Affordable Senior Living

Prince George's County

GREENBELT CROSSING SENIOR LIVING COMMUNITY

7010 Greenbelt Road
Greenbelt Maryland 20770
New Construction
Open: December 2012

Date: November 1, 2009

Prepared by:
Kimberly Sperling
JHU MSRE
Washington DC Center
1600 Massachusetts Avenue NW
Washington, DC 20009
Fall 2009

♦SPERLING AND ASSOCIATES, INC♦
♦REAL ESTATE CONSULTANTS♦

November 1, 2009

Mr. David Sislen
1600 Massachusetts Avenue NW
Washington, DC 20009

Re: 7010 Greenbelt Road, Greenbelt, Maryland 20770 (the "Property")

Dear Mr. Sislen:

This will submit Sperling and Associates, Inc ("Sperling") findings, conclusions and recommendations regarding the market support and development feasibility for the Property including comparison analysis of a proposed 100 unit market-rate senior multifamily project ("Market Rate Approach") and a 200 unit elderly multifamily project which takes advantage of the ability to double the density normally admissible on the site by incorporating state issued tax credits ("Tax Credit Approach"). The Property is an attractive vacant parcel located on the north side of Greenbelt Road, between Lakecrest Drive and Southway Road, approximately 2,000 feet east of the Beltway (I-95/ I-495). Greenbelt Crossing Senior Living Community ("GCSLC"), the primary subject of the following analysis is a 200 unit elderly housing project that is proposed to utilize the Low Income Housing Tax Credit ("LIHTC") program so as to maximize density on the site and satisfy a need for affordable elderly housing in the county. Of the 200 units being proposed, forty percent (40%) or 80 units will be set aside as affordable units for residents 62 years of age or older and whose income is no more than sixty percent (60%) average median gross income (AMGI) for the county. The remaining 120 units will be market rate apartments for residents 55 years of age or older. GCSLC would be slated to start construction in January 2011, and completion December 2012, 18 months later.

The Property is very well located with excellent access and visibility along a major artery and located within the Developed Tier of Greenbelt, Maryland within Prince George's County. All public and health service facilities required for seniors are relatively convenient to the site. The proposal is for a medium scale development that readily fits within the medium density character of the surrounding community.

The market area defined for the subject property is Prince George's County and includes Greenbelt and the remainder of northern and central Prince George's County. The market area within 5 miles of the Property is currently the home of approximately 51,256 seniors who are

55 years of age and older, and 24,613 who are 65 years of age or older. These seniors are the primary target market for GCSLC and other competitive senior housing communities in the market area. The number of seniors in the primary target market is projected to double over the next 10 years. This is due to the movement of the 'baby boomers' (persons born between 1945- 1960) entering their senior years. In addition, a large number of this population is expected to live longer (mid 80s) and therefore may outlive their resources

Currently, the market has three comparable age-restricted senior housing communities that have been in operation for several years, and one new senior housing facility that just opened in March 2009 called Jericho Residences in Landover, Maryland. Jericho Residences recently added 260 units to the market area, 110 of which were set aside as affordable tax credit units. The 110 affordable tax credit units fully leased by August 2009 and 55 market rate units have leased up as of November 2009. The three competitive senior living facilities account for approximately 300 units and an average 4-6 percent vacancy rate for facilities at stabilized occupancy rates. These facilities will not fully supply the need for senior housing units in the market area by 2012, meaning that there exists full market support for the 200 unit GCSLC development, particularly in light of the fact that GCSLC will offer moderate pricing and provides attractive unit mixes and amenities. Jericho Residences should be stabilized upon delivery of GCSLC and seeks much higher monthly rents for the market units than is contained in GCSLC's proposal.

The detailed market data and development plan that support these findings and recommendations are presented in the attached report. Please call if additional data or clarification is needed.

Sincerely,

Kim Sperling
President

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SECTION I: Executive Summary

Executive Summary	Sperling and Associates, Inc. ("Sperling") has been engaged to conduct an analysis for the purchase and development of a vacant five (5) acre site located at 7010 Greenbelt Road, Greenbelt Maryland, 20770 (the "Property"). Zoned Residential, the Property was initially reviewed to be developed by-right as a market rate multifamily asset targeted to seniors. Sperling conducted a market study which supports development for elderly housing. Upon further review, the proposed development of a 100 unit market rate senior apartment building ("Market Rate Approach") did not prove economically feasible. Sperling determined that a greater density development would be necessary in order to justify the economic costs of development. In order to obtain the right to develop the Property at a greater density, a Low Income Housing Tax Credit ("LIHTC") approach ("Tax Credit Approach") was evaluated. The Prince George's County Zoning Ordinance permits elderly housing that utilizes state issued tax credits, among other criteria, to double the density normally allowed in the zone; 200 units versus 100 units normally permitted. The following analysis is based on the proposal to develop Greenbelt Crossing Senior Living Community ("GCSLC") consisting of 200 units of senior apartments, of which 40% of the units will be set aside to remain as affordable housing for at least fifteen years. The Tax Credit Approach outlines a $25.8 million project, of which approximately $9.9 represents the equity component. Approximately $7.4 million of the equity contributions is slated to be raised through the sale of tax credits to investors and the remaining twenty five percent (25%), or $2.5 million, would be contributed by the developer sponsor. The project yields an attractive 18.0% internal rate of return ("IRR") for a leveraged fifteen (15) year cash flow to the developer sponsor. The tax credit investors receive approximately a seven percent (7%) benefit for offsetting their tax liability with the tax credits, purchasing credits at $0.85 for every $1.00 as well as a 12.5 % internal rate of return on the projects cash flow. The project is valued at $28.9 million upon completion which concludes that the project is economically feasible. Comparatively, the Market Rate Approach would incur development costs of $14.6 million and yield a 2.6% IRR and valued at $10.2 million upon stabilization representing a loss of $4.4 million.

Investment Thesis	The Property presents an interesting development opportunity based on the following: ***First***, the Property is situated in a high, barrier-to-entry Washington DC Metropolitan Area location which limits new supply growth. ***Second***, the supply and demand analysis concludes that the market can support additional senior living supply and the proposed project is feasible from a market perspective. ***Third***, the current zoning designation provides the ability to develop elderly housing as a special exception, and is permitted using certain criteria which may allow for increased density such as utilizing Maryland State approved tax credits. ***Fourth***, the development opportunity generates income taxes to the State to support the local economy. ***Fifth***, developing the asset as a senior living will deepen the pool for potential buyers through creative design for senior living or residential uses down the road such as condominiums or student housing. The development of the Property has normal risks associated with development: ***First***, project delays and changes can take place due to the governmental approval process. ***Second***, lease up with qualified tenants could take longer than anticipated. ***Third***, the cost of labor and materials could increase prior to the time when they could be locked down. ***Fourth***, laws, ordinance, codes and regulations could change; for example, building code changes adding expense and/or delay prior to approval for building plans, tax code changes lowering income tax rates prior to investor commitment; or laws regulating tax credits prior to allocation. ***Fifth***, under the Tax Credit Approach, the tax credits could be denied on a yearly basis if the conditions are not maintained.
The Team	OWNER: Armory LLC (”Armory”) MANAGER: Kimberly Management Company will be the management agent for the Project upon completion. (the “Manager”) DEVELOPER/ SPONSOR: KDS Development (the “Developer” or “KDS”) Armory is a real estate company engaged in the acquisition, rehab and management of various income producing properties in the Washington, DC metropolitan area. The Armory teams up with various types of investors that seek to invest in development opportunities in the Washington/Baltimore

	Corridor. Armory's acquisition team has numerous years of experience in real estate investing, tax credit syndication, rehabbing and managing properties. The Manager is an experienced residential property management company doing business in 6 states and with over 50 properties under management in Washington, D.C., Maryland and Virginia. The sites under management consist of mid-rise, high-rise, and garden style communities with as few as 30 units and as many as 1200 units. KDS Development has developed projects in Maryland and Washington, D.C. for its own portfolio and for others, including Armory. KDS was organized in Maryland in 1982, and has developed, primarily multi-family residential projects since then.
Property Overview	GCSLC is proposed as a multifamily apartment community for independent seniors 55 years of age or older and more affordable units set aside for seniors 62 years of age or older, to be located on a currently vacant five (5) acre parcel on the north side of Greenbelt Road (193) between Lakecrest Road and Southway Drive in Greenbelt, Maryland. The Property currently fronts Greenbelt Road and shares a driveway with the adjacent property to the east. Eighty Five percent (85%) of the net lot area has been cleared of trees as this was the site of a nursing home which was demolished in 2005. The land slopes downwards from east to west. Asphalt from the pre-existing nursing home parking lot and drive ways still navigate throughout the site. The site benefits from an excellent transportation infrastructure. Greenbelt Road is an east/west thoroughfare in the area and provides the site with excellent visibility and exposure to area businesses, and public transportation. Visibility and access to the Property is considered excellent. The Property is located conveniently near the University of Maryland, College Park Campus which is a major university with adult education, library, athletic, performing arts and other attractions. Under the Tax Credit Approach, forty percent (40%) or 80 units will be affordable, targeted to households 62 years of age or older with incomes at or below sixty percent (60%) of the area median gross income (AMGI). Of the 80 set-aside tax credit units, there would be 51 one bedrooms and 29 two bedrooms. A majority of GCSLC, sixty percent (60%) will be market rate apartments age restricted to household where at least one member is 55 years of age or older. In total, sixty-four percent (64%), or 128 of the building comprises of one-bedroom one-bathroom units, while the remaining thirty six percent (36%) are two-bedroom two-bathroom.

	GCSLC proposes to offer several community features, amenities, and services including a fitness center, clubroom, activities coordinator, wellness program, and security services. The units feature spacious floor plans, approximately 700 square feet for a one bedroom one bathroom and 851 square feet for a two bedroom 2 bathroom. All units contain private patios on the first floor, balconies for above ground floors, open layouts, internet access, security pull cords, individual climate control, and ample closet space. The kitchens for the units are equipped with an electric range and oven, refrigerator, dishwasher, wood cabinets, garbage disposal and washer/ dryers.
Sources of Financing	Under the Tax Credit approach, a $15.8 million construction loan would be required; $7.4M LIHTC equity, and $2.5 Developer/ Sponsor equity contribution; and $2.5 deferred developer fee. Armory would raise from its pool of high income investors who benefit from tax credits seventy-five percent (75%) of the required equity, while twenty-five percent (25%) of the equity is being put up by the acquisition arm. Armory's total investment would be recovered by the tax credit process over a period of ten (10) years. Over the ten year period, in exchange for its initial investment of $7.4 million, the tax credits would return nearly $8 million, excluding returns on cash flow. The Developer/ Sponsor would receive $11 million, including the deferred developer fee of $2.5 million in exchange for an initial investment of $2.5 million. Under the Market Rate Approach, Armory would require that it receive preferred returns over the Developer and the a specific return of equity as follows: 10% annual preferred return, non-compounded, on equity, a 75% investor/ 25 % developer split on all other cash flow up to a 20% IRR, and a 50% split on all cash above a 20% IRR and Armory would require a return of all monies at the end of ten years at the latest. As this study shows the Market Rate Approach is not supportable.
Major Findings/ Conclusions	• Under the Market Rate Approach, the investment does not present an attractive yield or an acceptable return on investment. At stabilization, the Market Rate Approach has a projected market value approximately $4.4 million less than the invested capital. • Under the Tax Credit Approach, the ability by-right to double the density of development, per specific zoning criteria, provides for the investment to turn positive. • Under the Tax Credit Approach, the leveraged IRR analysis yields an attractive 18.0 percent return on investment versus an unattractive 2.7 percent internal rate of return from the Market Rate Approach. • The Property enjoys excellent location, access, and visibility within Prince George's County.

	• The Property is situated on prime real estate on the northern side of Greenbelt Road, only 2,000 feet away from Interstate 495 and 95, as well as the Baltimore Washington Parkway, 295. • Experienced Team • Kimberly Management has strong expertise and local knowledge of various income producing assets throughout the Washington D.C. and WBC area. • Armory has a proven track record of successful multi-family and tax credit investment properties. • KDS Development has successfully developed, and delivered "on time and budget" numerous residential communities in the region. Overall, the Property enjoys excellent access, proximity to the demand generators in the area, and visibility. Relatively attractive projected returns on investment make this project viable with the market for tax credit investors steady. We are of the opinion that the GCSLC has a good long-term strategic potential as a senior living community, specifically for a larger outfit that has a need to reduce their tax liability or a developer/manager looking to cash in on the fee business during a slower market.

SECTION II: DEVELOPMENT PROGRAM

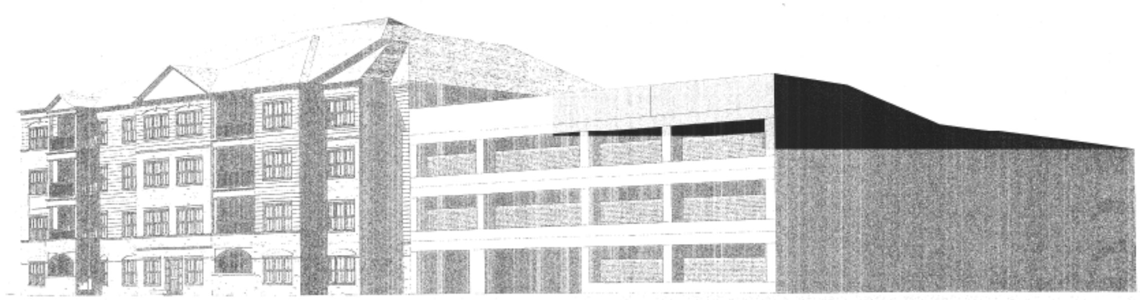
GCSLC will be a mixed income senior living community, serving both low income elderly population, 62 years of age or older, and market rate senior residents serving the senior population 55 years of age or older, in north central Prince George's County, specifically in Greenbelt and areas of Bladensburg, Berwyn Heights, College Park, Langley Park, Hyattsville, Riverdale, Takoma Park and Mount Rainier. The Owner will offer 80 units, 40% of the proposed units, to households with incomes at or below 60% of the area median household income with rents ranging from $1115 for a one bedroom one bathroom to $1386 for two bedroom two bathrooms. This is noted in Appendix IV. The unit type breakdown consists of one-hundred and twenty eight (128) 700 square foot one bedroom one bathrooms and seventy-two (72) 851 square foot two bedroom 2 bathroom apartments. Rents include trash removal services, landscape and snow removal, common area utilities, 24/7 front desk, access to fitness center, library, club room, wellness program, and community activities, leasing office open during business hours. GCSLS will consist of one 4 story building and parking structure containing 200 parking spaces. Each unit will include the following amenities: Range, Refrigerator, Dishwasher, Disposal, Patio, Washer/ dryer, central air conditioning, security pull cords, carpeting, window blinds/ drapes, internet connection.

The Building

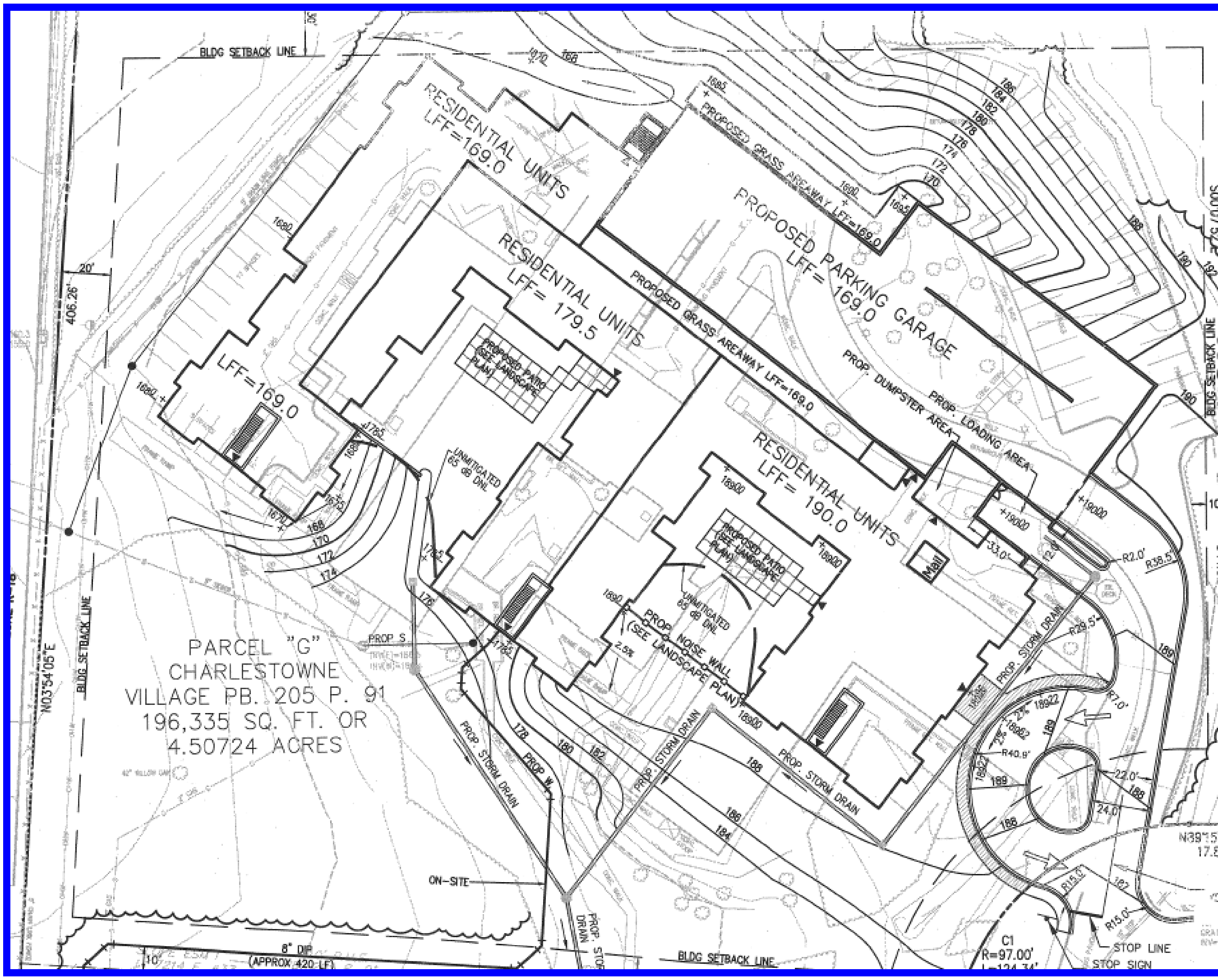
Situated on just over 5 acres, Sperling reviewed the development of GCSLC, a 215,531 square foot building to occupy the Property. The building footprint including parking structure is approximately 58,000. The proposed development will contain 200 total units. Due to the general sloping of the site from east to west, the structure will total four stories however the bottom most level will be at the lowest point of the property to the west and the highest level will be to the east. The "E" shaped structure detailed in the site plan faces the main access at a diagonal, Greenbelt Road (193). A four story concrete parking structure to the rear of the property serves 200 parking spaces. At each level the resident may conveniently and securely access the floor for which they have parked by controlled access. This structure also provides a buffer to the neighboring residential community. The maximum building height per the Prince George's County zoning ordinance is 80 feet. GCSLC will not exceed 70 feet. The building may be accessed by a circular lobby which will drop residents and their guests off to the lobby where the front desk/ concierge will be located for assistance. Additionally, the main level of the building will have a club room, fitness center, library, and mail center. Two courtyards/ gathering areas as well as walking paths surround the community's structure. There are two elevators and five stairwells means of egress.

Southwest Elevation

Northwest Elevations



Conceptual Perspective of Parking Structure



Site Plan
(Diagram is for illustrative purposes only)

Green Elements

GCSLC will seek to meet The Green Communities Criteria ("GC Criteria"). GC Criteria was developed through the collaboration of a number of leading national organizations and experts in the field for the purpose of providing a clear, cost-effective framework for all kinds of affordable housing: new construction and rehabilitation in multifamily as well as single family buildings.

GC criteria are aligned with the Leadership in Energy and Environmental Design (LEED) Green Building Rating System®. The US Green Building Council, through LEED, strongly supports the Green Communities initiative. In addition, the Green Communities criteria reflect and are compatible with leading state and local green building programs.

Although there are many ways to go green, GCSLC proposes to comply with all of the mandatory provisions of the GC Criteria. Since it is new construction, the project must earn 35 points from the Optional Criteria.

Green projects must meet a minimum number of GC Criteria that include:

1. Integrated Design
2. Site, Location and Neighborhood Fabric
3. Site Improvements
4. Water Conservation
5. Energy Efficiency
6. Materials Beneficial to the Environment
7. Healthy Living Environment
8. Operations and Maintenance

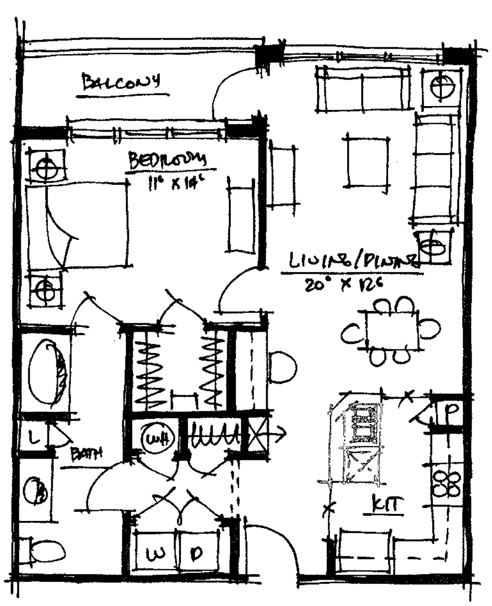
Appendix VIII displays the GC Criteria checklist. GCSLC will have no problem exceeding the minimum through thoughtful design.

