District Enterprise Community or Enterprise Zone	No	No	<input type="checkbox"/>

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
Yes - DDA

	A	B	C	D	E	F	G	H	I	J	K
PROJECT INCOME											
1											
2	RESIDENTIAL RENTAL INCOME										
3	Low-Income Units										
4	Non-Residential Income										
5	Market Rate Units										
6	Other Income										
7	Bedrooms	Baths	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
8	Efficiency	1	50%	9	810	\$32	\$861.00	(\$32)	829	\$ 7,461	\$ 89,532
9	Efficiency	1	60%	9	810	\$32	\$1,033.00	(32)	1,001	9,009	108,108
10	1	1	50%	7	865	\$40	\$922.00	(40)	882	6,174	74,088
11	1	1	60%	5	865	\$40	\$1,067.00	(40)	1,107	5,535	66,420
12	2	1	50%	5	1,010	\$62	\$1,045.00	(62)	1,107	5,535	66,420
13	2	1	60%	4	1,120	\$62	\$1,329.00	(62)	1,267	5,068	60,816
14			%								
15			%								
16			%								
17			%								
18	Total			39	34,490					\$ 38,782	\$ 465,384
19	Vacancy Allowance (Total Annual Income x Vacancy Rate)										
20	Effective Gross Income/Low Income Units (Total Annual Income - Vacancy Allowance)										
21	5.00%										
22	Market Rate Units										
23	Other Income										
24	Bedrooms	Baths									
25	Efficiency	1		1	For Dance Place				\$800	\$ 800	\$ 9,600
26	1	1		1	For Dance Place				800	800	9,600
27											
28											
29											
30											
31											
32											
33											
34											
35	Total Market Rate									\$ 1,600	\$ 19,200
36	Vacancy Allowance (Total Annual Income x Vacancy Rate)										
37	Effective Gross Income/Market Rate Units (Total Annual Income - Vacancy Allowance)										
38	NON-RESIDENTIAL INCOME										
39	Other Income										
40	Description of Type and Size										
41	Studio/Gallery/Event Space Fees			900	250						\$ 3,000
42											
43											
44											
45											
46	Total Nonresidential			900	\$ 250						\$ 3,000
47	Vacancy Allowance (Total Annual Income x Vacancy Rate)										
48	Effective Gross Income/Nonresidential Space (Total Annual Income - Vacancy Allowance)										
											\$ 3,000
											\$ 3,000

	A	B	C	D	E	F	G	H	I
1	PROJECT EXPENSES								
2									
3	ADMINISTRATIVE EXPENSES								
4									
5	Advertising and Marketing								\$ 2,783
6	Other Administrative Expense (<i>describe</i>)								
7	Office Salaries								19,085
8	Office Supplies								1,193
9	Office or Model Apartment Rent								
10	Management Fee (<i>Effective Gross Income x Annual Rate of</i>								20,000
11	Manager or Superintendent Rent Free Unit								
12	Legal Expenses (<i>project only</i>)								
13	Auditing Expenses (<i>project only</i>)								6,759
14	Bookkeeping Fees and Accounting Services								
15	Telephone and Answering Services								3,976
16	Bad Debts								
17	Miscellaneous Administrative Expenses (<i>describe</i>)								2,387
18	Annual Tax Credit Monitoring Fee (\$25.00 per tax credit unit)								
19	Total Administrative Expenses								\$ 56,183
20									
21	UTILITY EXPENSES (<i>paid by owner</i>)								
22									
23	Fuel Oil								\$
24	Electricity								22,266
25	Gas								7,554
26	Water								6,362
27	Sewer								
28	Total Utility Expenses								\$ 36,182
29									
30	OPERATING AND MAINTENANCE EXPENSES								
31									
32	Janitor and Cleaning Payroll								\$ 12,723
33	Janitor and Cleaning Supplies								5,169
34	Janitor and Cleaning Contract								15,506
35	Exterminating Payroll or Contract								450
36	Exterminating Supplies								
37	Garbage and Trash Removal								3,181
38	Security Payroll or Contract								
39	Grounds Payroll								
40	Grounds Supplies								
41	Grounds Contract								2,000
42	Repairs Payroll								
43	Repairs Material								
44	Repairs Contract								
45	Elevator Maintenance or Contract								1,193
46	Heating and Air Conditioning Maintenance or Contract								400
47	Swimming Pool Maintenance or Contract								
48	Snow Removal								500
49	Decorating Payroll or Contract								4,500
50	Decorating Supplies								
51	Other Operating and Maintenance Expenses (<i>describe</i>)								1,200
52	Miscellaneous Operating and Maintenance Expenses								
53	Total Operating and Maintenance Expenses								\$ 46,822
54	TAXES AND INSURANCE								
55									
56	Real Estate Taxes								\$ 45,000
57	Payment in Lieu of Taxes								
58	Payroll Taxes (FICA)								5,169
59	Miscellaneous Taxes, Licenses and Permits								795
60	Property and Liability Insurance (<i>hazard</i>)								11,133
61	Fidelity Bond Insurance								
62	Workmen's Compensation								
63	Health Insurance and Other Employee Benefits								
64	Other Insurance (<i>describe</i>)								
65	Total Taxes and Insurance								\$ 62,097
66									
67	Reserve for Replacement								\$ 10,250
68	Total Operating Expenses								\$ 211,534
69	Net Operating Income (<i>Effective Gross Income - Total Operating Expenses</i>)								\$ 251,821



