

**Development Budget**  
**El Dorado County Example**

9/28/07

**RENTAL Multifamily 3-story flats, wood frame SOG construction, flat site with all infrastructures at site**

50 units total  
 3.3 acres  
 1, 2 and 3 bedroom units  
 Avg SF of unit 900 sf  
 Total building sf 45000

	ITEM	TOTAL PROJECT COST	Per Unit	% of Total	Assumptions
1	<b>ACQUISITION</b>				
2	Total Land Cost or Value	1,000,000	20,000	5.96%	Land required at 15 units to the acre built out - 3.33 acres, \$20,000 per unit for dirt
3	Legal/Broker/Holding Fees	92,500	1,850	0.55%	
4	Legal Fees	10,000	-	0.00%	
5	Broker Fees		-	0.00%	
6	Option Costs		-	0.00%	
7	Holding Costs	82,500	-	0.00%	Interest cost on acquisition loan held for 1 year
8	Off-Site Improvements		-	0.00%	1/2 cost of sewer lift station - shared with Sherrod's commercial property
9			-	0.00%	
10			-	0.00%	
11	<b>Total Acquisition Cost</b>	<b>1,092,500</b>	<b>21,850</b>	<b>6.51%</b>	
12	<b>CONSTRUCTION / REHABILITATION</b>				
13	Site Work	1,140,384	22,808	6.80%	
14	Site Improvements	1,140,384	-	0.00%	
15	Site prep	1,015,384	-	0.00%	\$7 per sf of land- includes rough grading, underground, pads, roads and all paving
16	landscape	125,000	-	0.00%	Estimate based upon minimal open space
17	parking		-	0.00%	Included in site work
18	Off-Site improvements		-	0.00%	
19	Demolition		-	0.00%	
20	Structures	5,666,000	113,320	33.76%	
21	Residential	5,616,000	-	0.00%	
22	Residential Units	\$5,316,000	-	0.00%	\$120 per square foot for structures - prevailing wages would add 10-20%. Could be less, but higher standard required for public approvals and 55-year commitment
23	Common Areas / Community Bldg	\$300,000	-	0.00%	\$150 per sf for community building
24	Escalation Factor		-	0.00%	

	ITEM	TOTAL PROJECT COST	Per Unit	% of Total	Assumptions
25	Commercial	0	-	0.00%	
26	Child care built out	0	-	0.00%	
27	Tenant Improvements		-	0.00%	
28	Parking	0	-	0.00%	
29	Structure		-	0.00%	
30	On-grade		-	0.00%	included in site costs above
31	Site Furnishings	50,000	-	0.00%	
32	<i>General Requirements</i>	476,447	9,529	2.84%	7% of hard costs, includes 1% for insurance
33	<i>Contractor Overhead</i>	272,255	5,445	1.62%	3% of hard costs
34	<i>Contractor Profit</i>	272,255	5,445	1.62%	3% of hard costs
35	<b>Total Const. / Rehab. Costs</b>	<b>7,827,341</b>	<b>156,547</b>	<b>46.64%</b>	
36	<b>ARCHITECTURAL FEES</b>				
37	<i>Design</i>	506,367	10,127	3.02%	
38	Feasibility studies/Design review	75,000	-	0.00%	
39	Design SD/DD/CD/Bid 5%	391,367	-	0.00%	
40	Printing/Reimbursables (incl. as-built photos)	30,000	-	0.00%	
41	Add'l services	10,000	-	0.00%	Special meetings, renderings, etc
42	<i>Supervision</i> 1.5%	100,304	2,006	0.60%	
43	<b>Total Architectural Costs</b>	<b>\$606,671</b>	<b>12,133</b>	<b>3.62%</b>	
44	<b>SURVEY &amp; ENGINEERING</b>				
45	Civil	75,000	1,500	0.00%	
46	Survey - Pre-acquisition		-	0.00%	
47	Survey - Post-construction	7,500	150	0.00%	ALTA Survey
48	Survey - Land use / Subdivision	10,000	200	0.00%	topo survey
49	Bldg. Assessment - Systems (incl. pests)		-	0.00%	
50	Historic / Archaeo. Survey		-	0.00%	
51	Geotechnical Soils Report	7,500	150	0.00%	
52	EIR and/or EIS		-	0.00%	
53	Acoustic Engineering		-	0.00%	
54	Traffic Engineering	30,000	600	0.00%	Current cost of private consultant
55	Other Engineering - <i>Preliminary Design Work</i>		-	0.00%	
56	<b>Total Survey &amp; Engineering</b>	<b>\$130,000</b>	<b>-</b>	<b>0.77%</b>	
57	<b>CONSTRUCTION INTEREST &amp; FEES</b>				
58	<i>Const. Loan Interest</i>	840,000	-	5.01%	