Unit Sizes

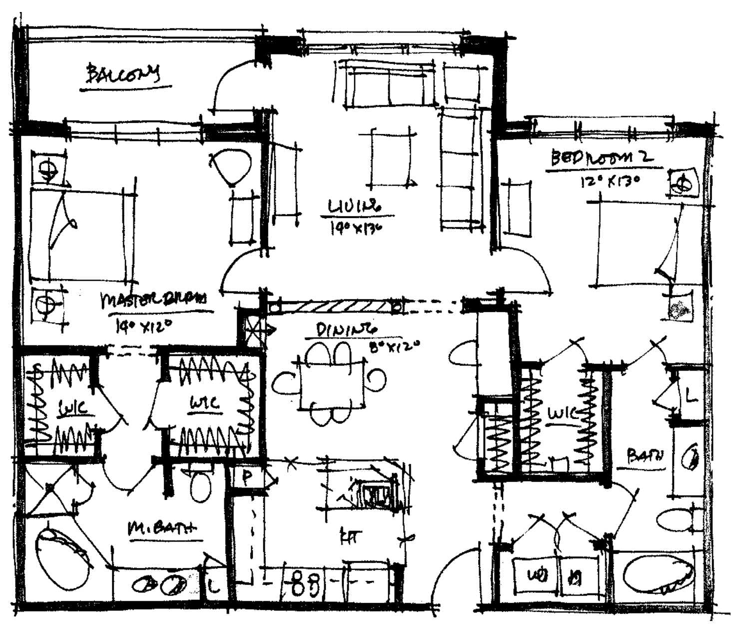
The unit percentages as noted in Section 27-419 of the Zoning Ordinance for Prince George's County Maryland, provides that the maximum percentages of two (2) bedrooms per apartment unit in a project are forty (40%), and for three (3) or more bedroom apartments, ten percent (10%). Unused percentages for three (3) or more bedroom apartment units may be added to the maximum allowed percentages for two (2) bedroom apartment units. The percentage limitations do not apply to efficiency and one (1) bedroom apartment units. The Tax Credit Approach proposes the construction of a two-hundred (200) unit community, sixty-four percent (64%) or 128 of which are one bedrooms and the remaining thirty six percent (36%) or 28 two bedrooms. No waivers will be necessary.

UNIT MIX:

A1: 700sf 1 bedroom/ 1 bath/ balcony- 116 units
B1: 851sf 2 bedroom/ 2 bath/balcony-64 units



700 SF
1 Bedroom/ 1 Bathroom/ Balcony



851 SF
2 Bedroom/ 2 Bathroom/ Balcony

(Diagrams are for illustrative purposes only)

Community Features, Amenities and Services

Features

Community features include handsomely landscaped grounds with a gazebo, walking paths, and picnic areas. Courtyard and scenic views are available. Public transportation is located nearby, along with banks, shopping, churches, restaurants, and other necessities. The community offers garage parking and reserved parking spots, easily accessible elevator and remote card entry system. The community also features a resident lounge on each floor, beautiful, multi purpose entertainment room, fitness center including cardio and weights as well as a library and beautician available on-site.

Amenities

Every affordable, one or two bedroom apartment home includes a fully equipped kitchen with electric appliances, energy-efficient thermo pane windows, wall-to-wall carpeting, individually controlled heating and air conditioning, washer and dryer in every unit, and optional cable TV hookups. For peace of mind, apartments also are equipped with an emergency pull-cord system in the bedrooms and baths. The property will have a complete fire detection and alarm system with sprinklers and power backup that will include both visual and audible notification devices.

Services

GCSLC will be staffed with a 24-hour concierge service and a 24-hour on call service manager. The Management Team will provide professional on-site management and 24-hour emergency maintenance services. The Concierge and Executive Director will coordinate planned resident activities. The concierge will be responsible for package acceptance service with in-home delivery available. The Executive Director leads a wellness program for all residents that wish to participate.

A physical building security system will be installed which will include both an emergency call system and building perimeter system. The emergency call system will consist of an emergency pull cord installed in each apartment unit for residents to use in the case of an actual emergency. Should a resident experience an emergency, they will pull the cord, which will immediately dispatch emergency services. Emergency services personnel will be able to determine from which unit such a call originates by use of an enunciator panel at the building entrance.

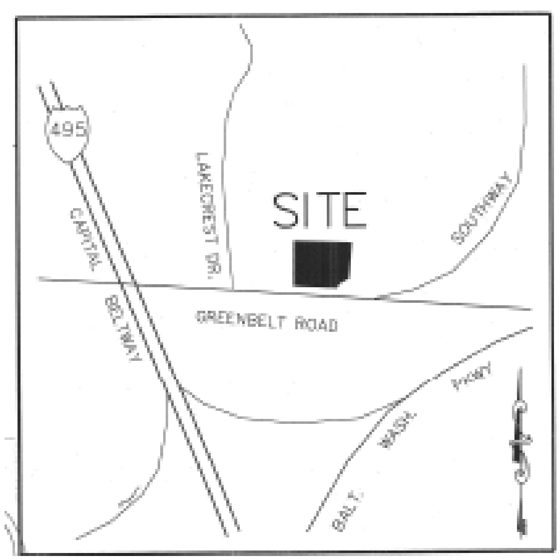
In addition to the emergency call system, GCSLC will have a complete perimeter building security system. A key fob will be required to enter the facility. Visitors will be required to call either a resident or the management office from an exterior call box in order to gain entry. Also, each perimeter door will be equipped with an alarm sounder which will notify the monitoring station if an exterior building door is left propped open or is forced open.

SECTION III: SITE AND PROPERTY DESCRIPTION

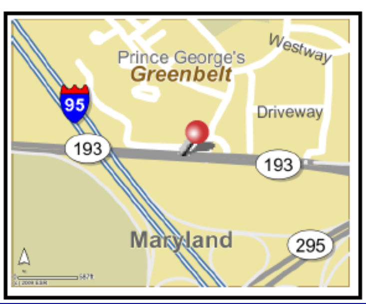
Site Analysis, Physical Characteristics & Setting

The Greenbelt Crossing site is a rectangular parcel of just over 5 acres located on the north side of Greenbelt Road (MD 193) next to the National Guard Armory, between Lakecrest Drive and Southway Road, approximately 2,000 feet east of the Beltway (I-95/ I-495). A one story, partial two story nursing home which housed 132 patients occupied the site for nearly 50 years and was demolished in 2005. The site is currently vacant and generally level, but does gradually slope down from East to West. The footprint of the pre-exiting building is encircled by parking areas and wooded yards. The property shares with other parcels a service road to the east with connections to Greenbelt Road and Southway. Access is from Greenbelt Road at the center of the property. The visibility of the site from the road is considered excellent because it is fronts a well traveled artery. The Property is 15 percent (15%) wooded. A review of available information indicates there are no regulated features associated with the site, such as a stream, 100- year floodplain and wetlands. There are no designated scenic or historic roads in the vicinity of the site. MD 193 is a traffic noise generator and noise impacts are anticipated. According to the 2005 adopted Countrywide Green Infrastructure Plan (GI Plan), no features from the plan, such as Regulated Areas, Evaluation Areas and Network Gaps are associated with the property. This site is located within the Indian Creek watershed of the Anacostia River basin and in the Developing Tier as reflected in the 2002 General Plan.

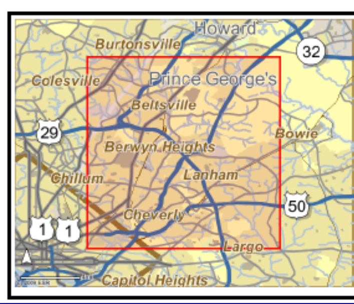
The site is convenient to employment, entertainment, and shopping.



Site Map



CLARK
INVESTMENT GROUP



Existing Conditions: Southeast corner facing west

Existing Conditions: Northwest corner facing east

Subject Site Analysis					
	Excellent	Very Good	Good	Fair	Poor
Roadway Visibility	X				
Accessibility (Ingress/Egress)	X				
Long-Term Strategic Potential	X				

Overall, the Property enjoys excellent access, and visibility. We are of the opinion that the Subject has an excellent long-term strategic potential as an age-targeting rental facility.

Neighboring Properties

Neighborhoods usually are defined by major road or other man-made or natural delineators. In this respect, Greenbelt Road, the Beltway, the Baltimore-Washington Parkway and the National Agricultural Research Center are the closest such barriers. This neighborhood was determined when adjacent property was rezoned RT & C-0 in 1987. [1]

The Property is adjoined to the east by the driveways for apartments north of the property, followed by the Armory. The apartment buildings to the north are in the R-18 Zone. The driveways are also zoned R-18. The Armory is zone R-R. The Apartments in the R-18 zone are to the west of an American Legion Post Home.

The Property is surrounded to by market rate multifamily assets to the north, specifically University Square Apartments (“University Square”) owned and managed by the Lerner Group. Built in 1964, University Square consists of 495 garden style one, two, and three bedroom apartments. The community features several amenities including fitness center, swimming pool, and tennis courts. While maintained relatively nicely, this asset was constructed in the 1960’s and certain elements are dated.

The Property is surrounded by condominiums and market rate apartments to the north east, specifically Charlestown North Apartments (“Charlestown North”). Charlestown North is a midrise consisting of approximately 178 units; a mix of studios, one and two bedrooms. The community features a fitness center, swimming pool, and walking path in close proximity to a local lake. Also, Charlestown North is set back behind the Charlestown Village Condominiums and set back and to the east of University Square.

[1] Zoning Map Amendment 9615 and Amendment 9617 issued May 11, 1987

Maryland Army National Guard

University Square: Multifamily Community

Belle Point Office Park

Charlestown Village: Multifamily Community

American Legion Post 136

Transportation Network

Major Highways

GCSLC is centrally located at the intersecting point of four major highways, including the Capital Beltway (1-495) and Baltimore Washington Parkway (I-295) which provides a straight route to Washington, DC and Baltimore. Route 50 is also minutes away from Greenbelt and leads to Maryland's state capital, Annapolis.

Metrobus/ Metrorail

Washington Metropolitan Area Transit Authority (WMATA) provides an extensive bus line throughout the area. The Greenbelt METRO station services the Green Line and is located 5 miles from the Property and contains ample parking. The Green Line services stops between Greenbelt and Branch Avenue. Yellow and Red Line connections are located within 4 stops which service areas throughout Maryland, Washington DC, and Virginia.

A new station for Amtrak is located only two miles away and services New York to Washington high speed Metroliner.

Major Airports

The Greenbelt area is served by three major airports, including Baltimore Washington International Airport, Reagan National Airport, and Dulles International Airport. Two of which, are less than thirty minutes away.

The Bus

The BUS Transit Services operates Monday through Friday, typically from 6AM to 7:30PM. It operates 22 bus routes and charges a base fare of $0.75 and $0.35 for seniors and persons with disabilities.

Greenbelt Connection Bus Service

The City of Greenbelt provides a limited transportation service within Greenbelt, utilizing a 10 passenger, wheelchair accessible van. Services are available to all residents of Greenbelt. To arrange for transportation, you must call 24 hours before you need a ride. The hours of operation are Monday through Friday from 8:30AM to 4:00PM. Sunday bus service begins an hour later. For senior citizens the fare is $1.00.[2]

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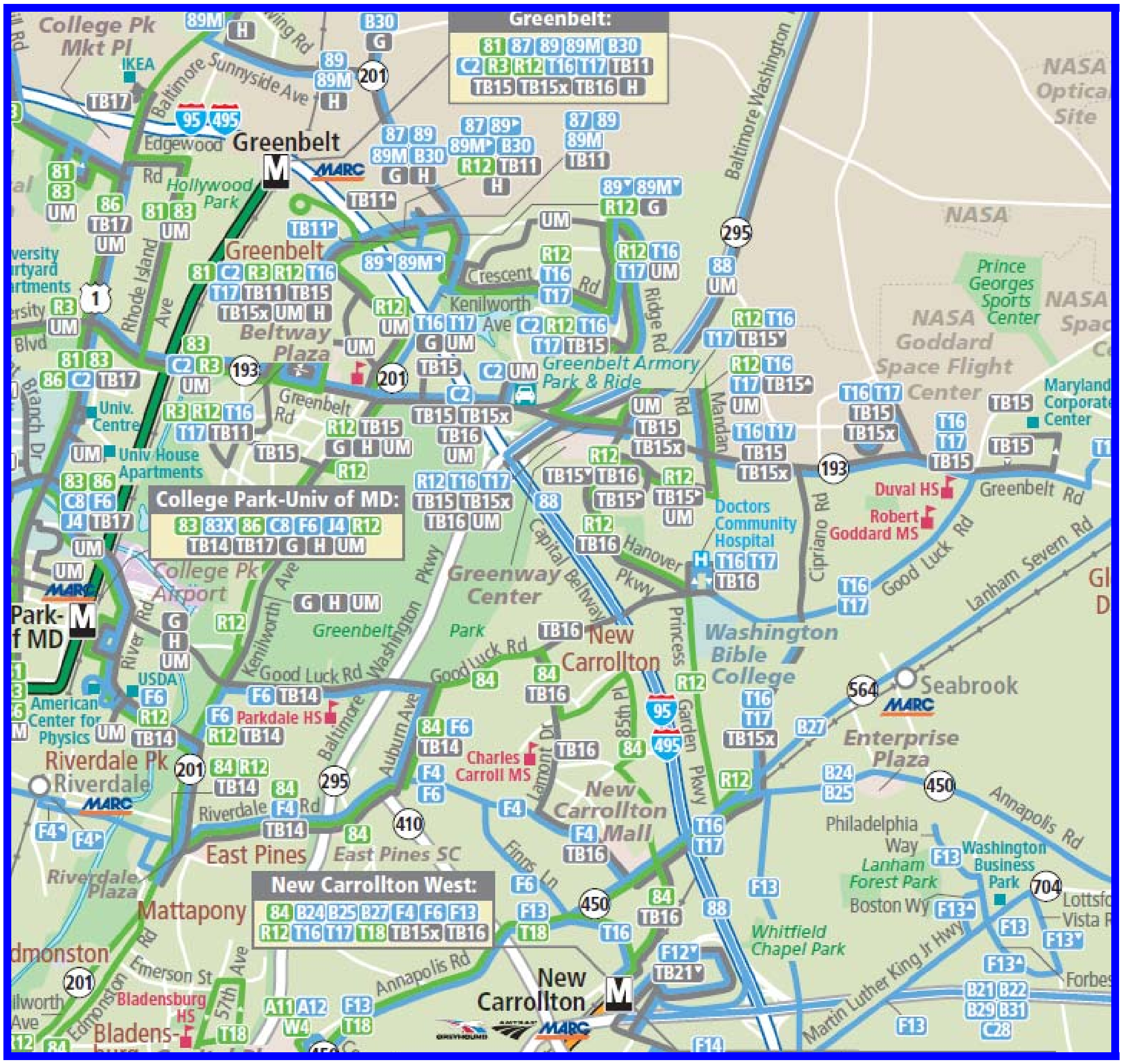
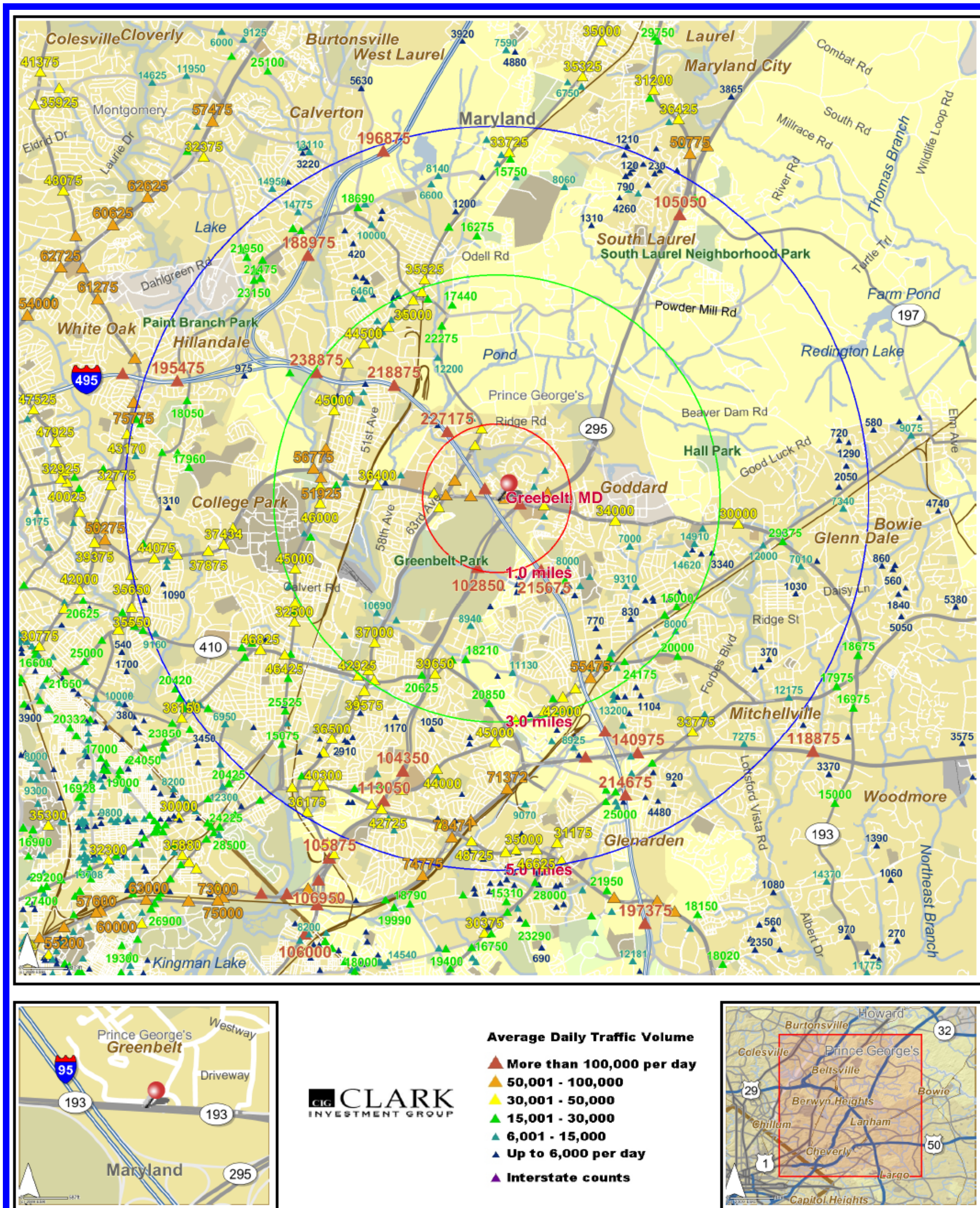
[2] "Greenbelt Connection". (n.d.). Retrieved from http://www.greenbeltmd.gov/seniors/greenbelt connection.htm



[3]

[3] Washington Metropolitan Area Transit Authority. (2009). [Map Illustration Greenbelt Transportation Network]. Retrieved from http://www.wmata.com/bus/maps/

Traffic Counts



Source: © 2008 MPSI Systems Inc. d.b.a. DataMetrix® [4]

[4] MPSI Systems Inc. d.b.a DataMetrix. (2008). [Map Illustration Traffic Counts Greenbelt Maryland]. Retrieved from Clark Investment Group. November 15, 2009

[5]

[5] Map provided by KLNB Retail December 1, 2009

Area Hospitals and Health Care

Senior centers offer opportunities for exercise programs, health screenings, education seminars and cultural outings. Every month centers schedule activities to meet the needs and interests, physical ability and level of fitness for seniors. Free and low-cost health screenings are offered at many senior centers. These may include blood pressure, cholesterol, thyroid, depression, glucose (for diabetes), nutrition, hearing, vision, stroke, osteoporosis, foot and several types of cancer. One such center is conveniently located just steps away from the site, Greenbelt Community Center ("GCC"). GCC offers various services, events, classes, support, energy assistance, community nursing programs, and much more.

Prince George's Hospital Center houses 265 beds, 1500 employees and offers comprehensive range of inpatient and outpatient medial and surgical services including trauma and critical care services, cardiac care, surgical services, medicine/family practice/ dental, and senior programs, psychiatric care. The Intensive Services Pavilion housing 10 operating suites, 24-bed intensive care units, catheterizations labs, etc. [6]

Distance from Property: 1.3 mi
Greenbelt Community Center
15 Crescent Road
Greenbelt, MD 20770
(301) 397-2208

Distance from Property: 1.31 mi
Doctors Community Hospitals
8118 Good Luck Road
Seabrook, MD
(301) 552-8118

Distance from Property: 4.92 mi
Prince George's Hospital
3001 Hospital Drive
Cheverly, MD
(301) 618-2000

[6] Dimensions Healthcare System. (1999-2008). Retrieved from http//www.dimensionshealth.org/website/c/pghc

SECTION IV: MARKET ANALYSIS

Sperling conducted a market analysis to better understand the feasibility of developing GCSLC. The demand for elderly housing is dictated not only by the current inventory of age-restricted communities, but also that of non-age restricted multifamily assets. The property is surrounded by market-rate multifamily communities, including University Square and Charlestown North.

University Square was built in 1964 and maintains occupancy of over 99% and does not feature any set-aside low income units. As of November 2009, only two one-bedroom units were available for rent. The same is true for all of the residential communities adjacent to the Property.

Charlestown North was built in 1967 and is currently ninety-six percent (96%) occupied. Apartment units have standard finishes and have not undergone any major renovation. Washer and dryer are not available in the apartment unit however laundry facilities are available on each floor. An interview with the leasing manager revealed that the property averages 5 turnovers a month. The rents are approximately $300-$400 higher than University Square for each unit type, but unlike University Square, utilities are included. The leasing manager noted that the biggest hurdle with attracting traffic to the property is the lack of visibility from a major artery. [7]

Both University Square and Charlestown North represent an older product, constructed in the 1960's. Generally, the rental inventory in Prince George's County is aging and so there is a need for new products and rehabilitation of existing products. Over the last few years and for a few years projected forward, Sperling anticipates current ownerships will be putting less and less money back into to the property to make capital improvements. The primarily causes for this are overleveraging, increase in utilities charges, and lower rents achieved attributed to the recent crisis with the economy. As the Prince George's County population ages, especially within the most immediate community of the Property, Sperling projects that the elderly population will be attracted by the opportunity for a modern and affordable senior living community. For the elderly population that currently owns property, but can no longer afford the expenses or maintenance responsibilities associated with homeownership, GCSLC is an attractive alternative. In contrast to other senior living communities in the market, GCSLC is not be considered service-enriched because it does not include a main dining hall or kitchen, however many such communities are now finding that some of these services and amenities have become cost prohibitive and therefore discontinued.

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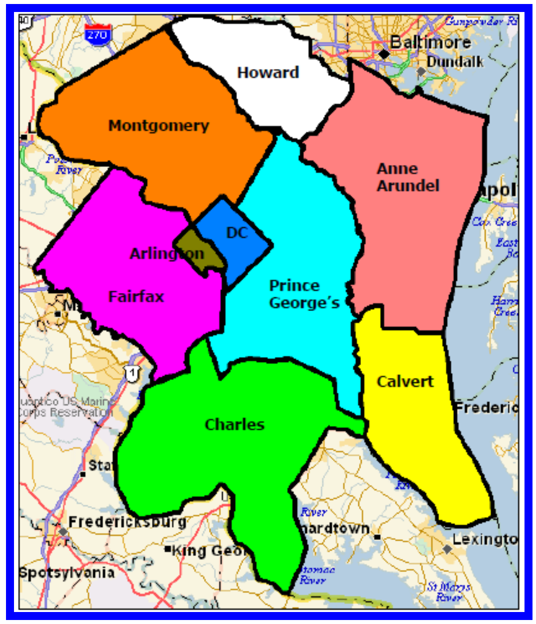
[7] Data collected on Charlestown North Apartments and University Square Apartments were retrieved through interviews with respective leasing agents and member of management.