USES OF FUNDS

TOTAL DEVELOPMENT COSTS

**\$1,235,000 of the total construction costs is for underground parking

Construction or Rehabilitation Costs

Type of Uses	Percentage	Total Budgeted Cost	Acquisition Basis*	Construction Basis*	Not in Basis*
New Construction of Building		8,000,000		8,000,000	\$
02 General Requirements					
03 Builder's Profit					
04 Builder's General Overhead					
05 Bond Premium					
06 Other Owner's Rep and Personal Property		120,000		120,000	
07 Total Construction Contract		\$ 8,120,000	\$	\$ 8,120,000	
08 Construction Contingency	6.16%	500,000			500,000
09 Total Construction Costs		\$ 8,620,000	\$	\$ 8,120,000	\$ 500,000

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	5.42%	\$ 440,000	\$	\$ 440,000	\$
11 Architect's Supervision Fee	0.49%	40,000		40,000	
12 Architect Reimbursable Additional Design	0.37%	30,000		30,000	
13 Real Estate Attorney		67,000		67,000	
14 Marketing					
15 Surveys		22,000		22,000	
16 Soil Borings		12,000		12,000	
17 Appraisal		6,000		6,000	
18 Market Study		5,500		5,500	
19 Environmental Report		26,800		26,800	
20 Tap Fees		15,000		15,000	
21 Other: Permits, fees, security,		132,000		132,000	
22 Total Fees		\$ 796,300	\$	\$ 796,300	\$

Financing Fees and Charges

Type of Uses	Total Budgeted Cost	Acquisition Basis*	Construction Basis*	Not in Basis*
23 Construction Interest	\$ 234,500	\$	\$ 234,500	\$
24 Real Estate Taxes	15,000		15,000	
25 Insurance Premium	33,000		33,000	
26 Mortgage Insurance Premium				
27 Title and Recording	30,150		30,150	
28 Financing (soft cost) Contingency	50,000			50,000
29 Other Lenders' Origination Fees (non-syndication only)	16,750		16,750	
30 Other Lenders' Legal Fees (non-syndication only)				
31 Other Organizational, Finance and Construction Legal	95,000		95,000	
32 Total Financing Fees and Charges	\$ 474,400	\$	\$ 424,400	\$ 50,000

* Complete for Tax Credit Requests Only

Acquisition Costs

Type of Uses	Total Budgeted Cost	Acquisition Basis*	Construction Basis*	Not in Basis*
33 Building Acquisition	\$ -	\$		\$
34 Land Acquisition	862,000			862,000
35 Carrying Charges: Describe:				
36 Relocation Costs				
37 Other				
38 Total Acquisition Costs	\$ 862,000	\$	\$	\$ 862,000
39 Total Development Costs (TDC)	\$ 10,752,700	\$	\$ 9,340,700	\$ 1,412,000

OTHER USES OF FUNDS

Developer's Fee

Type of Uses	Total Budgeted Cost	Acquisition Basis*	Construction Basis*	Not in Basis*
Fee on Non-Acquisition Costs (calculate below)	\$ 1,401,105		1,401,105	\$
Fee on Acquisition Costs (calculate below)	86,200			86,200
42 Total Developer's Fee (\$2.5 million maximum)	\$ 1,487,305	\$	\$ 1,401,105	\$ 86,200