	ITEM	TOTAL PROJECT COST	Per Unit	% of Total	Assumptions
59	Interest charges (conventional)	840,000	16,800	0.00%	This assumes 80% of total construction covered with conventional construction loan
60	Interest charges (soft)		-	0.00%	
61	<i>Origination Fee</i>	150,000	-	0.89%	
62	Origination Fee	150,000	3,000	0.00%	1% fee is typical for conventional construction lender
63	Construction Loan Extension Fee		-	0.00%	
64	<i>Credit Enhance. &amp; App. Fee</i>		-	0.00%	
65	<i>Bond Premium</i>	78,273	1,565	0.47%	1% of construction typical for most contractors
66	<i>Taxes</i>	25,000	500	0.15%	1.25% of land value for holding period and construction period - 2 years
67	<i>Insurance</i>	100,000	-	0.60%	
68	Preconstruction	7,500	150	0.00%	Liability only
69	Course of Construction	85,000	1,700	0.00%	Owners coverage
70	Liability	7,500	150	0.00%	Liability during construction
71	<i>Title and Recording</i>	32,500	-	0.19%	
72	Title and Recording	25,000	500		Construction loan closing
73	Escrow Fees & Title Endorsements	7,500	150		
74	<i>Other</i>		-	0.00%	
75	<b>Total Const. Interest &amp; Fees</b>	<b>\$1,225,773</b>	-	7.30%	
76	<b>PERMANENT FINANCING</b>		-		
77	<i>Loan Origination Fee ( 1%)</i>	9,718	194	0.06%	1.25% fee on mortgage - typical
78	<i>Credit Enhance/ App Fees/Loan Extension Fees</i>	0	-	0.00%	
79	Permanent Loan Extension Fees		-	0.00%	
80	Credit Enhance & App Fee		-	0.00%	
81	Interest charges		-	0.00%	
82	<i>Title and Recording</i>	25,000	500	0.15%	
83	<i>Other: Lender costs; Sesmic, environmen</i>	45,000	900	0.27%	
84	<b>Total Perm. Financing Costs</b>	<b>\$79,718</b>	-	0.48%	
85	<b>LEGAL FEES</b>		-		
86	<i>Lender Legal Pd. by Applicant</i>	15,000	-	0.09%	Required by lender
87	<i>Other Owner</i>	25,000	-	0.15%	
88	Legal		-		
89	Real Estate		-	0.00%	Included in acquisition
90	Acquisition		-	0.00%	
91	Zoning		-	0.00%	assumes site has appropriate zoning
92	Construction & perm loans	25,000	500	0.00%	