Overall, GCSLC would offer a great alternative for aging residents in the community that want affordable monthly rates, newer product, and ability to stay in their current community network they have established over the years.

Profile of Prince George's County and Senior Apartment Trends

The Information Center of the Prince George's County Planning Department of The Maryland-National Capital Park and Planning Commission engaged ProMatura Group, LLC to conduct an analysis of the senior housing market in Prince George's County (the "ProMatura"). Eight contiguous jurisdictions border Prince George's County including:

Ann Arundel County, MD
Calvert County, MD
Charles County, MD
Montgomery County, MD
Howard County, MD
Arlington County, VA
Fairfax County, VA
District of Columbia



Senior Apartment Trends

Senior apartments are multifamily residential rental properties restricted to adults at least 55 years of age or older. Unlike independent living communities, these properties do not have central kitchen facilities and generally do not provide meals to residents, but may offer community rooms, social activities and other amenities. According to ProMatura, since 2000, the number of senior apartment buildings has increased substantially particularly because the product has shown significant success across the United States. Developers of senior apartments are attracted to this product for the following reasons: [8]

- Older renters have a longer tenure than younger renters;
- Older renters have less impact (wear and tear) on the building than younger renters;
- Senior apartments require fewer employees than service-enriched age qualified housing such as independent living;
- Senior apartments, because they do not include a central kitchen and dining room, are less expensive to construct than independent living communities; and
- Senior apartments have enjoyed faster fill-up rates than independent living apartments, probably because they are less expensive than communities that include services in their monthly fees.

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[8] ProMatura. The Maryland Nation Capital Park and Planning Commission. Report of the Senior Living Market Study Prince George's County Maryland. (January 2006). Request of Proposal No P24-170. Retrieved from http://www.pgplanning.org/Projects/Ongoing_Plans_and_Projects/Special_Projects/Senior_Living.htm

Demographic Trends

The purpose of the following demographic analysis is to determine the magnitude and growth of the senior population in the DC Metro Area, Prince George's County, and more specifically the immediate area of the Property, Greenbelt City.

Prince George's County

Race/Ethnicity

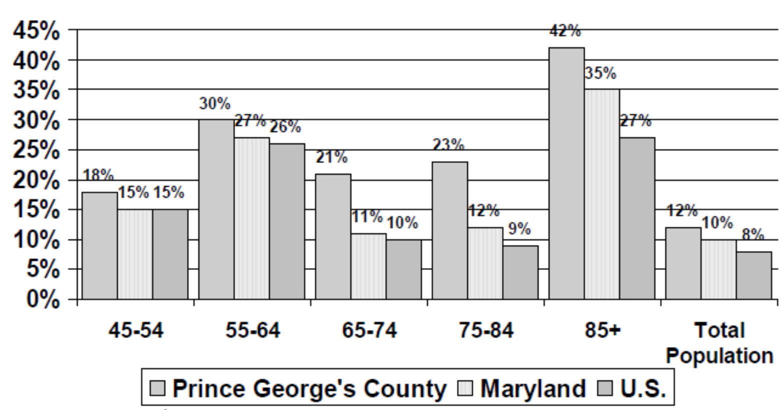
As of the 2000 census, the racial makeup of the city was 39.74% White, 41.35% African American, 0.23% Native American, 12.05% Asian, 0.05% Pacific Islander, 3.11% from other races, and 3.47% from two or more races. Hispanic or Latino of any race was 6.45% of the population.

From 2005-2007, for people reporting one race alone, 38% was White, 48% was Black or African American, 1% was American Indian and Alaska Native, 10% Asian, less than .5% was Native Hawaiian and Other Pacific Islander, and 2% was some other race. 3% reported two or more races. 5% was Hispanic. Finally, 36% of the people in Greenbelt city were White non-Hispanic.

From this data, we may conclude that the percentage of Black or African American people has steadily increased over the past seven years, while the White population percentage has decreased with only a 1.5% increase in population. If this trend continues through 2010, the percentage of Black or African American people may rise to 51%, and White population decrease to approximately 37%.

Population: Senior Population

According to ProMatura, "the estimated population growth rate from 2000 to 2009, among 45+ individuals in Prince George's County, exceed both Maryland and the U.S., particularly among individuals aged 45+" (Part 1, pg. 11).



Source: Claritas, Inc.

According to the Prince George's County 2006-2010 Consolidated Plan, "Senior citizens are generally considered those over 65 years of age. In 2000, 61,951 individuals were over the age of 65, which comprise roughly eight percent of the County's total population of 801,515 (persons) residents. By 2020, the population in the County that it 65 years or older is expected to double to 128,300".

Profile of Residents in Senior Apartments

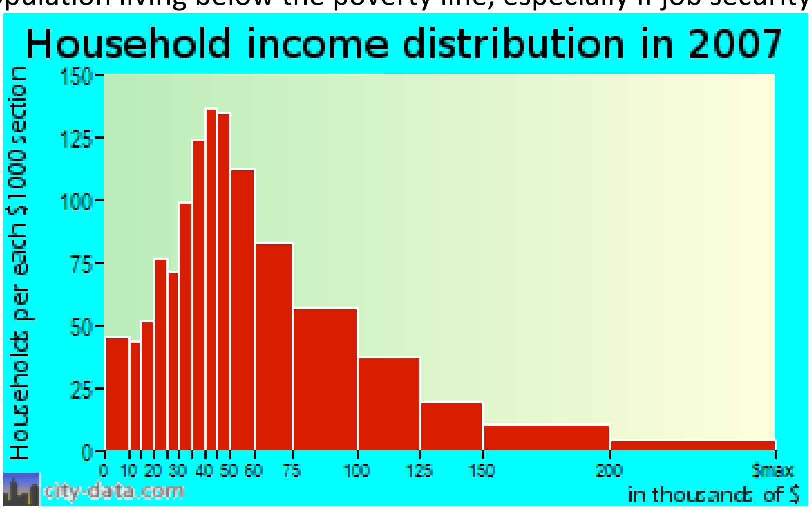
- Average age: 77.6 years
- Gender: 73 percent are women, 27 percent are men;
- Marital Status: 20 percent are married; 38 percent are widowed; 41 percent single or divorced;
- Race/ Ethnicity: 91 percent are Caucasian

Source: Understanding Seniors Housing: Demand, Choices and Behavior, 2003, National Investment Center for the Seniors Housing & Care Industries

Income

According to 2000 census data, the average salary for jobs in Greenbelt, Maryland was $37,509, and the median income of a household in Greenbelt was $46,328. Males had a median income of $39,133 versus $35,885 for females. The per capita income for the city was $25,236. About 6.0% of families and 10.2% of the population were below the poverty line, including 12.7% of those under age 18 and 7.2% of those ages 65 or over.

From 2005-2007, the median income of households in Greenbelt city was $59,261. The per capita income for the city was $32,120 (in inflation adjusted dollars). Greenbelt City 8.2% of the population was below the poverty level, despite an increase in population of those ages 65 or over. This is a good sign that the economy had strengthened. Although there is an upward trend in economic characteristics during the 7 years of reported data, the economy has weakened in 2008 and 2009 which may take a toll on median household income and percentage of population living below the poverty line, especially if job security is an issue.



Household Characteristics

The 2000 census reveals, and as noted on Appendix IV, that there were 9,368 occupied housing units-4,324 (46%) owner occupied and 5,044 (54%) renter occupied. There were 9,368 households out of which 26.9% had children under the age of 18 living with them, 33.1% were married couples living together, 15.0% had a female householder with no husband present, and 47.0% were non-families. 35.0% of all households were made up of individuals and 5.8% had someone living alone who was 65 years of age or older. The average household size was 2.29 and the average family size was 3.00.

From 2005-2007, Greenbelt city had 9,500 occupied housing units and experienced a shift from renter occupied to owner occupied housing with 5,000 (52%) owner occupied and 4,600 (48%) renter occupied. The average household size remained relatively the same.

If this trend proved true through 2010, then we would see as much as 56% of the housing units being owner-occupied and 46% being renter-occupied, however I do not believe trend will continue as Balloon and ARM mortgages come to term, many new homeowners may find it impossible to pay the balance, refinance, and even sell their assets.

Employment

Greenbelt is in close proximity to employment centers throughout Prince Georges County and the Washington DC Metropolitan Area. Major employment centers include the Goddard Space Flight Center of NASA, the Department of Agriculture Research Center, and the University of Maryland.

According to the 2000 census, among the most common occupations in Greenbelt city were management, professional, and related occupations, 47%. Sales and office occupations, 27%. And Service occupations, 13%. Approximately 64 percent of workers in Greenbelt, Maryland work for companies, 28 percent work for the government and 4 percent are self-employed.

From 2005-2007 were Management, professional, and related occupations, 51%; Sales and office occupations, 27%; Service occupations, 11%; Production, transportation, and material moving occupations, 6%; and Construction, extraction, maintenance and repair occupations, 5%. 60% of the people employed were Private wage and salary workers while 37% was Federal, state, or local government workers and 3% was Self-employed in own not incorporated business workers.

These percentages did not change much according the ACS 2005-2007 except for an increase in the percentage of government jobs.

Greenbelt City

Population

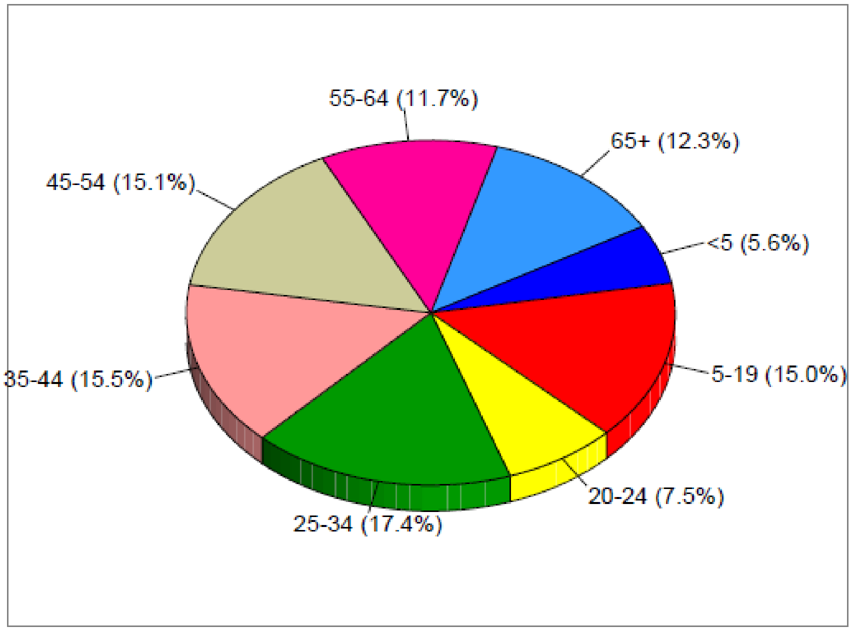
The following set of reports is based on forecasts by ESRI for 2009-2014. The data is derived from statistics provided by the U.S Bureau of the Census, 2000 Census Population and Housing. The reports are based on a one, three, and five mile radius from the property. It is evident from the chart below that while the total population has slightly declined between 2000 and 2009, particularly within a one and three mile radius of the Property, and only slightly increased within the five mile radius. However, upon further analysis it is clear that the vicinity closest to the Property aging. The year over year rent growth rate is approximately 0.5% for people fifty five years of age and older is approximately 66 people within one mile, 340 within three miles, and 662 within 5 miles. For persons sixty-five and older the annual growth rate is averaging 0.23% which is the equivalent of 31 people, 147 people and 279 people respectively.

POPULATION	1 Miles	Radius 3 Miles	5 Miles
2000 Total Population	11,726	85,019	247,532
2009 Total Population	11,892	85,062	253,743
2014 Total Population	11,712	83,656	251,650
2009-2014 Annual Rate	-0.30%	-0.33%	-0.17%
2000-2014 Avg. Annual Growth Rate			
Age 55+	0.56%	0.46%	0.41%
Persons Added to Category YoY	66	340	662
Age 65+	0.26%	0.20%	0.17%
Persons Added to Category YoY	31	147	279

	2000 Population by Age			2009 Population by Age			2014 Population by Age		
Radius	1 Miles	3 Miles	5 Miles	1 Miles	3 Miles	5 Miles	1 Miles	3 Miles	5 Miles
Total	11,726	85,019	247,532	11,892	85,062	253,743	11,712	83,656	251,650
Age 0-4	5.8%	6.7%	7.0%	5.6%	6.6%	6.9%	5.4%	6.5%	6.8%
Age 5-9	5.2%	6.9%	7.2%	5.1%	6.2%	6.4%	5.0%	6.1%	6.4%
Age 10-14	4.9%	6.6%	6.6%	4.8%	6.0%	6.2%	4.8%	5.9%	6.0%
Age 15-19	5.2%	6.3%	8.4%	5.1%	6.5%	8.9%	5.0%	5.8%	8.2%
Age 20-24	9.9%	9.7%	10.1%	7.5%	9.3%	9.9%	7.7%	9.4%	10.3%
Age 25-34	19.2%	17.0%	16.3%	17.4%	16.1%	15.2%	15.8%	16.1%	15.4%
Age 35-44	17.2%	17.3%	16.5%	15.5%	14.5%	13.8%	15.3%	14.0%	13.1%
Age 45-54	13.9%	13.3%	12.6%	15.1%	14.7%	14.0%	14.2%	13.4%	12.8%
Age 55-64	8.4%	7.8%	7.4%	11.7%	10.5%	9.8%	12.6%	11.5%	10.7%
Age 65-74	5.9%	5.0%	4.5%	6.4%	5.4%	5.0%	8.1%	6.8%	6.2%
Age 75-84	3.7%	2.8%	2.7%	4.2%	3.2%	2.9%	4.3%	3.3%	3.0%
Age 85+	0.9%	0.7%	0.8%	1.6%	1.1%	1.2%	1.8%	1.2%	1.2%
Age 55+	18.9%	16.3%	15.4%	23.9%	20.2%	18.9%	26.8%	22.8%	21.1%
Age 65+	10.5%	8.5%	8.0%	12.2%	9.7%	9.1%	14.2%	11.3%	10.4%

Source: U.S Bureau of the Census, 2000 Census Population and Housing. ESRI forecasts for 2009-2014

2009 Population by Age



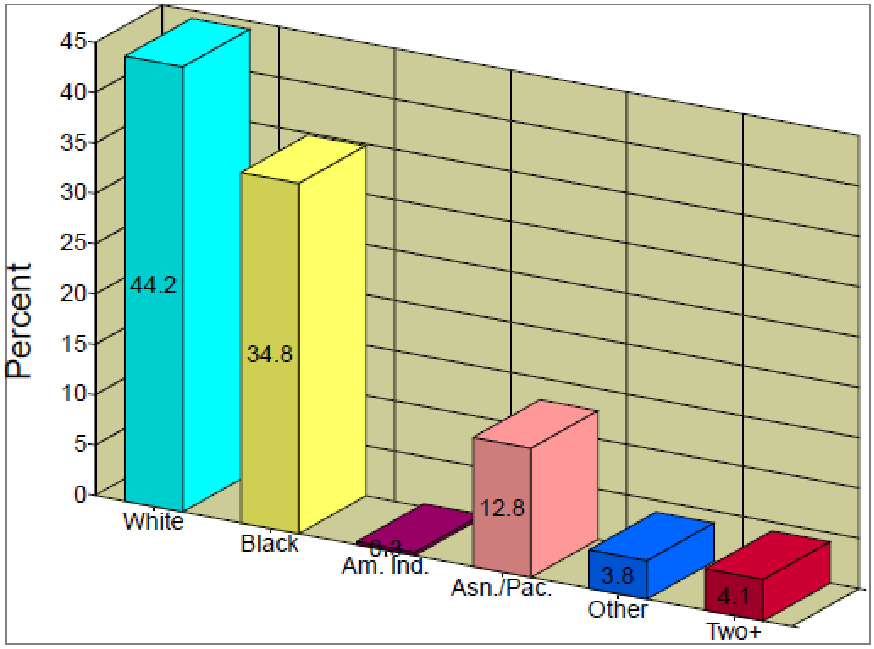
Race/ Ethnicity

Radius	2000 Population by Race/ Ethnicity			2009 Population by Race/ Ethnicity			2014 Population by Race/ Ethnicity		
	1 Miles	3 Miles	5 Miles	1 Miles	3 Miles	5 Miles	1 Miles	3 Miles	5 Miles
Total	11,726	85,019	247,532	11,892	85,062	253,743	11,712	83,656	251,650
White Alone	52.0%	39.2%	34.5%	44.2%	32.0%	28.4%	40.4%	29.0%	25.9%
Block Alone	32.1%	46.0%	48.9%	34.8%	48.7%	50.4%	35.5%	49.0%	50.2%
American Indian Alone	0.3%	40.0%	40.0%	0.3%	0.3%	0.3%	2.0%	0.3%	0.3%
Asian or Pacific Islander Alone	10.2%	8.2%	6.6%	12.8%	10.0%	7.9%	14.2%	10.9%	8.5%
Some Other Race Alone	2.4%	3.2%	6.3%	3.8%	5.0%	9.0%	4.8%	6.2%	10.6%
Two or More Races	3.0%	3.1%	3.3%	4.1%	4.0%	4.0%	4.7%	4.5%	4.4%
Hispanic Origin	5.1%	7.0%	11.9%	8.3%	11.0%	16.9%	10.8%	13.8%	20.0%
Diversity Index	65.3%	13.3%	71.3%	71.8%	71.9%	75.5%	75.0%	74.4%	77.8%

Data Note: Persons of Hispanic Origin may be of any race. The Diversity Index measures the probability that two people from the same area will be from different race/ ethnic groups.

Source: U.S Bureau of the Census, 2000 Census of Population and Housing. ESCRI forecasts for 2009 and 2014