Syndication Related Costs

Type of Uses		Total Budgeted Cost	Acquisition Basis*	Construction Basis*	Not in Basis*
43	Syndication Fee	\$ 50,000	\$	\$	\$ 50,000
44	Legal (syndication only)	50,000			50,000
45	Bridge Loan Fees				
	Bridge Loan Interest	50,000			50,000
47	Organizational Costs	10,000			10,000
48	Tax Credit Application Fee				
49	Accounting and Auditing Fee	35,000			35,000
50	Partnership Management Fee				
51	Other tax opinion				
52	Total Syndication Related Costs	\$ 195,000	\$	\$	\$ 195,000


Guarantees and Reserves (funded amounts only)

Type of Uses		Total Budgeted Cost	Acquisition Basis*	Construction Basis*	Not in Basis*
53	Construction Guarantee				
54	Operating Reserve	112,887			112,887
55	Rent-up Reserve				
56	Other debt service	45,000			45,000
57	Total Guarantees and Reserves	\$ 157,887			\$ 157,887
58	Total Uses of Funds	\$ 12,592,892	\$	\$ 10,741,805	\$ 1,851,087

* Complete for Tax Credit Requests Only

MAXIMUM DEVELOPER'S FEE

Fee on Non-acquisition Costs	Fee on Costs Over \$10 Million	Fee on Costs \$10 Million or Less	
59 Total Development Costs (from line 39 above)	\$ 10,752,700		
60 Less Acquisition Costs (from line 38 above)	(862,000)		
61 Less Construction Contingency (from line 08 above)	(500,000)		
62 Less Financing (Soft Cost) Contingency (from line 28 above)	(50,000)		
63 Non-acquisition Costs	9,340,700		
64 Lesser of \$10,000,000 or Non-acquisition Costs (enter on both lines)	9,340,700	9,340,700	
65 Non-acquisition Fee Basis		9,340,700	
Fee Percentage	10%	15%	
Fee on Non-acquisition Costs	\$	\$ 1,401,105	Total = \$ 1,401,105
Fee on Acquisition Costs			
68 Acquisition Costs (from line 38 above)	\$ 862,000		
69 Lesser of \$10,000,000 or Acquisition Costs (enter on both lines)	862,000	862,000	
70 Acquisition Fee Basis		862,000	
71 Fee Percentage	5%	10%	
72 Fee on Acquisition Costs	\$	\$ 86,200	Total = \$ 86,200
73 Total Developer's Fee (Fee on Non-acquisition Costs + Fee on Acquisition Cost) (\$2.5 million maximum)			\$ 1,487,305

	A	B	C	D	E	F	G	H	I	J	K	L
1	SOURCES OF FUNDS											
2												
3	TOTAL DEVELOPMENT COSTS											
4	DEBT											
5	Primary Debt Service Financing											
6	Subordinate Debt Service Financing											
7	Total Debt Service Financing											
8	Type of Funds	Requested Source of Funds	Debt Coverage	Annual Payment	Interest Rate	Amortization Term	Loan Term	Loan Amount				
9	Tax-exempt Bonds				%							
10	Private Loan	Permanent Financing First Mortgage M. & T Bank	1.21	189,620	6.500%	25	30	2,500,000				
11	HPTF	DCDHCD			%			1,050,000				
12	CDBG	DCDHCD			%			-				
13	HOME	DCDHCD			%							
14	Other	Acquisition Funds DHCD			%			862,000				
15	Credit Enhancement											
16	Total Debt Service Financing			\$ 189,620				\$ 4,412,000				
17												
18	Subordinate Debt Service Financing											
19	Type of Funds	Requested Source of Funds		If Grant, enter Y here	Annual Payment	Interest Rate	Term	Loan or Grant Amount				
20	HPTF	DCDHCD			\$	%						
21	CDBG	DCDHCD				%						
22	HOME	DCDHCD				%						
23	Other	Artspace Sponsor Loan						400,000				
24	Other	Deferred Developer Fee						200,000				
25	Other											
26	Total Subordinate Debt Service Financing											
27	Total Debt (Debt Service + Cash Flow Financing)											
28	Total Debt and Grants											
29	EQUITY											
30	Source of Equity											
31	Type of Equity											Amount
32	Historic Tax Credit Proceeds (from next section)											\$
33	Low Income Housing Tax Credit Proceeds (from next section)											\$ 7,580,892
34	Developer's Equity (not from syndication proceeds)											
35	Interim Income (occupied rehabilitation projects)											
36	Other:											
37												
38	Total Equity											\$ 7,580,892
39	Total Sources of Funds (Total Equity, Debt, and Grants)											
40	Maximum DHCD Loan Amount (cash flow financing)											
41	Total Uses of Funds (from previous section)											\$ 12,592,892
42	Primary (Non-DHCD) Debt Service Financing (from above)											\$ (4,412,000)
43	Subordinate Financing (Non-DHCD) and grants (from above)											\$ (5,012,000)
44	Historic Tax Credit Syndication Proceeds (from next section)											\$
45	Low Income Tax Credit Syndication Proceeds (from next section)											\$ (7,580,892)
46	Maximum DHCD Funds Amount											\$ (4,412,000)
47												
48												
49												
50												