	ITEM	TOTAL PROJECT COST	Per Unit	% of Total	Assumptions	
93	<b>Total Attorney / Legal Costs</b>	<b>\$40,000</b>	-	0.24%		
94	<b>RESERVES</b>		-			
95	Rent Reserves	0	0	-	0.00%	
96	Other (Specify)	99,212		-	0.59%	
97	Capitalized Replacement Reserves (new const)			-	0.00%	
98	Capitalized Replacement Reserves (acq/rehab)			-	0.00%	
99	Capitalized Operating Reserves	99,212	99,212	1,984	0.00%	3 mo of op ex, less svcs, rr, and debt service - required by TCAC
##	Commercial Lease-up Reserves			-	0.00%	
##	<b>Total Reserve Costs</b>	<b>\$99,212</b>		-	0.59%	
##	<b>APPRAISAL COSTS</b>			-		
##	Appraisal - Aquisition	4,500		90	0.00%	
##	Appraisal - Construction / Permanent	8,500		170	0.00%	
##	<b>Total Appraisal Costs</b>	<b>13,000</b>		-	0.08%	
##	<b>Total Construction Contingency @10.00%</b>	<b>\$782,734</b>		-	4.66%	10% of construction -2% for estimating, 5% carried to construction start
##	<b>OTHER</b>			-		
##	TCAC App/Alloc/Monitor Fees	35,056		-	0.21%	
##	TCAC - Application Fee	2,000		40	0.00%	
##	TCAC - Allocation Fee / Performance Deposit (9% projects)			-	0.00%	
##	TCAC - Reservation Fee (4% projects)	7,226		145	0.00%	
##	TCAC - Monitoring Fee	25,830		517	0.00%	
##	Environmental Audit	3,500		-	0.02%	
##	Phase I (record search)	3,500		70	0.00%	Lender required, 1 update budgeted
##	Phase II (soils sampling)			-	0.00%	
##	Building Assessment - Asbestos / Lead			-		
##	Phase III (mitigation monitoring)			-		
##	Public Agency Review Fees			-	0.00%	
##	Permit Processing Fees	149,450		-	0.89%	
##	Govt - Planning Permits	59,450		1,189	0.00%	Planning allowance of \$45K plus Rare plant preserve of \$289/unit
##	Govt - Building Permits	90,000		1,800	0.00%	\$1.25 per SF
##	Capital Fees	2,145,688		-	12.79%	
##	Govt - Park Fees			-	0.00%	
##	Govt - School Fees	138,150		2,763	0.00%	Mother Lode SD - \$3.07 per sf
##	Govt - Traffic	1,206,500		24,130	0.00%	24130 per Unit zone 3 MFD
##	Utility - Gas & Electric, phone and cable	100,000		2,000	0.00%	Estimate of deposits

	ITEM	TOTAL PROJECT COST	Per Unit	% of Total	Assumptions
##	Utility - Sewer & Water	656,563	13,131	0.00%	Confirmed with EID for 50 units
##	Fire District	44,475	890	0.00%	Current fee for sprinklered unit
##	<i>Marketing</i>	65,250	-	0.39%	
##	Rent-up Residential	65,250	1,305	0.00%	
##	Management Fee	12,500	250	0.00%	\$350/pu
##	Personnel Costs	25,000	500	0.00%	
##	Advertising	12,500	250	0.00%	
##	Brouchure / Photos	5,500	110	0.00%	
##	Site Sign (marketing <i>not</i> project sign)	250	5	0.00%	
##	Community & Public Relations		-	0.00%	
##	Startup Supplies (office, janitorial / main't.)	9,500	190	0.00%	
##	<i>Furnishings</i>	70,500	-	0.42%	
##	Residential Units		-	0.00%	
##	Manager's office	8,000	160	0.00%	
##	Resident Services Office	3,500	70	0.00%	
##	Community Room	4,500	90	0.00%	
##	Maintenance Equipment	9,500	190	0.00%	
##	Site Furnishings	45,000	900	0.00%	Owners materials, different from contractors cost above
##	Childcare Center		-	0.00%	
##	<i>Other (Specify): Construction Related</i>	83,000	-	0.49%	
##	Construction Management	65,000	1,300	0.00%	
##	Lender's Construction Oversight	18,000	360		
##	Construction Testing		-	0.00%	
##	Soils Monitoring	5,500	110	0.00%	Required by build dept
##	Structural Testing	7,500	150	0.00%	Required by build dept
##	<i>Other (specify): Financing Related</i>	7,500	-	0.04%	
##	Predevelopment Financing	0	-	0.00%	
##	Loan fees and charges		-	0.00%	
##	Title and escrow		-	0.00%	
##	Interest charges		-	0.00%	
##	Predevelopment Loan Extension Fee		-	0.00%	
##	Acquisition Financing	0	-	0.00%	
##	Loan fees and charges		-	0.00%	
##	Title and escrow		-	0.00%	