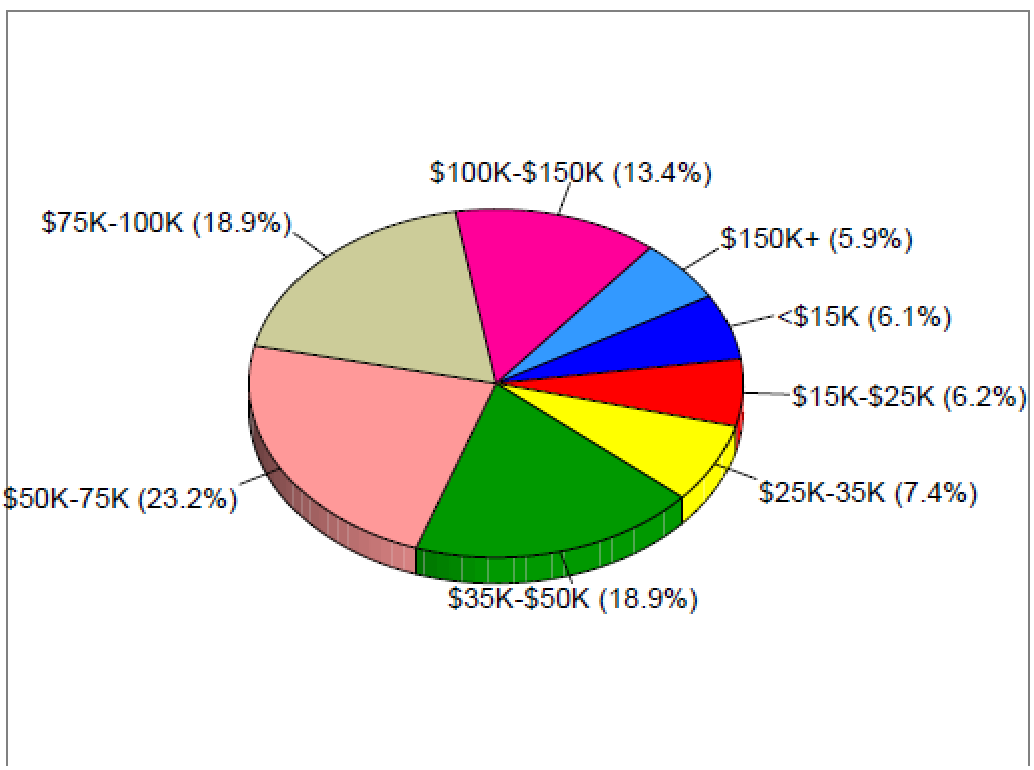
2009 Population by Race



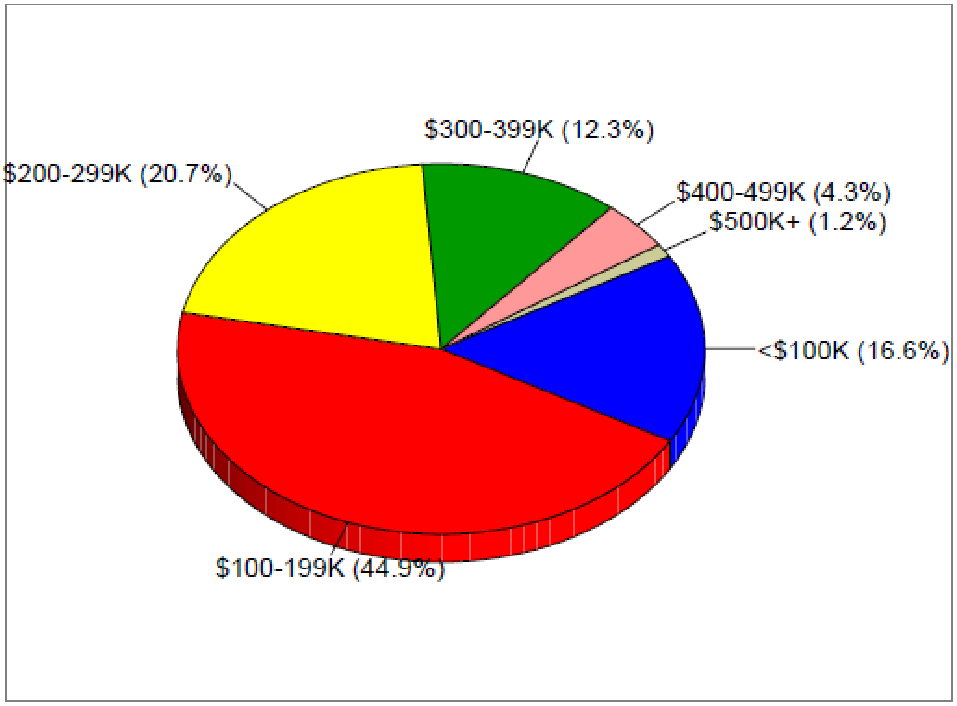
2009 Percent Hispanic Origin: 8.3%

Household Characteristics

2009 Households by Income

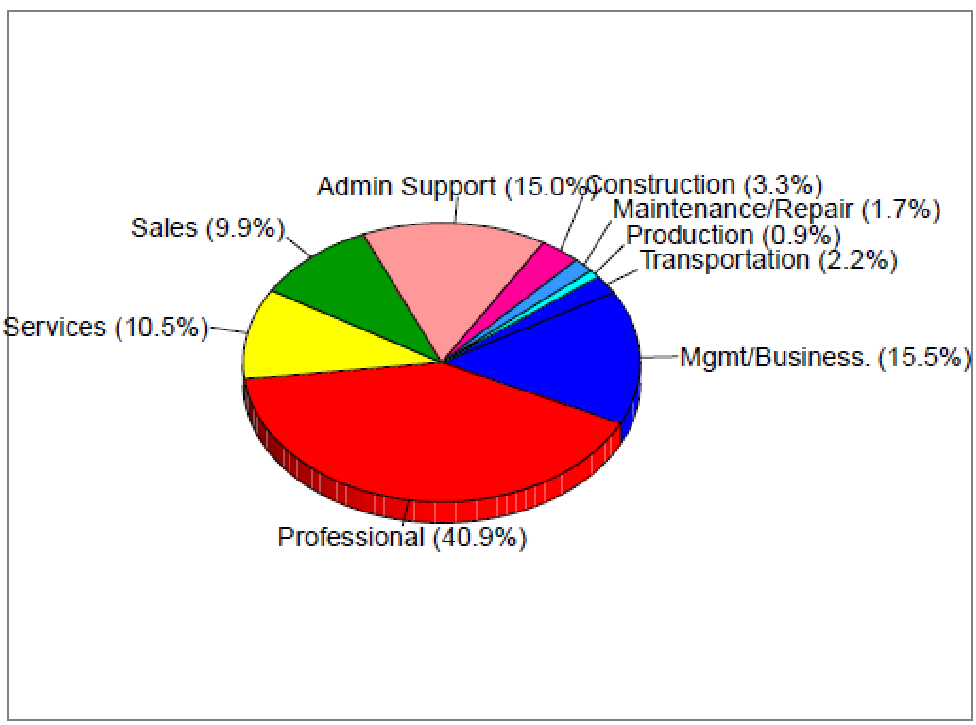


2009 Owner Occupied HUs by Value



Employment

2009 Employed 16+ by Occupation



Competitive Set

There are at least four properties that offer a similar product to GSCLC. The four properties listed in the chart below are targeting towards seniors at least 55 years of age or older. Of course, set aside affordable units are restricted to tenants 62 years of age or older. Three of the four buildings are of similar stick built design. The fourth, Jericho Residences features a more contemporary look. It has a concrete structure with tall ceilings and floor-to-ceiling windows. Common community amenities amongst the entire competitive set are recreation/ community rooms, and fitness center. Some common medical amenities include providing for a wellness program. Apartment interior finishes and appliances are very similar as well. In terms of pricing, the market units at Jericho Residences are much higher than GCSLC and the other properties included in the competitive set. This is primarily due to the high cost of construction associated with the building materials chosen and the requirement for at least 90% of the parking to be contained in a parking structure. The set aside affordable units at Jericho apartments leased up within 3 months of opening, while the remaining 60% market rate units have been much slower to absorb. Laurel Lakes, Willow Manor, and Rainier Manor Apartments have relatively lower monthly rents however they reside in an inferior location and would be a slightly older product. Also, these properties lack certain apartment features such as a washer/ dryer in the unit. All three require the resident to bring laundry to a laundry room. Finally, turnover at the existing properties is averaging 2.8% per month, and according the leasing agent for Jericho Residents, the property is absorption rate for the market units is roughly 6%.

Property Name: **Address:**	**Laurel Lakes Senior Apartments** 7901 Laurel Lakes Court Laurel, MD, 20707 	**Willow Manor Apartments** 601 E Randolph Road Silver Spring, MD 20904 	**Rainier Manor** 3001 Queens Chapel Rd Mt. Rainier, Maryland 20712 	**Jericho Residences** 1000 Brightseat Road Landover, MD 20785 
Occupancy: **Year Built:** **Acres:** **Stories:** **Units:** **Age Restriction:**	94% 2000 4.3 4 125 55+ (average age 60+)	96% 2004 5 4 83 62+ (average age 75+)	94.75% 1993 unknown 3 104 55+ (Average age 70+)	65% Mar-2009 270(40% affordable-60% market) 55+ affordable housing 62+ 120 leased
Features:	Recreation & exercise	Private shuttle bus	Beautifully landscaped	State of the art

	room Community room with kitchen Small pets welcome Controlled access entrance Ceramic tiled bathrooms with grab bars Roof top deck	available Full kitchen Washer/ Dryer hook ups Fitness and wellness center Small pets welcome Game and activities Rooms	grounds Community rooms Multi purpose entertainment room All electric kitchens Emergency call systems in bed/ ba Wall to Wall carpet, ample parking	fitness and wellness Cardio equipment and weights Full size washer dryer in every unit Comfortable lounges 9' ceiling & 6' windows Pet friendly
Community Amenities:	Activities Director Fitness Center Beautician/ Barber Gardening Pets Allowed Transportation Services Elevators Laundry Room Walking Trails	Art and Crafts Room Additional Storage Billiards Rooms Laundry Room Elevators Library Beautician/ Barber Fitness Center Theater	Clubhouse, Social Areas Courtyard Elevators Laundry Room Near Bus Line On-site Manager Side walk Community Transportation Services Wheelchair Access	Beautician/ Barber Clubhouse Elevators Concierge Chapel Social Area, Game Room, Theater Walking Paths Café Fitness Center
Medical Amenities:	Wellness Program	Wellness Program		Wellness Program
Room Amenities:	24 Hr Emergency Call System Fully Equipped Kitchen Smoke Detectors Balcony/ Patio Garbage Disposal Dishwasher Individual Climate Control Sprinklers	Air Conditioning Dishwasher Washer/ Dryer	Individual Climate Control Breakfast Bar Garbage Disposal Kitchenette Unfurnished available Alarm System Cable Ready Handrails	Individual Climate Control Fully equipped kitchen Dishwasher Garbage disposal Cable/ Satellite Television Smoke Detectors Washer/ Dryer Included
Rates:				
Studio	X	X	X	X
1 Bedroom	$775	X		
1 Bedroom Large	$850	23- $899	82- $869; 579sf	35A-$836, $1250+ M
1 Bedroom Den	$875	X		52A-$1,022, 58M-$1560+M
2 Bedroom 1 Ba	$1,020	20- $1059		40A-$1,022, $1625+M
2 Bedroom 2 Ba		40-$1199	22- $1078; 838sf	A-$1,815, $1859+M
Leasing Specials	1 Month Free Rent	Special 2 bd 1 ba $989	No specials currently	Market Apartments 2 bd 1 ba $1399+


1.


2.


3.


4.

1. **Jericho Residences**
2. **Laurel Lakes**
3. **Rainier Manor**
4. **Willow Manor**

Supply and Demand Analysis

Promatura conducted an analysis of the senior housing market in Prince George's County. The goal of the study was to research and prepare an overview of the senior housing market including assessment of development trends, demand for senior housing in PG County and Washington metropolitan region, and assess the impact that national trends in senior housing might have upon PG County and Washington metropolitan region.

According to the Prince George's County 2006-2010 Consolidated Plan ("PG Plan"), "In 2005, there were 32 private market senior residences, senior apartments: a total 3,525 units, located in the county."(p. 43). The number of the units and their names of the individual senior apartment facilities are included in Appendix XIV. [9] There are several publicly-owned apartment complexes for senior as well. The Housing Authority of Prince George's County owns four buildings with 295 units and two municipalities, Greenbelt and College park, have two buildings with 208 units. According the PG Plan, "The waiting list for County-owned senior citizen public housing is approximately 6 to 8 months" (p. 44). Including the private market senior housing, the County had 4,044 units of senior housing.[10] Promatura offers the opinion that Prince George's County has sufficient demand from within the county to encourage age-qualified senior housing communities. By looking at GCSLC's competitive set, it is clear that the existing product is maintaining a healthy occupancy level and that there will be an increased demand for affordable senior housing as there is currently no projects slated in the entire county.

The PG Plan sites that:

> "According to the Maryland Department of Aging, in 2000 there were 800,000 individuals 60 years old and over. This represents 15 percent of Maryland's total population, and is expected to increase to 23 percent by 2020. This is due to the movement of the 'baby boomers' (persons born between 1945- 1960) entering their senior years. In Prince George's County the elderly population is expected to double by 2020. In addition, a large number of this population is expected to live longer (mid 80s) and therefore may outlive their resources. . ." (p. 62).

Finally, there is an opportunity to draw from the surrounding counties including but not limited to Montgomery County, and the District of Columbia. Prince George's County is a great destination for active adults to reside because of its proximity to the rich resources of the DC metro area.

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[9] The sources of the data are the County Department of Family Services and Maryland DHCD

[10] Department of Housing and Community Development. Prince George's County 2006-2010 Consolidated Plan (2005).

Inventory and Construction

The following chart summarizes the current inventory and construction for the entire Washington DC MSA and includes all forms of senior housing such as assisted living, independent living, and CCRC's. As of November 2009, there were no senior apartments slated for construction in Prince George's County.

Quarter	# Prop	# Units	All Prop Occ.	Stabilized Occupancy	Quart Absorb	Quarterly Inventory Growth	# Prop Under Const	# Units Under Const	YoY Rent Growth (Monthly)
Property Type: Seniors Housing									
4Q2005	112	18,313	94.64%	94.69%			5	454	
1Q2006	112	18,548	94.41%	94.45%	178	235	6	371	
2Q2006	112	18,598	94.31%	94.35%	28	50	6	413	
3Q2006	112	18,655	93.81%	93.85%	-39	57	6	414	
4Q2006	112	18,655	94.14%	94.27%	61	0	6	431	6.43%
1Q2007	112	18,720	94.34%	94.39%	100	65	7	753	5.84%
2Q2007	110	18,819	94.43%	94.46%	110	99	7	780	4.20%
3Q2007	110	18,793	93.84%	93.86%	-136	-26	7	780	2.97%
4Q2007	111	18,921	93.61%	93.62%	77	128	6	883	4.55%
1Q2008	111	18,855	93.53%	93.53%	-77	-66	7	988	4.50%
2Q2008	111	18,882	93.33%	93.42%	-12	27	6	1,098	5.42%
3Q2008	112	19,026	92.37%	92.45%	-49	144	6	944	5.31%
4Q2008	114	19,351	92.74%	93.13%	371	325	4	614	3.54%
1Q2009	114	19,410	92.46%	92.77%	1	59	5	686	3.76%
2Q2009	115	19,889	91.30%	92.89%	211	479	3	207	2.85%

Vacancy

The established properties included in the competitive set are currently enjoying an industry average vacancy rate of 4-6%.

Absorption

GCSLC will need to meet the price points of the prospective households in the market area and their expectations for amenities and services. It will need to be positioned so that it appeals to the target market sector within the immediate market area.

Sperling has considered the following factors in determining absorption:

- Relationship of proposed rents to market rents
- Support from existing renter households within the immediate market area
- Number of age-and income- appropriate households within the market
- Expected quality of the subject development relative to the market and opening
- Appropriateness of the subject development for the proposed site
- Anticipated opening date
- Area household growth and employment trends
- Area age and income trends
- Ability of the subject development to attract income qualified renters; many households attracted to the property will not meet program income guidelines.

Absorption is expected to average 16 units per month, resulting in an eight percent (8%) absorption rate. Ample marketing and pent up demand is expected to result in thirty five percent (35%) occupancy upon first month opening. Therefore, there will be an 8 month absorption period to achieve a 96% stabilized occupancy level. While this may seem aggressive, this is comparable with the rate of Jericho Residences delivered in march 2009, which leased all 120 of their income qualified units within the first two and a half months of opening, leaving them with no more qualified units to market.

SECTION V: DEVELOPMENT ISSUES

Zoning Analysis

The Property is zoned R-18 and is located in Planning Area 67, Council District 4. The 1989 master plan recommends public or quasi-public uses for the Property to reflect the medium-density residential use for the surrounding properties at urban density (12.0 to 16.9 dwelling units per acre). It is assumed that the plan recommends that the property be developed for a comparable density at a maximum of 16.9 dwelling units per acre. However, the 2002 General Plan supersedes the 1989 master plan and sets forth a new direction for development in the county. It designates the MD 193 corridor as one of seven corridors for more intensive development and redevelopment in the county and thus, increased the density permitted for the Property to 20 dwelling units per acre.

GCSLC has been approved for an increase in density twice that is normally allowed in the R-18 zone. GCSLC seeks 40 dwelling units per acre. Apartment housing for elderly or handicapped families in a building other than a surplus public school building (with provisions for increased density and reduced lot size in multifamily zones) is permitted by Special Exception in R-18 zone. Additionally, the use tables provide in a footnote that this use would be permitted in the R-18 zone without Special Exception, provided that the subject property: (i)includes at least five (5) acres; (ii)is located within a Developed Tier; and (iii)adjoins property also in the R-18 Zone. Age restrictions in conformance with the Federal Fair Housing Act shall be set forth in covenants submitted with the application and shall be approved by the District Council and filed in the land records at the time the final subdivision is recorded. The applicant must obtain approval of a Detailed Site Plan, as provided in Part 3, Division 9, and demonstrate by evidence in the record that: (i) the net lot area is at least fifty percent (50%) of the minimum net lot area normally required in zone; (ii) the density is not more than twice that normally allowed in the zone; (III) and the project is financed at least partially by tax credits approved by the State of Maryland. Therefore, GCSLC meets the criteria above and thereby, permitted by-right with double the density normally allowed in R-18 zone. The proposed density is in conformance with the General Plan's vision for more intensive redevelopment near major intersections or transit stops along the corridor.

The detailed site plan should be in conformance with the requirements of Section 27-436 of the Zoning Ordinance for Prince George's County (the "Ordinance") for development in the R-18 Zone. CB-109-2004 of the Ordinance, approved by the District Council in November 2004, modified the lot coverage, building height and percentage requirements in the R-18 Zone. Under the new regulations, lot coverage can be increased to 35 percent if 90 percent of all parking is within a parking structure, as is the case with the proposed development of the site; and the building height may be increased to 80 feet on a tract having a net area of four or more acres. The subject site has just over 5 acres, covers less than 30% of the net lot area, and will not exceed 70 feet.

Legislation (CB-85-1988, CB-91-1991, CB-44-1992, CB-46-1999, CB-66-2005)

USE	R-18
* * * * * * * *	*
(6) Residential/Lodging:	
Agricultural Preservation Development, Section 27-445.01	X
Apartment hotel	X
Apartment housing for elderly or handicapped families in a building other than a surplus public school building (with provisions for increased density and reduced lot size in Multifamily Zones)	SE80
Apartment housing for elderly or handicapped families in a surplus public school building	SE
Artists' residential studios, in accordance with Section 27-445.09	SP
* * * * * * * *	*

80 (1) Permitted in the R-18 Zone without a Special Exception, provided that the subject property:

(A) Includes at least five acres;
(B) Is located within the Developed Tier; and
(C) Adjoins property also in the R-18 Zone.

(2) Age restrictions in conformance with the Federal Fair Housing Act shall be set forth in covenants submitted with the application and shall be approved by the District Council and filed in the land records at the time the final subdivision plat is recorded. The applicant must obtain approval of a Detailed Site Plan, as provided in Part 3, Division 9, and demonstrate by evidence in the record that:

(A) The net lot area is at least 50% of the minimum net lot area normally required in the zone;
(B) The density is not more than twice that normally allowed in the zone; and
(C) The project is financed at least partially by tax credits approved by the State of Maryland.

Zoning History

The property is adjoined to the east by the driveways for apartments north of the property, followed by the Armory. To the north are apartment buildings in the R-18 Zone. The driveways are also zoned R-18. The armory is zone R-R. Apartments, also in the R-18 zone are to the west by an American Legion Post Home.

The property was rezoned R-18 from the R-P-C zone in 1962. In 1964 Special Exception 1003 was approved for a nursing home. In 1990 when the comprehensive rezoning was adopted for Planning Area 67 the R-18 zone was retained for the subject property. This was also true for the property immediately abutting to the north, east and west. The property across Greenbelt

Road was retained in the RR zone upon which is located a church. In the R-18 zone a nursing home is permitted by special exception when more than 10 people are to be cared for in a facility.

Environmental/ Conservation Issues

The site is larger than 40,00 square feet, and has more than 10,000 square feet of existing woodland on-site; however, it may be exempt from the Woodland Conservation Ordinance if there is no disturbance of the existing woodland. It is anticipated that less than 5,000 square feet of existing woodland would be cleared, and to the extent that woodland is cleared, plantings would be proposed to replace the impacted woodland.

Noise Impact

MD 193 is an existing major arterial road. Noise levels higher than the state standards are anticipated to be generated by MD 193 in relation to the proposed residential use. The proposed development will not generate noise above currently permissible levels. The proposed site plan strategically locates the building to partially shield the outdoor activity area in order to lessen the impact of the noise levels.

Architectural Review

The architecture for Historic Greenbelt is in the Art Deco style with curving lines, glass brick inserts in the facades of apartment buildings, and buttresses along the front wall of the elementary school. Historic Greenbelt Community Center is considered one of the ten best structures in Art Deco style within the Unites States. Therefore, consideration has been given to incorporating some of the Art Deco architectural features into the design.

Conditions to Closing on Acquisition

When considering acquiring real property, it is important to consider and minimize the risk associated with a speculative development deal. Legal counsel should be involved even at the earliest stages of contract negotiation. The following are some examples of conditions to closing to be considered.

1. The seller of the real property is being paid a non-refundable deposit of $100,000 and entering into an agreement with the Armory LLC ("Buyer") to delay and condition closing to a date which is 90 days following the satisfaction of the following conditions or sooner 10 days prior notice to settle by Buyer:

2. A feasibility study period ("Feasibility Study Period") of the longer of one hundred and eighty (180) days or the date that low income tax credit program approval for the Property is obtained, accounting from the date of the execution of the agreement of sale for the Property. During such Feasibility Study Period, Buyer and Buyer's agents shall have access to the Property to conduct such tests and studies as Buyer, in Buyer's sole discretions deems necessary. If, prior to the expiration of the Feasibility Study Period, Buyer determines, in Buyer's sole discretion, that the development contemplated by the Buyer is not practical or advised, Buyer may terminate the agreement to purchase the Property upon giving of written notice to terminate to the Seller of the Property, whereupon Buyer's deposit shall be retained by Seller and all rights and obligations shall thereupon terminate. Buyer shall have the right to extend the Feasibility Study Period for an additional 120 days upon the payment of an additional non-refundable deposit of $50,000 to Seller. In the event that the Property is not approved for the low income tax program or Buyer does not waive that condition within three (3) years from the date of this Agreement, either party may terminate this Agreement by providing ten (10) days advance written notice of termination, and if the termination is by Seller, Buyer may avoid termination by providing Seller with notice of Buyer's election to proceed to closing with such conditions being unsatisfied (however, Seller remains obligated for representations, warranties and title). Buyer shall be obligated to repair any damage to the Property caused by Buyer's studies and tests.

3. Seller agrees to timely cooperate with Buyer in Buyer's pursuant of approval to develop the Property for development of at least 200 senior living residential units ("Development"). Buyer shall pay the fees and costs, if any, imposed by governmental authorities for applications and approvals of such development plans. Buyer and Seller shall each bear their own attorneys fees, costs and expenses incurred in furtherance of the agreement.

4. All necessary plats, permits and approvals from Prince George's County, Maryland, the State of Maryland and the United States of America to allow the Development.

5. Approval and loan commitment to immediately close on and fund the construction and permanent funding for the Development in the amount of at least $30 million.

6. Environmental studies, including phase I and if necessary phase II, satisfactory to buyer and lender, which study(ies) may be ordered by, and at the expense of the buyer during the Feasibility Study Period.

7. Engineering studies and test borings to determine suitability of soils and surface for the Development.

8. Approval of the Development for participation in the Low Income Housing Tax Credit Program.

Housing Programs/ Subsidies

Rental Subsidy Programs. Residents of affordable assisted residences often qualify for rental assistance through various rental subsidy programs. Rental assistance may be provided through the Housing Voucher Program (formerly called Section 8). Through this program, a determination of what residents are able to pay for rent is based on 30% of their adjusted gross income, with the difference between that amount and the fair market rent (FMR) for the area paid to the housing provider through the rental assistance program.[11]

The Low- Income Housing Tax Credit (LIHTC) Program. Equity funding may be provided through the LIHTC program. This program can make it financially feasible for a project to provide affordable rents by financing a portion of the development costs through the sale of federal Low-Income Housing Tax Credits. The program is used to offset development costs associated with developing affordable housing projects. The Department of Treasury annually allocates housing credits to allocating agencies, which in turn award the credits based on the state's priorities and needs as outlined in the Maryland Qualified Allocation Plan ("MQAP"). The MQAP serves as a guide by which applicants must comply before undergoing a competitive approval process. Use of the LIHTC program, however, brings with it a number of federally-mandated restrictions. For example, the maximum rents charged for LIHTC units may not exceed amounts established by the program for each type of unit. The tax credit is a dollar for dollar reduction in tax liability to the owner(s) of a qualified affordable housing development for the rehabilitation, acquisition, or construction of income- and rent-restricted housing.

The MQAP shares the state's vision for affordable housing in Maryland. GCSLC is in line with that sate vision. Such visions include the production of quality sustainable development, public purpose, sufficient leveraging to maximize use of state funds, and environmentally sensitive development and energy efficient construction. Projects should have development teams which can demonstrate the capacity to develop quality affordable rental housing in a timely manner. The Department will evaluate the scope of work, marketability, energy efficiency, etc. GCSLC will utilize green components and follow Green Communities Criteria. Also emphasized, projects should promote and encourage women owned business in development of affordable housing. All members of the development team for GCSLC are women owned.

The following are some barriers to overcome when considering submitting a project to be awarded housing tax credits.

- **Project Threshold Criteria.** Members of the applicant team must demonstrate previous project performance, financial capacity, local government support and contribution, market feasibility, and readiness to process and development schedule. Development

[11] LOW-INCOME HOUSING TAX CREDIT, MULTIFAMILY BOND & HOME PROGRAMS COMPLIANCE HANDBOOK. Maryland Department of Housing and Community Development; CDA Multifamily Programs; September 2006

team members are ineligible to participate in the program is they previously received reservations or commitments but were unable to carry the project forward.