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
- Acquisition (must include substantial rehabilitation as defined in Tax Credit Regulations)
- 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
3305 8th Street NE	Purchase Agmt	11/01/09	N/A	862,000	/ /	/ /	N/A
		/ /			/ /	/ /	
		/ /			/ /	/ /	
		/ /			/ /	/ /	
		/ /			/ /	/ /	
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		/ /			/ /	/ /	
		/ /			/ /	/ /	
		/ /			/ /	/ /	
		/ /			/ /	/ /	
Total				\$ 862,000			

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 \$3000 per unit: Total Units _____ x \$3000 = \$ _____ -
- Costs are at least 10% of the project's adjusted basis: Basis \$ _____ x 10% = \$ _____ -

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 RBC Capital Markets
 Contact Rick Slagle Phone () 410-960-7685

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 TBD

Percent Paid	Amount Paid	Date Paid
% \$		/ /
% \$		/ /
% \$		/ /
% \$		/ /
% \$		/ /
% \$		/ /

CALCULATION OF TAX CREDIT AMOUNT

Number Low-Income Housing Tax Credit Based on Eligible Costs

Description	Acquisition Basis	Construction Basis
Total Uses of Funds (from Uses of Funds worksheet)	\$	\$ 10,741,805
Federal Grants Financing Qualifying Costs (list below)		
Other Non-qualifying Financing	0	()
of Commercial Space	()	()
qualifying Units of Higher Quality	()	()
Federal Historic Tax Credit	()	()
Adjusted Project Costs		\$ 10,741,805
Adjustment for Qualified Census Tract (130% maximum)	0.0	130%
Eligible Basis	\$	\$ 13,964,347
Applicable Fraction (calculate below)	95.12%	95%
Qualified Basis	\$	\$ 13,282,886
Applicable Percentage (construction basis qualified for 4% or 9%?)	9%	9%
Low Income Housing Tax Credit Eligible	\$	\$ 1,195,460

Estimated Low-Income Housing Tax Credit Syndication Proceeds

Description	Amount
Combined Low Income Housing Tax Credit Eligible (result from previous table)	\$ 1,195,460
Tax Credit Period (10 years)	x 10
Total Tax Credit Received Over Period	\$ 11,954,598
Raise Ratio from Syndicator's Proposal	0.78
Gross Proceeds from Low Income Housing Tax Credit	\$ 9,324,586
Gross Proceeds from Historic Tax Credit (calculate below)	
Total Equity from Syndication Proceeds	\$ 9,324,586

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)	8,348,309
Gross Proceeds from Historic Tax Credit (calculate below)	()
Low Income Housing Tax Credit Syndication Proceeds (to Sources of Funds worksheet)	\$ 8,348,309
Raise Ratio from Syndicator's Proposal	0.78
Total Tax Credit Received Over Period	\$ 10,702,960
Tax Credit Period (10 years)	÷ 10
Maximum Low-Income Housing Tax Credit	\$ 1,070,296

Sources of Federal Financing

Show all direct and indirect federal funds financing qualified costs below

Community Development Block Grant	Structured as deferred Loan	_____
HOME Investment Program		_____
Other		_____
Total Federal Funds		\$ _____