	ITEM	TOTAL PROJECT COST	Per Unit	% of Total	Assumptions
##	Interest charges		-	0.00%	
##	Bridge Financing	0	-	0.00%	
##	Loan fees and charges		-	0.00%	
##	Title and escrow		-	0.00%	
##	Market Study	7,500	150	0.00%	required by tax credit application
##	Prevailing Wage / Davis Bacon Monitoring		-	0.00%	If required, add \$25,000 for monitoring
##	<i>Other (specify):</i> Soft Cost Contingency	150,000	3,000	0.89%	
##	<b>Total Other Costs</b>	<b>\$2,709,944</b>	-	16.15%	
##	<b>Subtotals</b>	<b>\$14,606,894</b>	-	87.04%	
##	<b>DEVELOPER COSTS</b>		-		
##	Developer Overhead/Profit	2,059,061	-	12.27%	
##	Tax Credit Developer Fee #####	2,059,061	41,181	0.00%	Maximum fee at 15% of basis for tax credits only. Other lenders may limit lower
##	Other Development Consultants		-	0.00%	
##	Consultant/Processing Agent		-	0.00%	
##	Project Administration		-	0.00%	
##	Organization (HUD defined) <i>use only with HUD projects</i>		-	0.00%	
##	<i>Other (specify)</i>	5,000	-	0.03%	
##	Audit & Tax Returns ( <i>not</i> cost certification)	5,000	100	0.00%	
##	<b>Total Developer Costs</b>	<b>\$2,064,061</b>	-	12.30%	
##	<b>TOTAL PROJECT COST</b>	<b>\$16,670,954</b>	-		
##	<b>SYNDICATION COSTS</b>		-		
##	Cost Certification Costs	12,500	250	0.07%	
##	Legal - Syndication	45,000	900	0.27%	
##	Consultant - Syndication	47,500	950	0.28%	
##	Partnership Taxes / Fees	5,000	100	0.03%	
##	<b>Total Syndication Costs</b>	<b>\$110,000</b>	2,200	0.66%	
##	<b>GRAND TOTAL - Construction / Syndication</b>	<b>\$16,780,954</b>	335,619	100.00%	

**Development Budget**  
**El Dorado County Example**

**2/3 Story Attached Townhome - For Sale**

28-Sep-07

Attached towhhome ownership, wood frame, SOG, 2/3-story clusters  
 30 units  
 2 and 3 bedrooms  
 1000 sf avg unit size  
 total building sf: 30,000 sf  
 total site area: 2 acres

**ACQUISITION FINANCING**

ITEM	TOTAL COST	Per Unit Costs	Notes
<b>Acquisition</b>			
acquisition price	600,000	20,000	\$20,000 per unit/raw land
title & escrow charges	5,000	167	
		0	
<i>Total - acquisition</i>	605,000	27,500	

**CONSTRUCTION FINANCING**

ITEM	TOTAL COST	Per Unit Costs	
<b>Hard Costs</b>			
offsite improvement	0		
onsite improvements	600,000	20,000	\$20,000 per unit infrastructure costs
landscaping	150,000	5,000	\$5000/unit, inluces common areas
dry utilities	135,000	4,500	\$4500 per unit

house construction	3,600,000	120,000	Non-prevailing wage - \$120 per sf. Building cost can be less expensive, but "affordable" housing will be held to a higher standard.
house construction contingency (5%)	180,000	6,000	
site improvements contingency (5%)	44,250	1,475	covers site, landscape, joint trench
<b>Total - Hard Costs</b>	<b>4,709,250</b>	<b>156,975</b>	
<b>Soft Costs</b>			
<b>Professional Fees</b>			
architect	150,000	5,000	Production builder could allocate less.
landscape architect	35,000	1,167	Depends on public improvements, could be much more.
engineering	65,000	2,167	Tied to site improvements
geotechnical engineer	8,000	267	construction period monitoring/testing
geotechnical survey	3,500	117	initial soils report
joint utility design	12,500	417	Could be absorbed if design/build used
toxics study/environmental	2,500	83	Required by lenders
<b>Public Fees</b>			
Plan check	12,500	417	Estimate 1/2 building permit
Planning Dept Fees	25,000	833	TM, Design Review, etc
Building Permits	60,000	2,000	\$2/sf
Other fees: School	61,400	2,047	Mother Lode SD - 3.07 sf
Other Fees: Traffic	1,110,000	37,000	Zone 2 and 3 - \$37,000 per unit
Other Fees: Misc	31,980	1,066	Rare Plant Mitigation area 2, Fire Dist, Environmental
Utility Fees (sewer and water hook-ups, Dry deposits)	513,938	17,131	MF rate for EID (75% of single family)
<i>subtotal - site improvement and house fees</i>	<i>2,091,318</i>	<i>69,711</i>	
<b>Carrying Costs</b>			
re taxes	15,000	500	2 years holding at 1.025% on aqc value
insurance	75,000	2,500	liability and course of construction
construction bond premium (1.25%)	59,242	1,975	Contractor's bond at 1.25%
legal	25,000	833	