- **Project Evaluation Criteria.** Once projects meet the threshold requirements, they will be rated according to the nature and character of the development and ranked against other projects. The project must obtain a minimum score of 180 points of the total 325 points under Project Evaluation Criteria to be eligible for funding. The selection criteria based on Maryland's housing priorities and needs. GCSLC meets the 180 score minimum. Please see Appendix X for details. Appendix XI outlines the Development Quality Criteria for sustainable development and amenities and design criteria.
- **Credit Allocation**: Owners take the credit annually over a ten year period beginning with the tax year that the project is placed in service.
- **Minimum Set-Aside**: Every owner must elect an irrevocable minimum set-aside of LIHTC units. GCSLC selected the option of setting aside 100% of the housing units to be rent-restricted and occupied by tenants whose incomes are 60 percent or less of the area median gross income (AMGI).
- **Complex Regulations**: At the end of each taxable year, the project owner must report their eligible basis to the Internal Revenue Service (IRS). If the IRS determines that the qualified basis has decreased, the property faces recapture and the project sponsor must repay the housing credits to the Department of Treasury. Market-rate investors in a mixed-income project are particularly sensitive to this risk in the event the recapture amount is paid using project cash flow. For this reason, Armory does not seek market rate investors. Housing credit equity investors may also be sensitive to the increased risk of losing their tax credit flow if the proportion of affordable units to market-rate is reduced. Noncompliance is defined as an owner's failure to meet and maintain the requirements of Section 42 of the IRS code. Some of the most common compliance violations according to the Maryland Departments of housing and Community Development Compliance Handbook include leasing units to income ineligible households, failure to certify or recertify household income when due, failure to verify all sources of income, lease term violations, and violations of Uniform Property Compliance Standard or local inspection standards such as inoperable emergency lighting and signs, smoke detectors, and other life safety issues.

- **Higher Development Budget**: One reason the development budget is higher for a tax credit deal is due to a higher development fee of ten percent (10%), DHCD application fees, higher management fees because of the meticulous compliance restraints, etc. The developer charges a higher fee in order to defer it and apply it as equity toward the deal. The deferred fee includes interest over the 15-year compliance period and is commonly paid out of cash flow or residual sale proceeds.
- **Sale Restriction**: Housing credit projects are subject to a sale restriction. If the owner intends to sell the project after the initial 15-year compliance period, they must work with the CDA to find a buyer who will purchase the project and maintain the income and rent restrictions. After one-year, if no buyer is found, the property can transition to 100 percent market-rate over three years. Substantial points may be awarded for projects

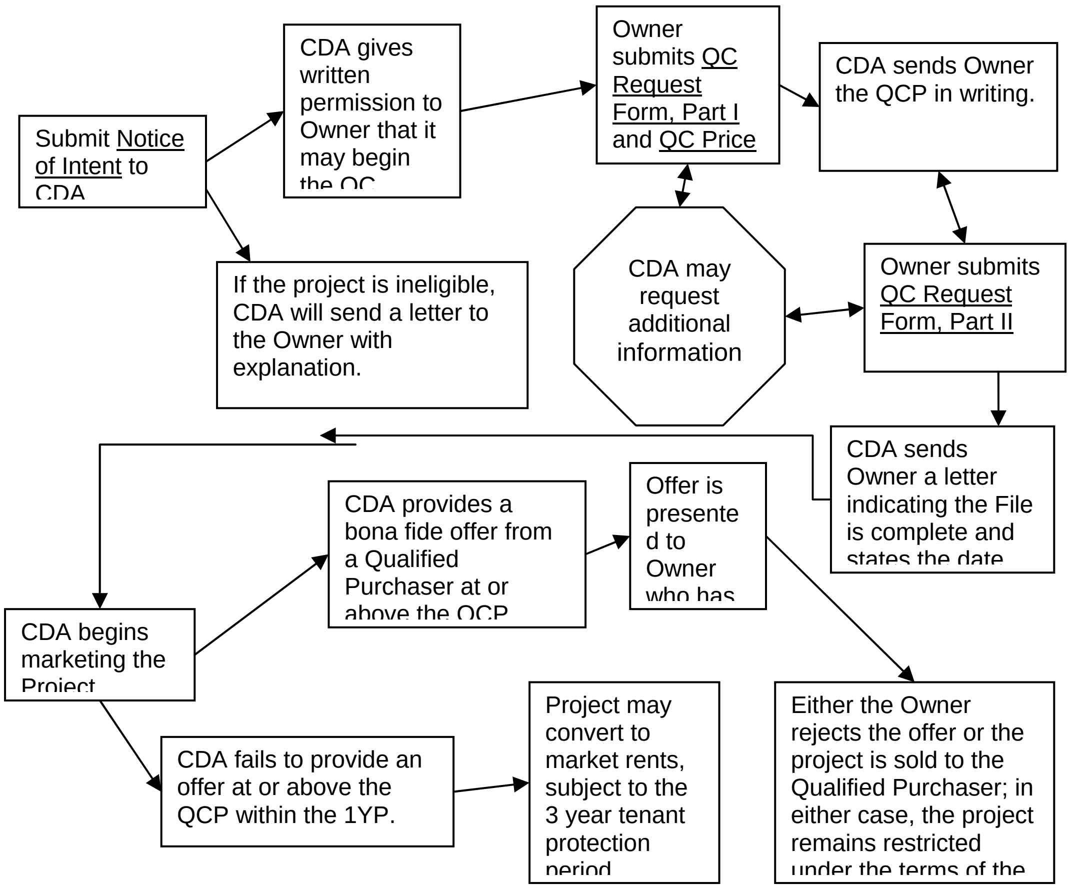
that extend their affordability period beyond 30 years. This is discussed in greater detail in the next section.

Period of Affordability/ Disposition Procedure

Owners are required to maintain a 15 year period of affordability. Beginning on the first day of the 15th year, the Owner may enter into the Qualified Contract Request Process. Owners must notify the CDA through a letter of intent using the prescribed form of their desire to sell the project. Once a complete file has been received and approved by the CDA, the CDA has one year to obtain a bona fide offer from a Qualified Purchaser at a price equal to or above the Qualified Contract Price ("QCP").

Upon receipt of an acceptable Qualified Contract, the CDA shall contact the Owner by letter. The Owner is not required to accept the first or any subsequent offers presented at or above the QCP. However, if the Owner rejects a bona fide offer at or above the QCP from a qualified purchaser, the project shall remain subject to the low income housing requirements for the remaining term of the extended use period. The Owner may accept less than the QCP but may not require a higher price than the QCP.

If the Owner has not entered into a contract for sale of the project within 60 days of receipt of the letter from the CDA, the offer will be deemed rejected and the term of extended use shall continue. If the Administration is unable to present the Owner a QC by the expiration of the 1 year, the project shall no longer be subject to the affordability restrictions. However, the project will be subject to §42(h) (6) of the IRS Code. This section provides for a three year period beginning with the termination of the extended use period, during which period, the Owner may not evict or terminate a tenancy of any existing tenant of a low-income unit, other than for good cause or increase the gross rent with respect to any low-income united except as permitted under §42 of the IRS Code.



This chart above is for illustrative purposed only.
http://www.mdhousing.org/Website/Programs/LIHTC/Default.aspx
Maryland Department of Housing and Community Development
Community Development Administration
Low Income Housing Tax Credit Program
QUALIFIED CONTRACT REQUEST PROCESS HANDBOOK

Management Strategy

Kimberly Management will provide property management services for the GCSLC. Kimberly Management was established in 1982 to manage properties in its own portfolio as well as provide third-party management for other multi-family owners. Headquartered in Rockville, Maryland, it currently manages over 7,000 apartment units in six states. Of those, approximately 3,500 units are located in the State of Maryland and over 1,200 units in Prince George's County. Kimberly's management portfolio consists of many affordable communities that include a variety of financing and regulatory oversight such as HUD, CDA, and local government funding. Its experience in HUD rent subsidy programs and tax credit compliance is significant. As well, thirty-one of its managed properties serve a specifically elderly population.

First Months of Operations

Marketing

At the earliest stages of development, marketing GCSLC will be essential to the success of the project. As a mixed-income project, it will be necessary to appeal to a higher income demographic as well. Emphasis will need to be placed on the quality of the product being delivered, attractive location to services and attractions, management's customer service and building security. Also, unlike most senior living communities established within the last ten years that offer parking ratios well below .75, GCSLC provides for a substantially higher 1.0 parking ratio. The marketing director provided in-house by the Developer, must not only create the pre-development campaign, but also work closely with designers, and leasing staff to keep the message and theme consistent. Community mailers, post cards, open houses, leasing office, and paper and online advertising promoting the project may be a very effective means for advertising. Local newspapers circulated daily and weekly include the Greenbelt Gazette, Prince George's Sentinel, Washington Post, Landover New Carrolton Gazette, Bowie Blade News, College Park Gazette, Hyattsville Port Towns Gazette, Prince George's Post, and Upper Marlboro Star. Strategically placing promotional materials at the Greenbelt Community Center, DHCD offices, local churches, and local shopping establishments may increase traffic and likelihood for penetration. Well thought out presentations at public meetings may also help to portray a positive image for the project and spur word-of-mouth endorsements.

Staff Hiring

Management will need to select from their current staff or hire staff accordingly. Positions that need to be filled are Executive Director of Operations, Assistant Manager, Maintenance Director, Concierge/Front Desk staff, and Porter. The Developer should also take part in interviewing the prospective management team as they will be essential to the success of the project.

- The Executive Director will report directly to the Regional Manager or Vice President. The Executive Director is responsible for ensuring the property is in compliance with LIHTC program requirements on an annual basis, provides Owner with monthly operating reports.
- The Assistant Manager reports directly to the Executive Director and is responsible for data entry, rent collection, monthly reports to ownership, LIHTC compliance requirements , leasing, marketing, landlord and tenant court matters, and coordinating maintenance at the property.
- The Front Desk staff are responsible for visitor log-in, contacting transportation services as necessary, signing for packages, delivering notifications to residents, coordinate communications for activities, and provide good overall customer service.
- The Maintenance Director is responsible for ensuring systems are in good working order, maintenance tickets are addressed within 72 hours if non-emergency and immediately addressed if an emergency, distributing and monitoring outside contractors when necessary.
- The Porter is responsible for daily cleaning of the property.

Salaries:	Hourly Wage	Hours/ Week	Monthly Total	Monthly Per Unit	Annual Total
Executive Director	30	40	5,200	26	62,400
Concierge/ Front Desk/ Activities	14.5	168	10,556	53	126,672
Assistant Manager	12	40	2,080	10	24,960
Maintenance Director	19	40	3,293	16	39,520
Porter/Housekeeper	9	40	1,560	8	18,720
Subtotal Salaries	85	328	22,689	113	272,272
Bonuses (Executive Director only)	10%		520	3	6,240
Leasing Commissions	1%				31,585
Benefits	20%		4,538	23	54,454

Minimum Lease Requirements

According to DHCD, LIHTC, MBP and HOME Programs Compliance Handbook, all tenants occupying LIHTC units are required to be income certified and execute a minimum six month lease at move in. All sources of income must be declared by the household applying for occupancy and the owner must verify each and every source of income before a family is allowed to occupy a unit. GCSLC will require a one year lease upon move in so as to save on unnecessary turn costs associated with quicker turnovers. Sperling does not think this will be a deterrent for perspective tenants as elderly tenants generally do not like to move around as much. [12]

It is recommended that the lease include the following at a minimum:

- Legal name of parties to the agreement and all other occupants
- A description of the unit to be rented
- The date the lease becomes effective and the terms of the lease
- The amount of rent and other one time or recurring charges assessed as a condition of occupancy
- Limitations, if any, on the use of the premises
- The rights and obligations of the parties, including the obligation of the household to annually re-certify income
- The signatures of all household members 18 years or older
- The signature of the owner/ owner's representative
- A statement explaining that the development is participating in the LIHTC program and that the LIHTC units are under certain program regulations including income and rent restrictions.

[12] Maryland Department of Housing and Community Development September 2006. CDA Mutifamilies Programs. Section 3.13 page 15

SECTION VI: DEVELOPMENT/ CONSTRUCTION COSTS

Sperling has reviewed development budgets for both the Tax Credit Approach and Market Rate Approach. The total development budget for the Tax Credit Approach is $25.7 million (approx. $130,000 per unit) for the acquisition and construction of GCSLC. This does not include a ten percent (10%) deferred developer fee. Conversely, the total development budget for the Market Rate Approach is $14.4 million (approx. $143,000 per unit) which is forty-four percent (44%) less for half the units (100 units). This does not include a three percent (3%) developer fee. The difference in costs are not only be attributed to the costs associated with construction of the extra square footage/ units and green construction, but also to the seven percent (7%) increase in developer fee, attributed to the additional responsibilities and compliance requirements with a tax credit deal.

Basis for Assumptions:

- Construction costs per square foot are based on stick construction and concrete parking structure. A slight $3 per square foot premium is added for green elements. DHCD announced the opening of a new energy efficient grant program called Multifamily Energy Efficiency and Housing Affordability (MEEHA). MEEHA grants are used for the purchase and installation of energy efficient or renewable energy improvements for proposed rental multifamily developments. Such improvements may include Energy Star qualified windows, insulation, fixtures, appliance, HVAC system, etc. GCSLC would qualify for nearly $450,000. Priority in awarding grants will be given to projects that have received or are in the pipeline to receive funding, with all funds needed to be expended by April 2012. If awarded, this grant would decrease construction costs incurred by approximately $3.50 square foot.
- 30% Common Area allocation of total building square footage
- Impact Fees are payable at time of permitting. The county requires $3,000 per unit. However for elderly housing, there is precedent for lessening the fee to as low as $1,000 per unit.
- DHCD Fees are outlined in the MQAP and Appendix XIII of this document.

Tax Credit Approach Development Budget:

	Gross SF	Net SF	$/Gross SF	$/Net SF	$/Unit	Total $
Acquisition Costs						
Building Acquisition	215,531	150,872	$5.57	$7.95	$6,000	$1,200,000
Buyer Broker Fee	215,531	150,872	-	-	-	-
Closing Costs	215,531	150,872	$0.28	$0.40	$300	$60,000
Title & Transfer Taxes	215,531	150,872	-	-	-	-
	215,531	150,872	-	-	-	
Sub-Total	215,531	150,872	$5.85	$8.35	$6,300	$1,260,000
Due Diligence:						
Legal Acquisition	215,531	150,872	-	-	-	-
Franchise Fee	215,531	150,872	-	-	-	-
Environmental Phase I	215,531	150,872	$0.02	$0.02	$18	$3,500
Environmental Phase II	215,531	150,872	-	-	-	-
Survey	215,531	150,872	$0.02	$0.03	$25	$5,000
Title Insurance	215,531	150,872	$0.02	$0.03	$25	$5,000
Soil Boring / Geotech	215,531	150,872	-	-	-	-
As-built Survey	215,531	150,872	-	-	-	-
Consultant -Façade and Roofing	215,531	150,872	-	-	-	-
Property Inspection Report	215,531	150,872	-	-	-	-
Structural	215,531	150,872	-	-	-	-
Civil	215,531	150,872	-	-	-	-
Lender Comfort Letter - Franchise	215,531	150,872	$0.01	$0.01	$8	$1,500
Zoning	215,531	150,872	$0.02	$0.03	$25	$5,000
Expediter	215,531	150,872	$0.05	$0.07	$50	$10,000
Sub-Total	215,531	150,872	$0.14	$0.20	$150	$30,000
Total Acquisition Costs	**215,531**	**150,872**	**$5.99**	**$8.55**	**$6,450**	**$1,290,000**
Hard Costs						
Construction Costs	215,531	150,872	$99.00	$141.43	$106,688	$21,337,611
Contingency of Hard Construction Costs	215,531	150,872	$4.95	$7.07	$5,334	$1,066,881
FFE	215,531	150,872	-	-	-	-
Total Hard Costs	215,531	150,872	$103.95	$148.50	$112,022	**$22,404,492**
Soft Costs						
Financing/Formation Costs:						
Legal Fees	215,531	150,872	$0.14	$0.20	$150	$30,000
Mortgage Recording Tax	215,531	150,872	-	-	-	-
Debt Broker	215,531	150,872	$0.46	$0.66	$500	$100,000
Equity Broker	215,531	150,872	-	-	-	-
Construction Lender Origination Fee	215,531	150,872	$0.35	$0.50	$375	$75,000
Construction Lender Expenses	215,531	150,872	$0.12	$0.17	$125	$25,000
Construction Loan Interest	215,531	150,872	$2.32	$3.31	$2,500	$500,000
Construction Lender Exit Fee	215,531	150,872	-	-	-	-
Lender Construction Fees	215,531	150,872	$0.06	$0.09	$67	$13,300
Impact Fees	215,531	150,872	$0.93	$1.33	$1,000	$200,000
DHCD Fees						
Application	215,531	150,872	$0.00	$0.01	$5	$1,000
Reservation Fee	215,531	150,872	$0.02	$0.03	$20	$4,000
Non-refundable Allocation Fee (% of annual total credits)	215,531	150,872	$0.16	$0.23	$175	$35,000
Commitment Fee (% of loan amount)	215,531	150,872	$1.10	$1.58	$1,190	$238,028
Appraisal	215,531	150,872	$0.03	$0.05	$38	$7,500

Subtotal	215,531	150,872	$5.70	$8.14	$6,144	$1,228,828
<u>Construction:</u>						
Construction Consultant	215,531	150,872	$0.93	$1.33	$1,000	$200,000
Permits	215,531	150,872	$0.23	$0.33	$250	$50,000
Civil	215,531	150,872	$0.07	$0.10	$75	$15,000
Misc.	215,531	150,872	$0.23	$0.33	$250	$50,000
Structural	215,531	150,872	$0.05	$0.07	$50	$10,000
Expediter	215,531	150,872	$0.12	$0.17	$125	$25,000
Architectural, Engineering, MEP	215,531	150,872	$0.63	$0.89	$675	$135,000
Signage	215,531	150,872	$0.37	$0.53	$400	$80,000
Controlled Inspections	215,531	150,872	$0.23	$0.33	$250	$50,000
Subtotal	215,531	150,872	$2.85	$4.08	$3,075	$615,000
<u>Other Costs:</u>						
Utilities (Temp Water, Temp Electricity)	215,531	150,872	$0.30	$0.43	$323	$64,659
Real Estate Taxes	215,531	150,872	$0.24	$0.34	$258	$51,670
Insurance	215,531	150,872	$0.19	$0.28	$210	$42,000
Subtotal	215,531	150,872	$0.73	$1.05	$792	$158,329
Total Soft Costs	**215,531**	**150,872**	**$9.29**	**$13.27**	**$10,011**	**$2,002,158**
<u>Development Budget Summary</u>						
Acquisition Costs	215,531	150,872	$5.99	$8.55	$6,450	$1,290,000
Hard Costs	215,531	150,872	$103.95	$148.50	$112,022	$22,404,492
Soft Costs	215,531	150,872	$9.29	$13.27	$10,011	$2,002,158
Total Development Costs	**215,531**	**150,872**	**$119.22**	**$170.32**	**$128,483**	**$25,696,650**
Development Fee	215,531	150,872	$11.92	$17.03	$12,848	$2,569,665
Add: Start-up Operations Shortfall	215,531	150,872	-	-	-	-
Less: Cash Flow to Cover Construction Loan Debt Service/Exit Fee	215,531	150,872	-	-	-	
Net Development Costs	**215,531**	**150,872**	**$131.15**	**$187.35**	**$141,332**	**$28,266,315**

Market Rate Approach Development Budget Summary:

	Gross SF	*Net SF*	*$/Gross SF*	*$/Net SF*	*$/Unit*	*Total $*
Acquisition Costs						
Building Acquisition	117,914	76,644	$10.18	$15.66	$12,000	$1,200,000
Buyer Broker Fee	117,914	76,644	-	-	-	-
Closing Costs	117,914	76,644	$0.64	$0.98	$750	$75,000
Title & Transfer Taxes	117,914	76,644	-	-	-	-
	117,914	76,644	-	-	-	
Sub-Total	117,914	76,644	$10.81	$16.64	$12,750	$1,275,000
Due Diligence:						
Legal Acquisition	117,914	76,644	-	-	-	-
Franchise Fee	117,914	76,644	-	-	-	-
Environmental Phase I	117,914	76,644	$0.03	$0.05	$35	$3,500
Environmental Phase II	117,914	76,644	$0.13	$0.20	$150	$15,000
Survey	117,914	76,644	$0.04	$0.07	$50	$5,000
Title Insurance	117,914	76,644	$0.21	$0.33	$250	$25,000
Soil Boring / Geotech	117,914	76,644	$0.03	$0.04	$30	$3,000
As-built Survey	117,914	76,644	-	-	-	-
Consultant -Façade and Roofing	117,914	76,644	-	-	-	-
Property Inspection Report	117,914	76,644	-	-	-	-
Structural	117,914	76,644	-	-	-	-
Civil	117,914	76,644	-	-	-	-
Lender Comfort Letter - Franchise	117,914	76,644	$0.01	$0.02	$15	$1,500
Zoning	117,914	76,644	$0.02	$0.03	$25	$2,500
Expediter	117,914	76,644	$0.08	$0.13	$100	$10,000
Sub-Total	117,914	76,644	$0.56	$0.85	$655	$65,500
Total Acquisition Costs	**117,914**	**76,644**	**$11.37**	**$17.49**	**$13,405**	**$1,340,500**
Hard Costs						
Construction Costs	117,914	76,644	$95.00	$146.15	$112,018	$11,201,815
Contingency of Hard Construction Costs	117,914	76,644	$4.75	$7.31	$5,601	$560,091
FFE	117,914	76,644	-	-	-	-
Total Hard Costs	117,914	76,644	$99.75	$153.46	$117,619	**$11,761,906**
Soft Costs						
Financing/Formation Costs:						
Legal Fees	117,914	76,644	$0.25	$0.39	$300	$30,000
Mortgage Recording Tax	117,914	76,644	-	-	-	-
Debt Broker	117,914	76,644	$0.34	$0.52	$400	$40,000
Equity Broker	117,914	76,644	-	-	-	-
Construction Lender Origination Fee	117,914	76,644	$0.34	$0.52	$400	$40,000
Construction Lender Expenses	117,914	76,644	$0.21	$0.33	$250	$25,000
Construction Loan Interest	117,914	76,644	$3.82	$5.87	$4,500	$450,000
Construction Lender Exit Fee	117,914	76,644	-	-	-	-
Lender Construction Fees	117,914	76,644	$0.11	$0.17	$133	$13,300
Computer Hardware & Software	117,914	76,644	-	-	-	-
Appraisal	117,914	76,644	$0.06	$0.10	$75	$7,500
Subtotal	117,914	76,644	$5.14	$7.90	$6,058	$605,800
Construction:						
Construction Consultant	117,914	76,644	$1.70	$2.61	$2,000	$200,000
Permits	117,914	76,644	$0.42	$0.65	$500	$50,000

Civil	117,914	76,644	$0.13	$0.20	$150	$15,000
Misc.	117,914	76,644	$0.42	$0.65	$500	$50,000
Structural	117,914	76,644	$0.08	$0.13	$100	$10,000
Expediter	117,914	76,644	$0.21	$0.33	$250	$25,000
Architectural, Engineering, MEP	117,914	76,644	$0.85	$1.30	$1,000	$100,000
Signage	117,914	76,644	$0.51	$0.78	$600	$60,000
Controlled Inspections	117,914	76,644	$0.42	$0.65	$500	$50,000
Subtotal	117,914	76,644	$4.75	$7.31	$5,600	$560,000
Other Costs:						
Utilities (Temp Water, Temp Electricity)	117,914	76,644	$0.30	$0.46	$354	$35,374
Real Estate Taxes	117,914	76,644	$0.38	$0.59	$452	$45,221
Insurance	117,914	76,644	$0.17	$0.26	$200	$20,000
Subtotal	117,914	76,644	$0.85	$1.31	$1,006	$100,595
Total Soft Costs	**117,914**	**76,644**	**$10.74**	**$16.52**	**$12,664**	**$1,266,395**
Development Budget Summary						
Acquisition Costs	117,914	76,644	$11.37	$17.49	$13,405	$1,340,500
Hard Costs	117,914	76,644	$99.75	$153.46	$117,619	$11,761,906
Soft Costs	117,914	76,644	$10.74	$16.52	$12,664	$1,266,395
Total Development Costs	**117,914**	**76,644**	**$121.86**	**$187.47**	**$143,688**	**$14,368,801**
Development Fee	117,914	76,644	$3.66	$5.62	$4,311	$431,064
Add: Start-up Operations Shortfall	117,914	76,644	-	-	-	-
Less: Cash Flow to Cover Construction Loan Debt Service/Exit Fee	117,914	76,644	-	-	-	
Net Development Costs	**117,914**	**76,644**	**$125.51**	**$193.10**	**$147,999**	**$14,799,865**

SECTION VII: DEVELOPMENT SCHEDULE

LIHTC Application: Applications for 2010 Competitive Funding Round are may be submitted before any series of submission deadlines announced every 3-4 months. The first one has been announced for February 23, 2010. The February 2010 Competitive Funding Round is governed by the 2009 MQAP and the 2009 Multifamily Rental Financing Guide. 2009 Tax Credits and 2010 Tax Credits have already been reserved for multifamily rental projects in the Department's development pipeline and it is essential to turn in a complete application to stand a chance in being selected for having funds committed the next calendar year. Instructions for completing the application may be found in Appendix I.