Applicable Fraction

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

<input checked="" type="checkbox"/> Percent of Units	<input type="checkbox"/> Percent of Square Footage
Low Income Units _____ 39	Low Income Sq. Ft. _____
Total Units _____ 41	Total Sq. Ft. _____
Unit Percentage _____ 95.12%	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)	\$ _____

	A	B	C	D	E	F	G	H	I	J
1	PROJECT SUMMARY INFORMATION									
2										
3	GENERAL INFORMATION									
4										
5	Project Information									
6	Project Name	Brookland Artspace Lofts								
7	Address	3305 - 3313 8th Street NE								
8	City	Washington, DC	County	20017						
9	Sponsor	Brookland Artspace Lofts LLC c/o Artspace Projects, Inc.								
10										
11	Funding Applied For					Occupancy Restrictions				
12	Housing Production Trust Fund				\$ 1,050,000	Units 30% or less of AMI				
13	Community Development Block Grant (CDBG)				\$ -	Units at 31-40% of AMI				
14	HOME Investment Partnership Program (HOME)				\$ -	Units at 41-50% of AMI	21			
15	Low-Income Housing Tax Credit (LIHTC)				\$ 8,348,309	Units at 51-60% of AMI	18			
16	Other: SAFI or Other Acquisition				\$ 862,000	Units at 61-85% of AMI				
17						Units at 81-100% of AMI				
18						Units at market rates	2			
19						Total Units	41			
20										
21	PROJECT INCOME (Effective Gross Income)									
22										
23	<i>Source of Income</i>		<i>Total Units</i>	<i>Vacancy Rate</i>	<i>Annual EGI</i>	<i>Years Until Sustaining Occupancy</i>	<i>Annual Trending</i>	<i>Trended EGI</i>		
24	Low-Income Units		39	5.00%	\$ 442,115	1	%	\$ 442,115		
25	Market Rate Units		2	5.00%	\$ 18,240	1	%	\$ 18,240		
26	Nonresidential			%	\$ 3,000		%	\$ 3,000		
27	Total		41		\$ 463,355					
28	Trended Effective Gross Income							\$ 463,355		
29										
30	PROJECT EXPENSES									
31										
32	<i>Expense Categories</i>				<i>Annual Expense</i>	<i>Years Until Sustaining Occupancy</i>	<i>Annual Trending</i>	<i>Trended Expense</i>		
33	Administrative				\$ 36,183		%	\$ 36,183		
34	Management Fee (Effective Gross Income x percentage)				20,000			\$ 20,000		
35	Utilities				36,182		%	\$ 36,182		
36	Operating and Maintenance				46,822		%	\$ 46,822		
37	Taxes and Insurance				62,097		%	\$ 62,097		
38	Reserve for Replacement				\$ 10,250		%	\$ 10,250		
39	Total Project Expenses				\$ 211,534			\$ 211,534		
40	Trended Net Operating Income (Effective Gross Income - Project Expenses)							\$ 251,821		
41	Annual Debt Service Financing Payments							\$ (189,620)		
42	Annual Cash Flow Financing Payments							\$ (189,620)		
43	Remaining Cash Flow (Net Operating Income - Financing Payments)							\$ (127,419)		
44										
45	SOURCES OF FUNDS									
46										
47	Primary Debt Service Financing									
48	<i>Source of Funds</i>	<i>Lender</i>	<i>Debt Coverage</i>	<i>Interest Rate</i>	<i>Amortization Term</i>	<i>Loan Term</i>	<i>Annual Payment</i>	<i>Amount</i>		
49	Tax-exempt Bonds			%						
50	Private Loan		1	0	25	30	189,620	2,500,000		
51	HPTF	DCDHCD		%				1,050,000		
52	CDBG	DCDHCD		%						
53	HOME			%						
54	Other			%				862,000		
55	Total Debt Service Financing							\$ 189,620	\$ 4,412,000	
56										
57	Subordinate Debt Service Financing									
58	<i>Requested Source of Funds</i>	<i>Lender</i>		<i>Interest Rate</i>	<i>Loan Term</i>	<i>Annual Payment</i>	<i>Amount</i>			
59	HPTF	DCDHCD				\$	\$			
60	CDBG	DCDHCD		%						
61	HOME	DCDHCD		%						
62	OTHER					189,620	600,000			
63	Total Cash Flow Financing							\$ 189,620	\$ 600,000	
64										
65	Equity									
66	<i>Type of Equity</i>					<i>Source of Equity</i>			<i>Amount</i>	
67	Developer's Equity (not from syndication proceeds)								\$	
68	Interim Income (occupied rehabilitation projects)									
69	Historic Tax Credit Proceeds									
70	Low Income Housing Tax Credit Proceeds								7,580,892	
71	Total Equity								7,580,892	
72	Total Sources of Funds (must equal Total Uses of Funds)								12,592,892	
73										