appraisal	14,200	473	Land and house appraisals.
title & escrow - construction	9,000	300	
Construction Loan fees and expenses	70,000	2,333	
Construction loan interest	392,000	13,067	8% \$7 million loan, 14 months, 60% avg balance
		0	
soft cost contingency	50,000	1,667	
<b>House Sales Costs</b>		0	
marketing & loan packaging	90,000	3,000	Broker fees, marketing by seller. Could be structured many different ways.
Escrow and Title	45,000	1,500	Seller's typical costs
		0	
<i>subtotal - carrying costs</i>	844,442	28,148	
<b>Total - soft costs</b>	2,935,760	97,859	
<b>TOTAL CONSTRUCTION COSTS</b>	<b>8,250,010</b>	<b>282,334</b>	

**Development Budget**  
**El Dorado County Example**  
**For Sale Detached Single Family - 2 story**

28-Sep-07

For Sale detached Single-family home, wood frame, SOG, 2 story, public road  
 20 units  
 3 and 4 bedrooms  
 1300 sf avg house size, plus 2-car garage  
 total building sf: 34,000 sf  
 total site area: 2 acres

**ACQUISITION FINANCING**

ITEM	TOTAL COST	Per Unit Costs	Notes
<b>Acquisition</b>			
acquisition price	600,000	30,000	\$20,000 per unit/raw land
title & escrow charges	5,000	250	
<i>Total - acquisition</i>	605,000	30,250	

**CONSTRUCTION FINANCING**

ITEM	TOTAL COST	Per Unit Costs	
<b>Hard Costs</b>			
offsite improvement	0		
onsite improvements	600,000	30,000	\$30,000 per unit infrastructure costs
landscaping	110,000	5,500	\$7500/unit, includes public frontage
dry utilities	90,000	4,500	\$4500 per unit

house construction	2,720,000	136,000	Non-prevailing wage - \$80 per sf. Building cost can be less expensive, but "affordable" housing will be held to a higher standard.
house construction contingency (5%)	136,000	6,800	
site improvements contingency (5%)	40,000	2,000	covers site, landscape, joint trench
<b>Total - Hard Costs</b>	<b>3,696,000</b>	<b>184,800</b>	
<b>Soft Costs</b>			
<b>Professional Fees</b>			
architect	150,000	7,500	
landscape architect	15,000	750	Depends on public improvements, could be much more.
engineering	65,000	3,250	Tied to site improvements
geotechnical engineer	8,000	400	construction period monitoring/testing
geotechnical survey	3,500	175	initial soils report
joint utility design	12,500	625	Could be absorbed if design/build used
toxics study/environmental	2,500	125	Required by lenders
<b>Public Fees</b>			
Plan check	21,250	1,063	Estimate 1/2 building permit
Planning Dept Fees	25,000	1,250	TM, Design Review, etc
Building Permits	68,000	3,400	\$2/sf
Other fees: School	104,380	5,219	Mother Lode SD - 3.07 sf
Other Fees: Traffic	740,000	37,000	Zone 2 and 3 - \$37,000 per unit
Other Fees: Misc	23,840	1,192	Rare Plant Mitigation area 2, Fire Dist, Environmental
Utility Fees (sewer and water hook-ups, Dry deposits)	423,500	21,175	SF rate for EID
		0	
<i>subtotal - site improvement and house fees</i>	<i>1,662,470</i>	<i>83,124</i>	
		0	
<b>Carrying Costs</b>			
re taxes	15,000	750	2 years holding at 1.025% on aqc value
insurance	50,000	2,500	liability and course of construction
construction bond premium (1.25%)	46,496	2,325	Contractor's bond at 1.25%
legal	25,000	1,250	

appraisal	8,500	425	Land and house appraisals.
title & escrow - construction	9,000	450	
Construction Loan fees and expenses	65,000	3,250	1% fee
Construction loan interest	364,000	18,200	8% \$6.5 million loan, 14 months, 60% avg balance
		0	
soft cost contingency	50,000	2,500	
<b>House Sales Costs</b>			
marketing & loan packaging	60,000	3,000	Broker fees, marketing by seller. Could be structured many different ways.
Escrow and Title	30,000	1,500	Seller's typical costs
<i>subtotal - carrying costs</i>	722,996	36,150	
<b>Total - soft costs</b>	2,385,466	119,273	
<b>TOTAL CONSTRUCTION COSTS</b>	<b>6,686,466</b>	<b>334,323</b>	