Predevelopment: Sperling conservatively assumed 6 months to sort through predevelopment issues prior to commencement of construction. In theory, prudent conditions for acquisition closing would ensure the project is ready to launch on day one. Some conditions of acquisition closing include, detailed site plan approval, permit approval, secure construction financing, etc. While construction may be ready to start with site work right away, it may be more realistic and efficient if there is time to organize and ramp up construction. During this phase, it is important for the development team, including owner, manager, design team, General Contractor, meet often to align visions and strategies for the success of the project.

Construction: Sperling assumed construction would conservatively start six (6) months after closing and slated to take a total of eighteen (18) months. Therefore, delivery is scheduled for two years after closing. Due to the complexity of approving a LIHTC project, Sperling does not anticipate closing would occur any sooner than January 2011. Construction is scheduled to start June 2011 however, when considering zoning approval, permitting and financing are conditions for closing, it is possible that construction may start earlier than 6 months. GCSLC is scheduled to be delivered December 2012.

Lease up: A large marketing campaign during construction is expected to result in thirty five percent (35%) of the units to be pre-leased and available for move in during the first month of opening. Absorption is expected to average 16 units per month, resulting in an eight percent (8%) absorption rate. Therefore, there will be an 8 month absorption period to achieve a 96% stabilized occupancy level.

Period of Affordability: GCSLC would be required to remain affordable for 15 years. During that time, the owner is allowed to sell the property, however the new owner would have to commit to leaving the set aside LIHTC units under the same guidelines.

SECTION VIII: FINANCIAL

GCSLC will be financed primarily by the HUD Section 202 Supportive Housing for the Elderly Program which provides a capital advance to finance the acquisition, construction or rehabilitation of supportive housing for very low income elderly and an annual rent subsidy to maintain rents at no more than 60% of residents' income. The estimated development cost of the project is $25,696,625 to be financed by a HUD Section 202 Capital Advance; a HOME Loan from Prince George's County, and owner financing in the estimated amounts set forth below.

PROJECT FINANCING SUMMARY
COUNCILMAN DISTRICT 4

SOURCES OF FUNDS	AMOUNT	%
Prince George's County HOME Funds Loan	$15,868,671	62
Owner Equity (LIHTC investors)	$7,354,654	28
Developer/ Sponsor Equity	$2,473,300	10
TOTAL SOURCES	$25,696,625	100.00%
USES OF FUNDS	AMOUNT	%
Construction Costs	$22,404,492	87
A&E and Other Construction Fees	$2,002,133	8
Acquisition	$1,290,000	5
TOTAL OF USES	$25,696,625	100.00%

Low Income Housing Tax Credit Finance Component

One-hundred percent (100%) of the total units have been designated for low- and moderate-income families. In order to help finance the cost of constructing the affordable units, Sperling reviewed the potential to utilize the LIHTC program. The program is used to offset development costs associated with developing affordable housing projects. The Department of Treasury annually allocates housing credits to allocating agencies, which in turn award the credits based on the state's priorities and needs as outlined in the Maryland Qualified Allocation Plan ("MQAP"). The MQAP serves as a guide by which applicants must comply before undergoing a competitive approval process. Assuming Armory is awarded an allocation of housing credits, they must take them to the investor market to sell for equity dollars. The investors in housing credit deals are incentivized by dollar-for- dollar credit against their federal tax liability in exchange for equity contributions to affordable housing. The equity raised will be used for acquisition, development, and costs for reserves. After the initial 15 years, the project may remain affordable for at least another 15 years unless otherwise approved for an alternative use.

There are two kinds of housing credits for which a project is eligible; 4 percent (4%) and 9 percent (9%). GCSCL would be eligible to apply for the nine percent (9%) credit which is designated for costs of new construction.

The total tax credit amount GCSLC would receive is based on its qualified basis. The qualified basis is determined by multiplying the eligible basis by the percentage of affordable units being provided in the project. In this case, this would equal one-hundred percent (100%). The qualified basis includes the total project costs less depreciable costs (i.e. land, marketing, DCHD fees, financing costs, reserves, legal). Appendix XIII outlines the LIHTC Application and Processing Fees. The eligible basis for GCSLC equals $24,352,547 and the qualified basis is $9,741,019 as forty percent (40%) of the units are designated affordable. A nine percent (9%) credit is applied and multiplied by ten because the allocation amount is spread over ten years. This provides for an $8,766,917. A syndicator indicated GCSLC would attract financial institutions needing to satisfy their Community Reinvestment Act (CRA) investment requirements resulting in an equity price of $.85 per $1.00 of tax credit compared to non-CRA deals that are receiving between 65 and 72 cents per dollar of housing credit in today's market. The equity investor offers a lower price in order to obtain a yield of 7 percent from their investment. This price also includes syndicator fees for selling the housing credits in a fund and on-going asset management oversight. Thereby, the total LIHTC credit achieved and equity available for this deal would be $7,451,879. Sperling's Pro Forma for GCSLC utilizes $7,354,654 of the available LIHTC credit.

Total Project Costs			28,266,288
Land Acquisition			(1,260,000)
DHCD Fees			
Application			(1,000)
Reservation Fee			(4,000)
Non-refundable Allocation Fee (% of annual total credits)	4.00%		**(35,000)**
Commitment Fee (% of loan amount)	1.50%		(238,030)
Financing Costs			(1,228,830)
Marketing			(50,000)
Reserve			(1,066,881)
Legal			(30,000)
Eligible Basis		**$**	**24,352,547**
Applicable Fraction (% of affordable housing)			40%
Qualified Basis		**$**	**9,741,019**
9% Credit			9.00%
Allocation Amount (over 10 yr period)		**$**	**8,766,917**
LIHTC Price			0.85
Total LIHTC Credit		**$**	**7,451,879**

Pro Forma and Assumptions

Project Income

Income limits for the housing credit program are published annually by the U.S. Department of Housing and Urban Development (HUD). The resident cannot be charged more than 30 percent of the income limit for gross rent. The gross rent is then reduced by a utility allowance that includes utilities paid directly by the tenant to the utility provider. The estimated utility allowance is calculated based on average utility consumption multiplied by local utility rates and must be subtracted from the maximum allowable rent in order to determine the rent charged to the tenant. GCSLC is slated as 40% affordable senior living apartments with rents to be set using the 60% AMGI guidelines. At 60% AMI, rents are permitted to be set for a one bedroom at $1,155 and $1,386 for a two bedroom effective March 19, 2009 noted in Appendix IV. Parking fees are set at $50 a space per month. Sperling assumed a modest 2% annual increase in rental revenue year over year. Please note that the pricing on one and two bedroom units are lower than the fair market rent used in the Market Approach.

***TAX CREDIT APPROACH PROPOSED RENTS*:**
<u>60% AMI Units (180)</u>

$1,155 - 1 bedroom/ 1 bath
$1,386 - 2 bedroom/2 bath

**Rent limits –per bedroom assume 1 person–for a studio and 1.5 persons per bedroom, thereafter. All calculated income and rent figures are rounded down.*

MARKET RATE APPROACH: Fair Market Rents Prince Georges County, Maryland (Effective 10/1/2009)
$1,318 - 1 bedroom/1 bathroom
$1,494 - 2 bedroom/2 bath

**Figures –provided by Danter Group, Fair–Market Rent database at www.danter.com/fmr accessed November 22, 2009.*

The following table is presents the revenue assumptions used for the financial analysis:

Tax Credit Approach Revenue Assumptions

Unit Type		**1BD/ 1BA**	**2BD/ 2BA Balcony**		
Unit Size (SF)		700	851		
	% of Unit Mix	64%	36%	Parking	Parking
	# Units/ Floor			Floor	Spaces
Level 1	44	26	18	G1	50
Level 2	52	34	18	G2	50
Level 3	52	34	18	G3	50
Level 4	52	34	18	G4	50
	200	**128**	**72**		**200**
Affordability Breakdown				Parking/ Unit	1.00
Market	120	77	43		
LIHTC	80	51	29		
	200	128	72		
	% Affordable				
Market Rent/ Unit Type	60%	1,325	1,494		50
LIHTC Max Rent/ BDR @ 60% AMI	40%	1,115	1,386		50
Market Mo. Rent/ Unit	166,301	101,760	64,541		
LIHTC Mo. Rent/ Unit	97,005	57,088	39,917		
Monthly Total	**$ 263,306**	**$ 158,848**	**$ 104,458**		**$ 10,000**
Avg. Mo Rent/Unit	**$ 1,317**				
Monthly Total (inc PKG)	**$ 273,306**				
Annual Total	**$ 2,754,922**	**$ 1,381,680**	**$ 974,074**		**$120,000**

Operating Expenses

	Hourly Wage	Hours/ Week	Monthly Total	Monthly Per Unit	Annual Total	Annual Per Unit
ADMINISTRATIVE COSTS						
General and Administrative			8,333	42	100,000	400
Marketing			4,167	21	50,000	225
Salaries:						
Executive Director	30	40	5,200	26	62,400	312
Concierge/ Front Desk/ Activities	14.5	168	10,556	53	126,672	633
Assistant Manager	12	40	2,080	10	24,960	125
Maintenance Director	19	40	3,293	16	39,520	198
Porter/Housekeeper	9	40	1,560	8	18,720	94
Subtotal Salaries	85	328	22,689	113	272,272	1,361
Bonuses (Executive Director only)	10%		520	3	6,240	31
Leasing Commissions	1%				31,597	
Benefits	20%		4,538	23	54,454	272
Subtotal ADMINISTRATIVE			**40,247**	**201**	**514,563**	**2,290**
OPERATING COSTS						
Utilities			7,083	35	85,000	425
Repair and Maintenance			8,333	42	100,000	500
Landscaping			1,667	8	20,000	100
Refuse Collection			2,417	12	29,000	145
Pest Control			1,667	8	20,000	100
Pool Contract			-	-	-	-
Security			4,167	21	50,000	250
Subtotal OPERATING			**25,333**	**127**	**304,000**	**1,520**
FIXED COSTS						
Real Estate Taxes:						
Rate	0.1120					
Land	1,862,200		174	1	2,086	10
Building	28,893,590		2,697	13	32,361	162
Subtotal RE Tax Assessment			2,871	14	34,446	172

Insurance	3,500	18	42,000	210
Subtotal FIXED	**6,371**	**32**	**76,446**	**382**
TOTAL OPERATING EXPENSES	**71,951**	**360**	**895,010**	**4,192**

Personnel

Management salaries billed through the property account for a substantial portion of the operating expenses. A concierge is present 24hrs a day 7 days a week. Sperling assumes that there are five people that will need to be on-site for a regular forty hour week, including a concierge/ front desk which is present at all times. Hourly wages and hours required for the on-site staff were verified to be industry standard for a property of this size and type by Regional Manager, Tom Chapman, of Cap City Management.

Leasing Commissions

Industry standard for leasing commissions is approximately $100 to $120 per rental unit. However, Sperling assumed a conservative $150 leasing commissions, or 1% of rental income assuming an 8% absorption rate. Documentation and qualification of applicants is more cumbersome to meet LIHTC standards and the pool of approved applicants may be slimmer due to income restraints so additional incentive to the leasing agent, in this case, assistance manager may become necessary.

Bonuses

A ten percent (10%) bonus was awarded to the Executive Director only on an annual basis. The assistant manager also serves as a leasing agent, and is incentivized by monthly rental income.

Utilities

The building will be separately metered. The LIHTC provides for a utility allowance for the tenants. Sperling does not anticipate that this should serve as a deterrent for prospective tenants. Separately metering the building will limit the owners risk associated with elevating utility costs. The owner will however, be responsible for common area utility expenses. Green design will minimize these expenses through efficient design.

Refuse Collection

Sperling based the assumption of an annual expense of $2,175 for refuse collection on contracts servicing buildings in the area of similar size, number of dumpsters, truck required to service dumpsters, and number of pick-up days.

Landscaping

Although the initial landscaping is included in the original scope as site work, seasonal maintenance will be required. Sperling reached out to a few local landscaping companies, (Maryland Landscape, Bowman Landscaping, Brickman) to obtain an estimate for annual service. Although the contract will most likely range from the beginning of March through the end of October, the total annual costs would be spread out monthly.

Insurance

Insurance is considered property insurance, casualty insurance, and liability insurance.

Taxes

Real estate taxes are broken down by land and building assessments. Sperling used the 2009-2010 tax rate for Assessor Code 5, currently assigned to the Property. The Land Costs were based on the current 2009 assessment and building value upon completion.

The schedule of operating expenses above assumes the project is stabilized and non-inclusive of the management fee.

15-Year GCSLC Pro Forma

SENIOR HOUSING
Greenbelt Crossing Senior Living Community

Greenbelt MD 20770	TOTAL	Year 1	2	3	4	5
DEVELOPMENT COSTS						
Acquisition Costs						
Building Acquisition	$1,200,000	$1,200,000	-	-	-	-
Buyer Broker Fee	-	-	-	-	-	-
Acquisition Fee	$60,000	$60,000	-	-	-	-
Title Insurance	-	-	-	-	-	-
Due Diligence:						
Legal Acquisition	-	-	-	-	-	-
Franchise Fee	-	-	-	-	-	-
Environmental Phase I	$3,500	$3,500	-	-	-	-
Environmental Phase II	-	-	-	-	-	-
Survey	$5,000	$5,000	-	-	-	-
Title Insurance	$5,000	$5,000	-	-	-	-
Soil Boring / Geotech	-	-	-	-	-	-
As-built Survey	-	-	-	-	-	-
Consultant -Façade and Roofing	-	-	-	-	-	-
Property Inspection Report	-	-	-	-	-	-
Structural	-	-	-	-	-	-
Civil	-	-	-	-	-	-
Lender Comfort Letter - Franchise	$1,500	$1,500	-	-	-	-
Zoning	$5,000	$5,000	-	-	-	-
Expediter	$10,000	$10,000	-	-	-	-
Hard Costs						
Construction Costs	$21,337,611	$8,297,960	$13,039,651	-	-	-
Contingency	$1,066,881	$414,898	$651,983	-	-	-
FFE	-	-	-	-	-	-
Total Hard Costs & FFE		-	-	-	-	-
Soft Costs						
Financing/Formation Costs:						
Legal Fees	$30,000	$30,000	-	-	-	-
Mortgage Recording Tax	-	-	-	-	-	-
Debt Broker	$100,000	$100,000	-	-	-	-
Equity Broker	-	-	-	-	-	-
Construction Lender Origination Fee	$75,000	$75,000	-	-	-	-
Construction Lender Expenses	$25,000	$25,000	-	-	-	-
Construction Loan Interest	-	-	-	-	-	-
Construction Lender Exit Fee	-	-	-	-	-	-
Lender Construction Fees	$13,300	$13,300	-	-	-	-
DHCD Fees	-					
Application	$1,000	$1,000	-	-	-	-
Reservation Fee	$4,000	$4,000	-	-	-	-
Non-refundable Allocation Fee (% of annual total credits)	$35,000	-	$35,000	-	-	-
Commitment Fee (% of loan amount)	$238,028	$238,028	-	-	-	-
Appraisal	$7,500	$7,500	-	-	-	-
Subtotal	-	-	-	-	-	-
Construction:						
Construction Consultant	$200,000	$77,778	$122,222	-	-	-
Permits	$50,000	$50,000	-	-	-	-
Civil	$15,000	$15,000	-	-	-	-
Misc.	$50,000	$19,444	$30,556	-	-	-
Structural	$10,000	$3,889	$6,111	-	-	-
Expediter	$25,000	$9,722	$15,278	-	-	-
Architectural, Engineering, MEP	$135,000	$70,435	$64,565	-	-	-
Signage	$80,000	$31,111	$48,889	-	-	-
Controlled Inspections	$50,000	$19,444	$30,556	-	-	-
Subtotal	-	-	-	-	-	-
Other Costs:						
Utilities (Temp Water, Temp Electricity)	$64,659	$33,735	$30,924	-	-	-
Real Estate Taxes	$51,670	$26,958	$24,712	-	-	-
Insurance	$42,000	$21,913	$20,087	-	-	-

SENIOR HOUSING
Greenbelt Crossing Senior Living Community
Greenbelt MD 20770

	TOTAL		Year 1	2	3	4	5
DEVELOPMENT COSTS							
Subtotal	-		-	-	-	-	-
Total Soft Costs			-	-	-	-	-
Development Fee	$2,569,665		-	-	-	-	-
Subtotal Development Costs			$11,076,117	$14,120,533	-	-	-
Development Budget Summary							
Acquisition Costs	$1,290,000		$1,290,000	-	-	-	-
Hard Costs	$22,404,492		$8,712,858	$13,691,634	-	-	-
Soft Costs	$4,071,823		$1,073,259	$428,899	-	-	-
Construction Lender Interest	$571,000		$5,915	$532,430	$32,655	-	-
Total Development Costs	$28,337,314		$11,082,031	$14,652,963	$32,655	-	-
Add: Start-up Operations Shortfall			-	-	-	-	-
Less: Cash Flow to Cover Construction Loan Debt Service/Exit Fee			-	-	-	-	-
Net Development Costs			$11,076,117	$14,120,533	-	-	-
Revenues From Operations, Refinance and Sales							
Occupancy			-	35%	96%	96%	96%
No. of Units			-	70	192	192	192
Blended Monthly Rent/Unit			$1,317	1,317	1,317	1,343	1,370
Revenues							
Rental Revenue	$43,705,961		-	$92,157	$2,498,770	$3,093,946	$3,155,825
			-	-	-	-	-
Parking Revenue	$1,966,768	4.50%	-	$4,147	$112,445	$139,228	$142,012
Misc	-	0%	-	-	-	-	-
Other Income	-	0%	-	-	-	-	-
Total Revenues	$45,672,729		-	$96,304	$2,611,215	$3,233,174	$3,297,837
Operating Expenses			-	-	-	-	-
Expenses							
Administrative Costs	$7,975,611		-	$42,880	$514,563	$530,000	$545,900
Leasing Commissions	$437,060	1.00%	-	$922	$24,988	$30,939	$31,558
Utilities	$1,317,481		-	$7,083	$85,000	$87,550	$90,177
Repair and Maintenance	$1,549,977		-	$8,333	$100,000	$103,000	$106,090
Landscaping	$309,995		-	$1,667	$20,000	$20,600	$21,218
Refuse Collection	$449,493		-	$2,417	$29,000	$29,870	$30,766
Pest Control	$309,995		-	$1,667	$20,000	$20,600	$21,218
Pool Contract	-		-	-	-	-	-
Security	$774,989		-	$4,167	$50,000	$51,500	$53,045
Real Estate Taxes	$533,913		-	$2,871	$34,446	$35,480	$36,544
Insurance	$650,991		-	$3,500	$42,000	$43,260	$44,558
Total Expenses	$14,309,506		-	$75,506	$919,997	$952,799	$981,074
Reserve for Replacement	$1,370,182	3.00%	-	$2,889	$78,336	$96,995	$98,935
Management Fee	$1,838,843	4.00%	-	$8,000	$112,235	$129,327	$131,913
Net Operating Income	$28,154,198		-	$9,909	$1,500,646	$2,054,052	$2,085,915
Net Cash Flow Before Debt Service	$28,154,198		-	$9,909	$1,500,646	$2,054,052	$2,085,915
Debt Service (Construction Debt Service Funded from Development Loan Interest Reserve)	$9,978,144		-	-	-	$1,663,024	$1,663,024
Net Cash Flow After Debt Service	$8,197,910		-	$9,909	$1,500,646	$391,028	$422,891
Refinance							
Take out Inflow	$23,114,872		-	-	$23,114,872	-	-
Cost to Refinance	$462,297		-	-	$462,297	-	-
Construction Loan Take Out	$15,326,586		-	-	$15,326,586	-	-
Net Cash Flow From Refinance	$7,325,989		-	-	$7,325,989	-	-
Sale			-	-	-	-	-
Disposition	-		-	-	-	-	-
Cost of Sale	-		-	-	-	-	-