	A	B	C	D	E	F	G	H	I	J
74	USES OF FUNDS									
75										
76	<i>Type of Uses</i>								Amount	
77	Construction or Rehabilitation Costs								\$	8,620,000
78	Fees Related to Construction or Rehabilitation									796,300
79	Financing Fees and Charges									474,400
80	Acquisition Costs									862,000
81	Total Development Costs									10,752,700
82	Syndication Related Costs									195,000
83	Guarantees and Reserves									157,887
84	Developer's Fee									1,487,305
85	Total Uses of Funds								\$	12,592,892
86										
87	PROJECT DESCRIPTION									
88	Artspace will develop 41 live/work units for artists as part of the Dance Place redevelopment project in the Brookland neighborhood.									
89	The building will be four stories and include underground parking, large community spaces and studio space to be used by Dance Place									
90	and residents of the building. The project also includes 10' ceilings, natural light, a green roof and small roof deck for residents.									
91	Each unit is designed to have large open space for persons to pursue their art or craft within their residence. The site is located just 2 blocks									
92	from the Brookland CUA Metro. The site is adjacent to the new metro branch trail bike connection.									



20-YEAR OPERATING PRO FORMA:

Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Low Income Units	\$ 442,115	\$ 442,115	\$ 442,115	\$ 442,115	\$ 442,115	\$ 442,115	\$ 442,115	\$ 442,115
Market Rate Units	18,240	18,240	18,240	18,240	18,240	18,240	18,240	18,240
Nonresidential	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Gross Project Income	463,355	463,355	463,355	463,355	463,355	463,355	463,355	463,355
Vacancy Allowance	(24,229)	(24,229)	(24,229)	(24,229)	(24,229)	(24,229)	(24,229)	(24,229)
Effective Gross Income	\$ 439,126	\$ 439,126	\$ 439,126	\$ 439,126	\$ 439,126	\$ 439,126	\$ 439,126	\$ 439,126

Expenses

Administrative	\$ 36,183	\$ 36,183	\$ 36,183	\$ 36,183	\$ 36,183	\$ 36,183	\$ 36,183	\$ 36,183
Management Fee	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Utilities	36,182	36,182	36,182	36,182	36,182	36,182	36,182	36,182
Maintenance	46,822	46,822	46,822	46,822	46,822	46,822	46,822	46,822
Taxes and Insurance	62,097	62,097	62,097	62,097	62,097	62,097	62,097	62,097
Replacement Reserve	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250
Total Expenses	\$ 211,534	\$ 211,534	\$ 211,534	\$ 211,534	\$ 211,534	\$ 211,534	\$ 211,534	\$ 211,534
Net Operating Income	\$ 227,592	\$ 227,592	\$ 227,592	\$ 227,592	\$ 227,592	\$ 227,592	\$ 227,592	\$ 227,592

Primary Debt Service Financing

Tax-exempt Bonds								
Private Loan	189,620	189,620	189,620	189,620	189,620	189,620	189,620	189,620
HPTF								
CDBG								
HOME								
Other								
Total Debt Service	\$ 189,620	\$ 189,620	\$ 189,620	\$ 189,620	\$ 189,620	\$ 189,620	\$ 189,620	\$ 189,620
Cash Flow	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972
Debt Coverage Ratio	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20

Subordinate Debt Service Financing (displays grants and loans)

HPTF	\$	\$	\$	\$	\$	\$	\$	\$
CDBG								
HOME								
Other								
Total Cash Flow Debt	\$	\$	\$	\$	\$	\$	\$	\$
Remaining Cash Flow	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972
Debt Coverage Ratio	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20