**Development Budget**  
**El Dorado County Example**  
**For Sale Self-Help single family 1 story**

28-Sep-07

For Sale detached Single-family home, wood frame, SOG, 2 story, public road  
 20 units  
 3 and 4 bedrooms  
 1300 sf avg house size, plus 2-car garage  
 total building sf: 34,000 sf  
 total site area: 2 acres

**ACQUISITION FINANCING**

ITEM	TOTAL COST	Per Unit Costs	Notes
<b>Acquisition</b>			
acquisition price	600,000	30,000	\$20,000 per unit/raw land
title & escrow charges	5,000	250	
<i>Total - acquisition</i>	605,000	30,250	

**CONSTRUCTION FINANCING**

ITEM	TOTAL COST	Per Unit Costs	
<b>Hard Costs</b>			
offsite improvement	0		
onsite improvements	600,000	30,000	\$30,000 per unit infrastructure costs
landscaping	110,000	5,500	\$7500/unit, includes public frontage
dry utilities	90,000	4,500	\$4500 per unit

house construction	1,870,000	93,500	Self Help labor 60% of labor- Net cost \$55 per sf.
house construction contingency (5%)	93,500	4,675	
site improvements contingency (5%)	40,000	2,000	covers site, landscape, joint trench
<b>Total - Hard Costs</b>	<b>2,803,500</b>	<b>140,175</b>	
<b>Soft Costs</b>			
<b>Professional Fees</b>			
architect	150,000	7,500	
landscape architect	15,000	750	Depends on public improvements, could be much more.
engineering	65,000	3,250	Tied to site improvements
geotechnical engineer	8,000	400	construction period monitoring/testing
geotechnical survey	3,500	175	initial soils report
joint utility design	12,500	625	Could be absorbed if design/build used
toxics study/environmental	2,500	125	Required by lenders
<b>Public Fees</b>		0	
Plan check	21,250	1,063	Estimate 1/2 building permit
Planning Dept Fees	25,000	1,250	TM, Design Review, etc
Building Permits	68,000	3,400	\$2/sf
Other fees: School	104,380	5,219	Mother Lode SD - 3.07 sf
Other Fees: Traffic	740,000	37,000	Zone 2 and 3 - \$37,000 per unit
Other Fees: Misc	32,700	1,635	Rare Plant Mitigation area 2, Fire Dist, Environmental
Utility Fees (sewer and water hook-ups, Dry deposits)	423,500	21,175	SF rate for EID
		0	
<i>subtotal - site improvement and house fees</i>	<i>1,671,330</i>	<i>83,567</i>	
		0	
<b>Carrying Costs</b>		0	
re taxes	15,000	750	2 years holding at 1.025% on aqc value
insurance	50,000	2,500	liabilty and course of construction
construction bond premium (1.25%)	35,268	1,763	Contractor's bond at 1.25%
legal	25,000	1,250	
appraisal	14,200	710	Land and house appraisals.

title & escrow - construction	9,000	450	
Construction Loan fees and expenses	15,000	750	1% fee
Construction loan interest	84,000	4,200	8% \$1.5 million loan, 14 months, 60% avg balance
		0	
soft cost contingency	50,000	2,500	
<b>House Sales Costs</b>			
marketing & loan packaging	30,000	1,500	Broker fees, marketing by seller. Could be structured many different ways.
Escrow and Title	45,000	2,250	Seller's typical costs
<i>subtotal - carrying costs</i>	372,468	18,623	
<b><i>Total - soft costs</i></b>	<b>2,043,798</b>	<b>102,190</b>	
<b>TOTAL CONSTRUCTION COSTS</b>	<b>5,452,298</b>	<b>272,615</b>	