SENIOR HOUSING
Greenbelt Crossing Senior Living Community
Greenbelt MD 20770

		TOTAL	Year 1	2	3	4	5
DEVELOPMENT COSTS							
Debt Repayment		-	-	-	-	-	-
Net Cash Flow From Operations and Sale		**$25,019,901**	-	**$9,909**	**$1,500,646**	**$391,028**	**$422,891**
Add: Start-Up Operations Shortfall		-	-	-	-	-	-
Net Cash Flow Available to Construction Debt & Equity		**$32,345,890**	-	**$9,909**	**$8,826,635**	**$391,028**	**$422,891**
Funding Requirements							
Net Cash Flow		($13,528,804)	($11,076,117)	($14,110,624)	$8,826,635	$391,028	$422,891
Required Drawdown		$25,196,650	$11,076,117	$14,120,533	-	-	-
LTV	65.0%	-	-	-	-	-	-
Equity Contribution	$9,893,210	-	-	-	-	-	-
Equity Drawdown		$36,864,495	$9,893,210	-	-	-	-
Construction Loan Drawdown before Interest Reserve		$15,303,440	$1,182,907	$14,120,533	-	-	-
Cash Flow Available to Debt & Equity		**$29,776,225**	-	**$9,909**	**$8,826,635**	**$391,028**	**$422,891**

SENIOR HOUSING
Greenbelt Crossing Senior Living Community
Greenbelt MD 20770

	TOTAL	6	7	8	9	10	11
DEVELOPMENT COSTS							
Acquisition Costs							
Building Acquisition	$1,200,000	-	-	-	-	-	-
Buyer Broker Fee	-	-	-	-	-	-	-
Acquisition Fee	$60,000	-	-	-	-	-	-
Title Insurance	-	-	-	-	-	-	-
Due Diligence:							
Legal Acquisition	-	-	-	-	-	-	-
Franchise Fee	-	-	-	-	-	-	-
Environmental Phase I	$3,500	-	-	-	-	-	-
Environmental Phase II	-	-	-	-	-	-	-
Survey	$5,000	-	-	-	-	-	-
Title Insurance	$5,000	-	-	-	-	-	-
Soil Boring / Geotech	-	-	-	-	-	-	-
As-built Survey	-	-	-	-	-	-	-
Consultant -Façade and Roofing	-	-	-	-	-	-	-
Property Inspection Report	-	-	-	-	-	-	-
Structural	-	-	-	-	-	-	-
Civil	-	-	-	-	-	-	-
Lender Comfort Letter - Franchise	$1,500	-	-	-	-	-	-
Zoning	$5,000	-	-	-	-	-	-
Expediter	$10,000	-	-	-	-	-	-
Hard Costs							
Construction Costs	$21,337,611	-	-	-	-	-	-
Contingency	$1,066,881	-	-	-	-	-	-
FFE	-	-	-	-	-	-	-
Total Hard Costs & FFE		-	-	-	-	-	-
Soft Costs							
Financing/Formation Costs:							
Legal Fees	$30,000	-	-	-	-	-	-
Mortgage Recording Tax	-	-	-	-	-	-	-
Debt Broker	$100,000	-	-	-	-	-	-
Equity Broker	-	-	-	-	-	-	-
Construction Lender Origination Fee	$75,000	-	-	-	-	-	-
Construction Lender Expenses	$25,000	-	-	-	-	-	-
Construction Loan Interest	-	-	-	-	-	-	-
Construction Lender Exit Fee	-	-	-	-	-	-	-
Lender Construction Fees	$13,300	-	-	-	-	-	-
DHCD Fees	-						
Application	$1,000	-	-	-	-	-	-
Reservation Fee	$4,000	-	-	-	-	-	-
Non-refundable Allocation Fee (% of annual total credits)	$35,000	-	-	-	-	-	-
Commitment Fee (% of loan amount)	$238,028	-	-	-	-	-	-
Appraisal	$7,500	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-
Construction:							
Construction Consultant	$200,000	-	-	-	-	-	-
Permits	$50,000	-	-	-	-	-	-
Civil	$15,000	-	-	-	-	-	-
Misc.	$50,000	-	-	-	-	-	-
Structural	$10,000	-	-	-	-	-	-
Expediter	$25,000	-	-	-	-	-	-
Architectural, Engineering, MEP	$135,000	-	-	-	-	-	-
Signage	$80,000	-	-	-	-	-	-
Controlled Inspections	$50,000	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-
Other Costs:							
Utilities (Temp Water, Temp Electricity)	$64,659	-	-	-	-	-	-
Real Estate Taxes	$51,670	-	-	-	-	-	-
Insurance	$42,000	-	-	-	-	-	-

SENIOR HOUSING
Greenbelt Crossing Senior Living Community
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	TOTAL	6	7	8	9	10	11
DEVELOPMENT COSTS							
Subtotal	-	-	-	-	-	-	-
Total Soft Costs		-	-	-	-	-	-
Development Fee	$2,569,665	-	-	-	-	-	-
Subtotal Development Costs		-	-	-	-	-	-
Development Budget Summary							
Acquisition Costs	$1,290,000	-	-	-	-	-	-
Hard Costs	$22,404,492	-	-	-	-	-	-
Soft Costs	$4,071,823	-	-	-	-	-	-
Construction Lender Interest	$571,000	-	-	-	-	-	-
Total Development Costs	**$28,337,314**	-	-	-	-	-	-
Add: Start-up Operations Shortfall		-	-	-	-	-	-
Less: Cash Flow to Cover Construction Loan Debt Service/Exit Fee		-	-	-	-	-	-
Net Development Costs		-	-	-	-	-	-
Revenues From Operations, Refinance and Sales							
Occupancy		96%	96%	96%	96%	96%	96%
No. of Units		192	192	192	192	192	192
Blended Monthly Rent/Unit		1,397	1,425	1,454	1,483	1,512	$1,488
Revenues							
Rental Revenue	$43,705,961	$3,218,942	$3,283,320	$3,348,987	$3,415,967	$3,421,660	$3,427,353
		-	-	-	-	-	-
Parking Revenue	$1,966,768	$144,852	$147,749	$150,704	$153,718	$153,975	$154,231
Misc	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-
Total Revenues	**$45,672,729**	**$3,363,794**	**$3,431,070**	**$3,499,691**	**$3,569,685**	**$3,575,634**	**$3,581,584**
Operating Expenses		-	-	-	-	-	-
Expenses							
Administrative Costs	$7,975,611	$562,277	$579,145	$596,520	$614,415	$615,951	$617,487
Leasing Commissions	$437,060	$32,189	$32,833	$33,490	$34,160	$34,217	$34,274
Utilities	$1,317,481	$92,882	$95,668	$98,538	$101,494	$101,748	$102,002
Repair and Maintenance	$1,549,977	$109,273	$112,551	$115,927	$119,405	$119,704	$120,002
Landscaping	$309,995	$21,855	$22,510	$23,185	$23,881	$23,941	$24,000
Refuse Collection	$449,493	$31,689	$32,640	$33,619	$34,628	$34,714	$34,801
Pest Control	$309,995	$21,855	$22,510	$23,185	$23,881	$23,941	$24,000
Pool Contract	-	-	-	-	-	-	-
Security	$774,989	$54,636	$56,275	$57,964	$59,703	$59,852	$60,001
Real Estate Taxes	$533,913	$37,641	$38,770	$39,933	$41,131	$41,234	$41,337
Insurance	$650,991	$45,895	$47,271	$48,690	$50,150	$50,276	$50,401
Total Expenses	**$14,309,506**	**$1,010,191**	**$1,040,174**	**$1,071,051**	**$1,102,848**	**$1,105,577**	**$1,108,305**
Reserve for Replacement	$1,370,182	$100,914	$102,932	$104,991	$107,091	$107,269	$107,448
Management Fee	$1,838,843	$134,552	$137,243	$139,988	$142,787	$143,025	$143,263
Net Operating Income	$28,154,198	$2,118,138	$2,150,721	$2,183,662	$2,216,959	$2,219,764	$2,222,568
Net Cash Flow Before Debt Service	**$28,154,198**	**$2,118,138**	**$2,150,721**	**$2,183,662**	**$2,216,959**	**$2,219,764**	**$2,222,568**
Debt Service (Construction Debt Service Funded from Development Loan Interest Reserve)	$9,978,144	$1,663,024	$1,663,024	$1,663,024	$1,663,024	$1,663,024	$1,663,024
Net Cash Flow After Debt Service	$8,197,910	$455,114	$487,697	$520,638	$553,935	$556,739	$559,544
Refinance							
Take out Inflow	$23,114,872	-	-	-	-	-	-
Cost to Refinance	$462,297	-	-	-	-	-	-
Construction Loan Take Out	$15,326,586	-	-	-	-	-	-
Net Cash Flow From Refinance	**$7,325,989**	-	-	-	-	-	-
Sale		-	-	-	-	-	-
Disposition	-	-	-	-	-	-	-
Cost of Sale	-	-	-	-	-	-	-

SENIOR HOUSING
Greenbelt Crossing Senior Living Community
Greenbelt MD 20770

		TOTAL	6	7	8	9	10	11
DEVELOPMENT COSTS								
Debt Repayment		-	-	-	-	-	-	-
Net Cash Flow From Operations and Sale		**$25,019,901**	**$455,114**	**$487,697**	**$520,638**	**$553,935**	**$556,739**	**$559,544**
Add: Start-Up Operations Shortfall		-	-	-	-	-	-	-
Net Cash Flow Available to Construction Debt & Equity		**$32,345,890**	**$455,114**	**$487,697**	**$520,638**	**$553,935**	**$556,739**	**$559,544**
Funding Requirements								
Net Cash Flow		($13,528,804)	$455,114	$487,697	$520,638	$553,935	$556,739	$559,544
Required Drawdown		$25,196,650	-	-	-	-	-	-
LTV	65.0%	-	-	-	-	-	-	-
Equity Contribution	$9,893,210	-	-	-	-	-	-	-
Equity Drawdown		$36,864,495	-	-	-	-	-	-
Construction Loan Drawdown before Interest Reserve		$15,303,440	-	-	-	-	-	-
Cash Flow Available to Debt & Equity		**$29,776,225**	**$455,114**	**$487,697**	**$520,638**	**$553,935**	**$556,739**	**$559,544**

SENIOR HOUSING
Greenbelt Crossing Senior Living Community
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DEVELOPMENT COSTS	TOTAL	12	13	14	15
Acquisition Costs					
Building Acquisition	$1,200,000	-	-	-	-
Buyer Broker Fee	-	-	-	-	-
Acquisition Fee	$60,000	-	-	-	-
Title Insurance	-	-	-	-	-
Due Diligence:					
Legal Acquisition	-	-	-	-	-
Franchise Fee	-	-	-	-	-
Environmental Phase I	$3,500	-	-	-	-
Environmental Phase II	-	-	-	-	-
Survey	$5,000	-	-	-	-
Title Insurance	$5,000	-	-	-	-
Soil Boring / Geotech	-	-	-	-	-
As-built Survey	-	-	-	-	-
Consultant -Façade and Roofing	-	-	-	-	-
Property Inspection Report	-	-	-	-	-
Structural	-	-	-	-	-
Civil	-	-	-	-	-
Lender Comfort Letter - Franchise	$1,500	-	-	-	-
Zoning	$5,000	-	-	-	-
Expediter	$10,000	-	-	-	-
Hard Costs					
Construction Costs	$21,337,611	-	-	-	-
Contingency	$1,066,881	-	-	-	-
FFE	-	-	-	-	-
Total Hard Costs & FFE		-	-	-	-
Soft Costs					
Financing/Formation Costs:					
Legal Fees	$30,000	-	-	-	-
Mortgage Recording Tax	-	-	-	-	-
Debt Broker	$100,000	-	-	-	-
Equity Broker	-	-	-	-	-
Construction Lender Origination Fee	$75,000	-	-	-	-
Construction Lender Expenses	$25,000	-	-	-	-
Construction Loan Interest	-	-	-	-	-
Construction Lender Exit Fee	-	-	-	-	-
Lender Construction Fees	$13,300	-	-	-	-
DHCD Fees	-	-	-	-	-
Application	$1,000	-	-	-	-
Reservation Fee	$4,000	-	-	-	-
Non-refundable Allocation Fee (% of annual total credits)	$35,000	-	-	-	-
Commitment Fee (% of loan amount)	$238,028	-	-	-	-
Appraisal	$7,500	-	-	-	-
Subtotal	-	-	-	-	-
Construction:					
Construction Consultant	$200,000	-	-	-	-
Permits	$50,000	-	-	-	-
Civil	$15,000	-	-	-	-
Misc.	$50,000	-	-	-	-
Structural	$10,000	-	-	-	-
Expediter	$25,000	-	-	-	-
Architectural, Engineering, MEP	$135,000	-	-	-	-
Signage	$80,000	-	-	-	-
Controlled Inspections	$50,000	-	-	-	-
Subtotal	-	-	-	-	-
Other Costs:					
Utilities (Temp Water, Temp Electricity)	$64,659	-	-	-	-
Real Estate Taxes	$51,670	-	-	-	-
Insurance	$42,000	-	-	-	-

SENIOR HOUSING
Greenbelt Crossing Senior Living Community
Greenbelt MD 20770

	TOTAL	12	13	14	15
DEVELOPMENT COSTS					
Subtotal	-	-	-	-	-
Total Soft Costs		-	-	-	-
Development Fee	$2,569,665	-	-	-	$2,569,665
Subtotal Development Costs		-	-	-	**$2,569,665**
Development Budget Summary					
Acquisition Costs	$1,290,000	-	-	-	-
Hard Costs	$22,404,492	-	-	-	-
Soft Costs	$4,071,823	-	-	-	$2,569,665
Construction Lender Interest	$571,000	-	-	-	-
Total Development Costs	**$28,337,314**	-	-	-	**$2,569,665**
Add: Start-up Operations Shortfall		-	-	-	-
Less: Cash Flow to Cover Construction Loan Debt Service/Exit Fee		-	-	-	-
Net Development Costs		-	-	-	-
Revenues From Operations, Refinance and Sales					
Occupancy		96%	96%	96%	96%
No. of Units		192	192	192	192
Blended Monthly Rent/Unit		$1,490	$1,605	$1,637	$1,670
Revenues					
Rental Revenue	$43,705,961	$3,433,046	$3,697,552	$3,771,503	$3,846,933
		-	-	-	-
Parking Revenue	$1,966,768	$154,487	$166,390	$169,718	$173,112
Misc	-	-	-	-	-
Other Income	-	-	-	-	-
Total Revenues	**$45,672,729**	**$3,587,533**	**$3,863,942**	**$3,941,221**	**$4,020,045**
Operating Expenses		-			
Expenses					
Administrative Costs	$7,975,611	$619,023	$691,530	$712,276	$733,644
Leasing Commissions	$437,060	$34,330	$36,976	$37,715	$38,469
Utilities	$1,317,481	$102,256	$114,233	$117,660	$121,190
Repair and Maintenance	$1,549,977	$120,301	$134,392	$138,423	$142,576
Landscaping	$309,995	$24,060	$26,878	$27,685	$28,515
Refuse Collection	$449,493	$34,887	$38,974	$40,143	$41,347
Pest Control	$309,995	$24,060	$26,878	$27,685	$28,515
Pool Contract	-	-	-	-	-
Security	$774,989	$60,150	$67,196	$69,212	$71,288
Real Estate Taxes	$533,913	$41,439	$46,293	$47,682	$49,112
Insurance	$650,991	$50,526	$56,444	$58,138	$59,882
Total Expenses	**$14,309,506**	**$1,111,034**	**$1,239,794**	**$1,276,618**	**$1,314,539**
Reserve for Replacement	$1,370,182	$107,626	$115,918	$118,237	$120,601
Management Fee	$1,838,843	$143,501	$154,558	$157,649	$160,802
Net Operating Income	$28,154,198	$2,225,372	$2,353,672	$2,388,718	$2,424,103
Net Cash Flow Before Debt Service	**$28,154,198**	**$2,225,372**	**$2,353,672**	**$2,388,718**	**$2,424,103**
Debt Service (Construction Debt Service Funded from Development Loan Interest Reserve)	$9,978,144	$1,663,024	$1,663,024	$1,663,024	$1,663,024
			16.98356018	17.23643879	17.4917712
Net Cash Flow After Debt Service	$8,197,910	$562,348	$690,648	$725,694	$761,079
Refinance					
Take out Inflow	$23,114,872	-	-	-	-
Cost to Refinance	$462,297	-	-	-	-
Construction Loan Take Out	$15,326,586	-	-	-	-
Net Cash Flow From Refinance	**$7,325,989**	-	-	-	-
Sale		-	-	-	-
Disposition	-	-	-	-	$34,630,043
Cost of Sale	-	-	-	-	$1,385,202

SENIOR HOUSING
Greenbelt Crossing Senior Living Community
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		TOTAL	12	13	14	15
DEVELOPMENT COSTS						
Debt Repayment		-	-	-	-	$16,422,849
Net Cash Flow From Operations and Sale		**$25,019,901**	**$562,348**	**$690,648**	**$725,694**	**$17,583,071**
Add: Start-Up Operations Shortfall		-	-	-	-	-
Net Cash Flow Available to Construction Debt & Equity		**$32,345,890**	**$562,348**	**$690,648**	**$725,694**	**$17,583,071**
Funding Requirements						
Net Cash Flow		($13,528,804)	$562,348	$690,648	$725,694	$15,013,406
Required Drawdown		$25,196,650	-	-	-	-
LTV	65.0%	-	-	-	-	-
Equity Contribution	$9,893,210	-	-	-	-	-
Equity Drawdown		$36,864,495	-	-	-	-
Construction Loan Drawdown before Interest Reserve		$15,303,440	-	-	-	-
Cash Flow Available to Debt & Equity		**$29,776,225**	**$562,348**	**$690,648**	**$725,694**	**$15,013,406**

Outline of Proposed Investment Structure

Summary for Sponsor			
Drawdown		25.0%	($2,473,303)
Sponsor Acquisition Fee		100.0%	$60,000
Development Fee		100.0%	$2,569,665
Cash Flow from Tier I			$2,473,303
Cash Flow from Tier II			$4,244,106
Cash Flow from Promote			$4,244,106
Total CF to Sponsor			$13,591,180
Net Cash Flow to Sponsor			**$11,117,878**
	IRR	18.0%	
Summary for Partner			
Drawdown			($7,419,908)
Partner Acquisition Fee		0.0%	-
Development Fee		0.0%	-
Cash Flow from Tier I			$7,419,908
Cash Flow from Tier II			$12,732,319
Total CF to Partner LP			$20,152,227
Net Cash Flow to Partner LP			**$12,732,319**
	IRR	12.5%	

		TOTAL	YEAR 1	2	3	4	5
Cash Flow Available to Equity		$12,114,330	-	-	$7,417,902	$391,028	$422,891
Summary for Sponsor							
Drawdown	25.0%	($2,473,303)	($2,473,303)	-	-	-	-
Sponsor Acquisition Fee	100.0%	$60,000	$60,000	-	-	-	-
Development Fee	100.0%	$2,569,665	-	-	-	-	-
`		$2,473,303	-	-	$1,854,475	$97,757	$105,723
Cash Flow from Tier II		$4,244,106	-	-	-	-	-
Cash Flow from Promote		$4,244,106	-	-	-	-	-
Total CF to Sponsor		$13,591,180	$60,000	-	$1,854,475	$97,757	$105,723
Net Cash Flow to Sponsor		**$11,117,878**	($2,413,303)	-	$1,854,475	$97,757	$105,723
IRR	18.0%						
Summary for Partner							
Drawdown		($7,419,908)	($7,419,908)	-	-	-	-
Partner Acquisition Fee	0.0%	-	-	-	-	-	-
Development Fee	0.0%	-	-	-	-	-	-
Cash Flow from Tier I		$7,419,908	-	-	$5,563,426	$293,271	$317,168
Cash Flow from Tier II		$12,732,319	-	-	-	-	-
Total CF to Partner LP		$20,152,227	-	-	$5,563,426	$293,271	$317,168
Net Cash Flow to Partner LP		**$12,732,319**	($7,419,908)	-	$5,563,426	$293,271	$317,168
IRR	12.5%						

		TOTAL	6	7	8	9	10	11
Cash Flow Available to Equity		$12,114,330	$455,114	$487,697	$520,638	$553,935	$587,587	$621,592
Summary for Sponsor								
Drawdown	25.0%	($2,473,303)	-	-	-	-	-	-
Sponsor Acquisition Fee	100.0%	$60,000	-	-	-	-	-	-
Development Fee	100.0%	$2,569,665	-	-	-	-	-	-
`		$2,473,303	$113,778	$121,924	$130,159	$49,485	-	-
Cash Flow from Tier II		$4,244,106	-	-	-	$71,199	$117,517	$124,318
Cash Flow from Promote		$4,244,106	-	-	-	$71,199	$117,517	$124,318
Total CF to Sponsor		$13,591,180	$113,778	$121,924	$130,159	$191,883	$235,035	$248,637
Net Cash Flow to Sponsor		**$11,117,878**	$113,778	$121,924	$130,159	$191,883	$235,035	$248,637
IRR	18.0%							
Summary for Partner								
Drawdown		($7,419,908)	-	-	-	-	-	-
Partner Acquisition Fee	0.0%	-	-	-	-	-	-	-
Development Fee	0.0%	-	-	-	-	-	-	-
Cash Flow from Tier I		$7,419,908	$341,335	$365,772	$390,478	$148,456	-	-
Cash Flow from Tier II		$12,732,319	-	-	-	$213,596	$352,552	$372,955
Total CF to Partner LP		$20,152,227	$341,335	$365,772	$390,478	$362,052	$352,552	$372,955
Net Cash Flow to Partner LP		**$12,732,319**	$341,335	$365,772	$390,478	$362,052	$352,552	$372,955
IRR	12.5%							

		TOTAL	12	13	14	15
Cash Flow Available to Equity		$12,114,330	$655,947	$690,648	$725,694	$634,232
Summary for Sponsor						
Drawdown	25.0%	($2,473,303)	-	-	-	-
Sponsor Acquisition Fee	100.0%	$60,000	-	-	-	-
Development Fee	100.0%	$2,569,665	-	-	-	$2,569,665
`		$2,473,303	-	-	-	-
Cash Flow from Tier II		$4,244,106	$131,189	$138,130	$145,139	$3,516,614
Cash Flow from Promote		$4,244,106	$131,189	$138,130	$145,139	$3,516,614
Total CF to Sponsor		$13,591,180	$262,379	$276,259	$290,277	$9,602,893
Net Cash Flow to Sponsor		**$11,117,878**	$262,379	$276,259	$290,277	$9,602,893
IRR	18.0%					
Summary for Partner						
Drawdown		($7,419,908)	-	-	-	-
Partner Acquisition Fee	0.0%	-	-	-	-	-
Development Fee	0.0%	-	-	-	-	-
Cash Flow from Tier I		$7,419,908	-	-	-	-
Cash Flow from Tier II		$12,732,319	$393,568	$414,389	$435,416	$10,549,842
Total CF to Partner LP		$20,152,227	$393,568	$414,389	$435,416	$10,549,842
Net Cash Flow to Partner LP		**$12,732,319**	$393,568	$414,389	$435,416	$10,549,842
IRR	12.5%					

SECTION IX: PROJECT MANAGEMENT PLAN

The Team.