Income	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16
Low Income Units	\$ 442,115	\$ 442,115	\$ 442,115	\$ 442,115	\$ 442,115	\$ 442,115	\$ 442,115	\$ 442,115
Market Rate Units	18,240	18,240	18,240	18,240	18,240	18,240	18,240	18,240
Nonresidential	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Gross Project Income	463,355	463,355	463,355	463,355	463,355	463,355	463,355	463,355
Vacancy Allowance	(24,229)	(24,229)	(24,229)	(24,229)	(24,229)	(24,229)	(24,229)	(24,229)
Effective Gross Income	\$ 439,126	\$ 439,126	\$ 439,126	\$ 439,126	\$ 439,126	\$ 439,126	\$ 439,126	\$ 439,126

Expenses

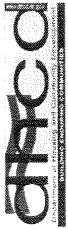
Administrative	\$ 36,183	\$ 36,183	\$ 36,183	\$ 36,183	\$ 36,183	\$ 36,183	\$ 36,183	\$ 36,183
Management Fee	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Utilities	36,182	36,182	36,182	36,182	36,182	36,182	36,182	36,182
Maintenance	46,822	46,822	46,822	46,822	46,822	46,822	46,822	46,822
Taxes and Insurance	62,097	62,097	62,097	62,097	62,097	62,097	62,097	62,097
Replacement Reserve	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250
Total Expenses	\$ 211,534	\$ 211,534	\$ 211,534	\$ 211,534	\$ 211,534	\$ 211,534	\$ 211,534	\$ 211,534
Net Operating Income	\$ 227,592	\$ 227,592	\$ 227,592	\$ 227,592	\$ 227,592	\$ 227,592	\$ 227,592	\$ 227,592

Primary Debt Service Financing

Tax-exempt Bonds								
Private Loan	189,620	189,620	189,620	189,620	189,620	189,620	189,620	189,620
HPTF								
CDBG								
HOME								
Other								
Total Debt Service	\$ 189,620	\$ 189,620	\$ 189,620	\$ 189,620	\$ 189,620	\$ 189,620	\$ 189,620	\$ 189,620
Cash Flow	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972
Debt Coverage Ratio	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20

Subordinate Debt Service Financ

HPTF	\$	\$	\$	\$	\$	\$	\$	\$
CDBG								
HOME								
Other								
Total Cash Flow Debt	\$	\$	\$	\$	\$	\$	\$	\$
Remaining Cash Flow	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972	\$ 37,972
Debt Coverage Ratio	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20



Income	Year 17	Year 18	Year 19	Year 20
Low Income Units	\$ 442,115	\$ 442,115	\$ 442,115	\$ 442,115
Market Rate Units	18,240	18,240	18,240	18,240
Nonresidential	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Gross Project Income	463,355	463,355	463,355	463,355
Vacancy Allowance	(24,229)	(24,229)	(24,229)	(24,229)
Effective Gross Income	\$ 439,126	\$ 439,126	\$ 439,126	\$ 439,126

Expenses	Year 17	Year 18	Year 19	Year 20
Administrative	\$ 36,183	\$ 36,183	\$ 36,183	\$ 36,183
Management Fee				
Utilities	36,182	36,182	36,182	36,182
Maintenance	46,822	46,822	46,822	46,822
Taxes and Insurance	62,097	62,097	62,097	62,097
Replacement Reserve	10,250	10,250	10,250	10,250
Total Expenses	\$ 191,534	\$ 191,534	\$ 191,534	\$ 191,534
Net Operating Income	\$ 247,592	\$ 247,592	\$ 247,592	\$ 247,592

Primary Debt Service Financing

Tax-exempt Bonds				
Private Loan	189,620	189,620	189,620	189,620
HPTF				
CDBG				
HOME				
Other				
Total Debt Service	\$ 189,620	\$ 189,620	\$ 189,620	\$ 189,620
Cash Flow	\$ 57,972	\$ 57,972	\$ 57,972	\$ 57,972
Debt Coverage Ratio	1.31	1.31	1.31	1.31

Subordinate Debt Service Financ

HPTF	\$	\$	\$	\$
CDBG				
HOME				
Other				
Total Cash Flow Debt	\$	\$	\$	\$
Remaining Cash Flow	\$ 57,972	\$ 57,972	\$ 57,972	\$ 57,972
Debt Coverage Ratio	1.31	1.31	1.31	1.31