OWNER: Armory LLC

Armory is a real estate company engaged in the acquisition, rehab and management of various income producing properties in the Washington, DC metropolitan area. The Armory teams up with various types of investors that seek to invest in development opportunities in the Washington/Baltimore Corridor. Armory's acquisition team has numerous years of experience in real estate investing, tax credit syndication, rehabbing and managing properties.

MANAGER: Kimberly Management Company

Kimberly Management will be the management agent for the GCSLC upon completion. The Manager is an experienced residential property management company doing business in 6 states and with over 50 properties under management in Washington, D.C., Maryland and Virginia. The sites under management consist of mid-rise, high-rise, and garden style communities with as few as 30 units and as many as 1200 units.

DEVELOPER/ SPONSOR: KDS Development

KDS Development has developed projects in Maryland and Washington, D.C. for its own portfolio and for others, including Armory. KDS was organized in Maryland in 1982, and has developed, primarily multi-family residential projects since then.

CONSTRUCTION: K Construction

K Construction was founded as a general contracting firm and has an outstanding team of project executives, project managers, and field supervisory staff ready and committed to delivering a new or renovated building on time, within budget and in accordance with the Owner's requirements. Many of our staff has decades of construction experience and several have spent their entire careers with K Construction. K Construction is experienced in applying the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED™) rating system to its work.

K Construction's success as a general contractor has been aided through strong relationships with the local subcontracting community.

ARCHITECT/ DESIGNER: Dyan Design

Dyan Design is a full-service architectural design firm in Washington, DC. founded in 1990 comprising of a staff of 80 architects that provide integrated, expressive design solutions, technically proficient documentation, and closely managed project and construction administration.

OTHER CONSULTANTS: Appraiser, Market Analyst, Permit Expeditor, Legal/LIHTC consultant

Appraiser. DHCD provides a list of Community Development Administration (CDA) approved appraisers.

Market Analyst. DHCD provides a list of CDA approved market analysts. The market analysis is a key component of the project evaluation criteria score used as part of the LIHTC application review. The market analysis is worth up to 40 points of the minimum 180 points required to be eligible for funding. The development team has enjoyed working with S. Patz & Associates, Inc. in the past a market analyst and appraisal firm.

Permit Expeditor**.** A permit expeditor will be essential to the ensuring as tight of a timeline as possible especially through the predevelopment phase.

Legal/ LIHTC Consultant**.** While Armory and KDS Development have years of experience developing and syndicating tax credit deals, legal counsel will be essential especially during the LIHTC application phase as well as contract, feasibility period, and acquisition phase.

Reporting Structure

The Owner will relinquish a lot of control to the Developer/ Sponsor when it comes to the physical development of the property. However, the Owner will be intimately involved in the management of the property as their skin in the game is ensuring that they receive their tax credit every year for ten years. LIHTC Compliance requirements will weigh heavily on the Manager who will report not only to the Owner, but also the Developer/ Sponsor especially during lease-up so costs can be managed accordingly. The General Contractor and Architect/ Designer will report directly to the Developer for day to day issues. At the early stages of development, weekly meetings involving several members of the team will help to mitigate miscommunication amongst the members.

SECTION X: CONCLUSIONS AND RECOMMENDATIONS

Sperling's study evaluates the market potential for developing affordable senior apartments in Greenbelt, Maryland. Under the Market Rate Approach, the investment does not present an attractive yield or acceptable return on investment. Sperling's study focused primarily on the proposal to develop GCSLC , a 200 unit senior living community , using the Tax Credit Approach, which maximizes density permitted on the site. Of the 200 units, 40% will operate under the LIHTC program and be available to households with incomes at or below 60% AMGI. Under the Tax Credit Approach, the leveraged IRR analysis yields a moderately attractive 18.0 percent return on investment. This deal would cater more to a larger outfit with a lot of cash, seeking to reduce their tax liability and to a developer looking to cash in on fee business during a slower market. An experienced team is essential to the success of the project as the LIHTC Program creates additional requirements that may become burdensome or fatal if not managed properly. The proposed development team appears to satisfy this criteria.

The plans expressed for GCSLC appear to be appropriate given the current and expected future uses of the neighborhood. Sperling accepts the GCSLC to fit into the neighborhood with no adverse effects on absorption.

Sperling conclusions for the market potential of GCSLC are based on a thorough analysis of the immediate market area of Prince George's County as well as Greenbelt City.

Overall, the Property enjoys excellent access, proximity to the demand generators in the area, and visibility. Relatively attractive projected returns on investment make this project viable with the market for tax credit investors steady. We are of the opinion that the GCSLC has a good long-term strategic potential as a senior living community, specifically for a larger outfit that has a need to reduce their tax liability or a developer/manager looking to cash in on the fee business during a slower market.

APPENDIX I: LIHTC Application Form Instructions

CDA FORM 202 -- APPLICATION FORM INSTRUCTIONS

This section provides information for completing the application form (CDA Form 202). The specific information that is to be entered into the individual fields on the application form is described in detail below.

GENERAL INFORMATION

Stage of Processing. Indicate for which stage of processing the application is being submitted. A revised Multifamily Rental Financing Application – CDA Form 202 – must be submitted at each stage of processing which reflects all changes in the project, including current development and operating budgets and pro forma, since the previous submission. None of the attachments and exhibits submitted with the previous application need to be submitted again, if they were approved and in final form, unless they reflect a change in the project. The application for each processing stage, however, must include all applicable exhibits and attachments described in the applicable submission package.

Funding Applied For. Show how much financing for which you are applying. Multifamily bonds require credit enhancement. If you are applying for a source of financing from the Department not listed, show the source and amount. For Low Income Housing Tax Credits, insert the annual credit allocation for which you are applying.

Project Name and Location. Show the name of the project and address. If you do not have a specific street address, provide the lot, parcel and tax map numbers for the project's site. Other information required includes the project's census tract, congressional district and legislative district. Optional: If available, provide GPS coordinates.

Applicant Information. Show the name, mailing address, contact person and title, telephone number, facsimile number and e-mail address of the entity that is applying for financing.

Ownership Entity Information. Show the name, taxpayer's identification number and type of entity that will ultimately be the borrower or recipient of the tax credits and own the project. If the ownership entity has not yet been formed, please indicate. All ownership entities must be formed with taxpayer identification numbers shortly after reservation letters are received. For corporations and controlling general partners, provide the name, taxpayer identification number, percentage of ownership interest for each individual or entity and whether the entity is a nonprofit corporation.

Amenities. Indicate the amenities planned for the development.

Type of Project. Indicate the type of development being undertaken by marking all appropriate boxes.

Existing Building Information. For the rehabilitation of existing buildings indicate the current percentage of units occupied; whether the rehabilitation will include compliance with historic standards; whether tenants will be permanently or temporarily relocated during the rehabilitation; and the year the building was originally constructed.

Number of Residential Buildings. Show the total number of each type of building included in the project's design.

Total Land Area. Show the total acreage of the project site(s).

Total Building Area. Show the gross square footage of all buildings in the project.

Type of Occupancy. Indicate the number of units that will be occupied by individuals or families, the elderly, for commercial uses or for special needs or alternative housing options.

Housing for Individuals with Disabilities and Families. Show the number of units that will serve individuals with disabilities and families.

Occupancy Restrictions of Project. Show the number of units that will be income restricted at each income level. All units in the project should be included. Changes to income restrictions after approval could cause the loss of a funding reservation.

Low-Income Use Restrictions. Indicate if the low-income units in the project will be restricted for occupancy for more than 15 years and the total number of years the restrictions will be maintained.

Anticipated Development Schedule. Show the month and year that each stage of the development has been or is scheduled to be completed. For site control, indicate if the sponsor currently has site control, the date control expires and the expected date the ownership entity will acquire the site. For zoning, indicate the current zoning. If a change or variance of the zoning is necessary, show the date of application, final hearing and final approval. For applications with Low-Income Housing Tax Credits, a sponsor must (a) incur costs in excess of 10% of the reasonably expected basis of the project (the "10% expenditure test") by the later of (i) the date which is six months after the date the Carryover Allocation is issued, or (ii) the end of the year in which the Carryover Allocation is issued, and (b) place the project in service by the end of the second year following the year of the Carryover Allocation. Failure to meet these requirements will result in the loss of the Tax Credits for the project.

Substantial completion is generally the date when 90% of the rehabilitation or construction is complete, all certificates of use and occupancy have been issued, and the architect has issued the certificate of substantial completion. Sustaining occupancy is when the project's income is sufficient to cover operating expenses and debt service for six consecutive months.

DEVELOPMENT TEAM

Development Team Members. For each member of the development team, show the entity's name, mailing address, contact person and title, telephone number, facsimile number and e-mail address.

Development Team History. Answer each question concerning the history or prior performance of the members of the development team. If you answer yes to any of the questions, provide a brief explanation.

Minority- or Women-Owned Business Participation. This voluntary information only needs to be completed if you are requesting consideration as part of a competitive reservation process. Indicate if a minority- or women-owned business is a member of the development team by marking the appropriate box. The business entity must be minority-or women owned and certified either by the State of Maryland Department of Transportation or a local government program.

Nonprofit Participation. This section must be completed if the application involves a nonprofit entity and the applicant is requesting consideration under the selection criteria.

Community-Based Involvement. If the project involves a public housing authority or a nonprofit entity that is community-based and you are requesting consideration under the selection criteria, complete this section.

Federally-Designated Qualified Census Tracts, Difficult Development Areas, Rehabilitation and Community Revitalization Plans. Indicate if the project is located in a Federally-designated Qualified Census Tract (QCT) or Difficult Development Area (DDA). Or, indicate if the project is located in one of the officially designated communities listed. This section only needs to be completed if you are requesting consideration under the selection criteria.

PROJECT INCOME

Residential Rental Income: Low Income Units. For all low income units in the project**,** show: the number of bedrooms and baths per unit; the number of units of this size and type; the unit size in net leaseable square footage; tenant paid utilities; and the contract rent to be paid by the tenant. The monthly income is the contract rent, adjusted for utilities, and multiplied by the number of units of this size and type. Calculate annual income by multiplying the monthly income by 12 months. The total net leaseable square footage for all units is the sum of the unit size multiplied by the number of units for each size and type. To calculate the vacancy allowance, multiply the total annual income for the low income units in the project by an estimated vacancy rate. The vacancy rate is based upon an analysis of similar projects in the market area. Subtract the vacancy allowance from the total annual income to determine the effective gross income of the low income units.

Residential Rental Income: Market Rate Units. For all market rate units in the project, show: the number of bedrooms and baths per unit; the number of units of this size and type; the unit size in net leaseable square footage; and the contract rent paid by the tenant. The monthly income is the contract rent multiplied by the number of units of this size and type. Calculate annual income by multiplying the monthly income by 12 months. The total net leaseable square footage for all units is the sum of the unit size multiplied by the number of units for each size and type. To calculate the vacancy allowance, multiply the total annual income for the market rate units in the project by an estimated vacancy rate. The vacancy rate is based upon an analysis of similar projects in the market area. Subtract the vacancy allowance from the total annual income to determine the effective gross income of the market rate units.

Nonresidential Income. Nonresidential income includes but is not limited to commercial space, parking, laundry facilities and vending machines. For all nonresidential income in the project, show a description of the income type and/or size; the square footage (if applicable) and the income generated. Calculate annual income by multiplying the monthly income by 12 months. The vacancy allowance is calculated by multiplying the total annual nonresidential income by an estimated vacancy rate that is based upon an analysis of similar projects in the market area. Subtract the vacancy allowance from the total annual income to determine the effective gross income for nonresidential units.

Effective Gross Income. This is the sum of the effective gross income for all income producing units in the project (low income, market rate) and nonresidential sources.

Non-Income Producing Units. For all community and common spaces included in the project, show the number of units (if applicable) and the square footage of each type of space. The total square footage for all units is the sum of the unit size multiplied by the number of units for each size and type. Manager's units where the occupant is not being charged rent should be included here.

Tenant Paid Utilities. If tenants will pay monthly utilities, show the type of utilities by marking the appropriate box.

PROJECT EXPENSES

Fill in the annual estimated expenses for each type listed that is applicable to the project. A management fee is calculated by multiplying the Effective Gross Income by an annual percentage rate. Utility expenses include only those items paid by the owner and should not include tenant paid utilities. If the local government is providing a Payment in Lieu of Taxes (PILOT) agreement, show the total estimated value of the PILOT, the number of years it will be provided, and the annual payment amount under the agreement.

Total Operating Expenses. This is the sum of total administrative expenses, total utility expenses, total operating and maintenance expenses, total taxes and insurance and reserve for replacement deposits.

Net Operating Income. Calculate the project's Net Operating Income by subtracting the Total Operating Expenses from the Effective Gross Income for all units.

USES OF FUNDS

Fill in the total estimated amount for each use of funds listed that is applicable to the project. For applications requesting Low-Income Housing Tax Credits, show the total costs included in the project's acquisition basis and construction or rehabilitation basis, and those that are not included in the tax credit basis. If you have any questions concerning the costs to be included in the project's tax credit basis or the Low-Income Housing Tax Credit, please consult your accountant or attorney for more information before submitting an application for funding.

Construction or Rehabilitation Costs. Net construction costs (shown in the Department's Form 212 – Summary Cost Estimate and Form 215 – Detail Cost Estimate) are construction costs that do not include a builder's general requirements, builder's profit, general overhead, bond premium, construction contingency or other fees. Also indicate the builder's general requirements, builder's profit and overhead, as a percentage of net construction costs. Off-site improvements should not be included as a part of the construction cost; include any off-site improvements under acquisition costs. For limits on builder's general requirements, builder's profit and general overhead refer to the Multifamily Rental Financing Program Guide. Bond premiums include the actual premium paid for performance and payment bonds or the actual cost paid to a lending institution for letters of credit to assure construction completion. A construction contingency of 5% to 10% of the total construction contract is required to fund unforeseen construction work items. **The construction contingency may not be included in tax credit basis**.

Fees Related to Construction and Rehabilitation. For the architect's design and supervision fees, show the applicable percentage of the total construction contract. Real Estate Attorney Legal fees directly related to closing the loans are tax credit basis eligible. Legal fees related to the syndication of tax credits must be included under syndication related costs. For limits on the architect's design fee and architect's supervision fee refer to the Multifamily Rental Financing Program Guide.

Financing Fees and Charges. Construction interest is calculated on the funds disbursed during the construction loan period based on a projected monthly draw schedule. Mortgage Insurance Premium is the premium charged for mortgage insurance during the construction loan period only. Title and recording costs are those estimated by the title attorney. A financing (soft cost) contingency may not exceed 1.5% of the loan amount to cover unanticipated interest and financing costs. The CDA Commitment Fee is 1.5% of the sum of the Department's loans. CDA's loan closing fee is $20,000 for the first loan and $1,000 for each additional loan. The tax credit reservation fee is 4% of the final annual credit allocation. The CDA loan reservation fee is $4,000 per loan.

Acquisition Costs. If the site includes existing buildings, allocate the cost between land and buildings. Generally, there cannot have been any transfer of ownership within the past 10 years for buildings to be eligible for an acquisition tax credit.

Total Development Costs. This is the sum of total construction costs, total fees, total financing fees and charges and total acquisition costs.

Maximum Developer's Fee. The developer's fee is calculated as a percentage of total development costs. A fee of up to 15% is allowed on the first $10 million of total development costs (less acquisition-related costs construction and soft cost contingencies) and up to 10% on total development costs (less acquisition-related costs and construction and soft cost contingencies) over $10 million. A fee of up to 10% is allowed on the first $10 million of acquisition-related costs and up to 5% on acquisition-related costs over $10 million. Generally, the total developer's fee may not exceed $2.5 million.

Syndication Related Costs. These are costs incurred when syndicating a project with historic tax credits or Low-Income Housing Tax Credits. Syndication related costs may not be paid with Department loan proceeds. Generally, these costs are not included in the project's tax credit basis.

Guarantees and Reserves. Guarantees and reserves should include only funded amounts required by the Department, other lenders or syndication firms and cannot be funded with Department loan proceeds. Refer to the Multifamily Rental Financing Program Guide for the Department's requirements for Guarantees and Reserves.

Total Uses of Funds. This is the sum of total development costs, developer's fee, total syndication related costs, and total guarantees and reserves.

SOURCES OF FUNDS

Debt Service Financing. For all must pay debt, indicate the type of funds, the name of the bond issuer or lender, the required debt coverage ratio, the total annual payment, the interest rate, the amortization period of the loan, the actual loan term, and the maximum supported loan amount. Also, show the annual payment associated with any bond insurance premium. For loans receiving credit enhancement, indicate the name of the credit enhancer.

Cash Flow Financing and Grants. For all loans that will be repaid from cash flow, show the type of funds, the name of the lender, the percentage of cash flow that will be applied to payments due on the loan, the anticipated annual payment, the interest rate, the loan term, and the loan amount. Calculate the maximum loan amount from Rental Housing Funds on the table that follows. Generally, the Rental Housing Fund loan may not exceed $1.5 million. For grants, show the type of funds, the name of the grantor, the term of the grant (if applicable), and the amount of the grant.

Total Debt. Add the total loan amounts for the cash flow loans and the total maximum mortgage amounts for the debt service financing to determine the total debt.

Equity. Indicate the source and amount of equity proceeds generated from the sale of low income and/or historic tax credits. Also, identify the developer's equity that is not from syndication proceeds. The Department requires that equity from the sale of competitively allocated tax credits be sufficient to cover syndication related costs, guarantees and reserves, developer's fee and at least 10% of total development costs.

Total Sources of Funds. The total sources of funds are the sum of the total financing and the total equity and must equal the total uses of funds.

Maximum Rental Housing Funds Loan Amount. The maximum Departmental loan amount is calculated on the cost of the project and the amount of gap financing needed. Subtract the total debt service maximum mortgage amount, HOME financing from non-Departmental sources, the amount of any other cash flow loan, historic tax credit syndication proceeds and Low-Income Housing Tax Credit proceeds from the project's total development costs.

LOW-INCOME HOUSING TAX CREDIT

Complete this section only if you are applying for a Low-Income Housing Tax Credit from the Department. If you have any questions concerning this section or the Low Income Housing Tax Credit, please consult your accountant or attorney for more information before submitting an application for funding.

Type of Low Income Housing Tax Credit Requested. Mark each box that applies to the type(s) of tax credit you are requesting. To be eligible for an acquisition tax credit, the project must also include substantial rehabilitation. The Department's standard of substantial rehabilitation for threshold review is different than the federal Tax Credit definition. Refer to the Multifamily Rental Financing Program Guide for the Department's standard of substantial rehabilitation.

Location and Placed-In-Service Information. If you are requesting an acquisition or rehabilitation tax credit, complete this table for each building in the project. Show the following information for each building: a specific street address; the type of site control; the date each control document expires; the number of units; the purchase price; the date the building was last placed-in-service; the date the sponsor expects to place the building in service; and the number of years between the sponsor's anticipated placed-in-service date and the date the building was last placed in service. Generally, the building must not have been placed in service during the last 10 years to be eligible for an acquisition tax credit. The total purchase price should be the same as shown for acquisition costs on the Uses of Funds worksheet.

Substantial Rehabilitation Determination. To be eligible for a rehabilitation tax credit, the total costs associated with the rehabilitation must exceed the greater of $6,000 per unit or 20% of the project's adjusted basis, although the Department requires a minimum of $15,000 per unit in total hard costs. Check the box that applies to the project.

Minimum Set-aside Election. The sponsor must elect one of the two minimum set-aside elections under the tax credit program. At least 20% of the units must be occupied by households with income below 50% of the area median or 40% of the units must be occupied by households with income below 60% of the area median. The overall occupancy restrictions for the project shown on the General Information sheet will be used to calculate the tax credit basis. Make the election by marking one box only.

Rent Floor Election. Sponsors may elect to establish the rent floor for the project as of the date of allocation or the date the project is placed in service. Make the election by marking one box only.

Syndication Information. If the project will be syndicated, show the name of the syndication firm, contact person and telephone number, whether the offering is public or private, the type of investors, and the percentage, amount and the dates that funds will be paid into the partnership.

Maximum Low-Income Housing Tax Credit Based on Eligible Costs. This is the amount of tax credit the project is eligible for based on its qualified basis. The actual amount of tax credit the project receives may be less than the amount for which it is eligible and will be limited to the amount needed for financial feasibility. Calculate the adjusted project costs by subtracting from the Total Uses of Funds any federal grants financing qualifying costs, other non-qualifying financing, the value of any commercial space in the project, costs associated with any non-qualifying units of higher quality, and any historic tax credit. The new construction or rehabilitation basis may be increased up to 130% if the project is in a Federally-designated Qualified Census Tract (QCT) or Difficult Development Area (DDA) as published by the U.S. Department of Housing and Urban Development. The applicable fraction is the portion of the project that eligible low-income households will occupy. Multiply the eligible basis by the applicable fraction to find the qualified basis. The applicable percentages are the percentages calculated monthly by the Internal Revenue service based on the present values (either 30% or 70%, but commonly referred to as either 4% or 9% credits) of the total credits for federally subsidized, acquisition and non-federally subsidized properties. For the applicable percentage on new construction or rehabilitation, enter 4%, if the qualified basis is financed with tax-exempt bonds or other federal subsidy, otherwise, enter 9%. For the applicable percentage on acquisition costs, enter 4%. While the Department uses an applicable percentage of 4% and 9% for evaluation purposes, any allocation of tax credit will ultimately be limited to the actual applicable percentage in effect for the project. The Low-Income Housing Tax Credit eligible basis is the qualified basis multiplied by the applicable percentage.

Estimated Low-Income Housing Tax Credit Syndication Proceeds. Estimate the syndication proceeds that can be generated from any historic tax credit and the Low-Income Housing Tax Credit. Combine the Low-Income Housing Tax Credits generated by the project's eligible basis and multiply the total by 10 years to determine the total tax credit received over the period. Multiply this by the raise ratio from the syndication proposal to determine the gross proceeds generated by the Low-Income Housing Tax Credit. In the absence of a commitment from a syndication firm, the Department will apply a syndicator's raise rate based on its understanding of current market conditions. Contact the Department for the current estimated rate. Add to this the gross proceeds as the result of any historic tax credit for the total equity from syndication proceeds.

Maximum Low-Income Housing Tax Credit Based on Proceeds Needed. This calculates the maximum amount of Low-Income Housing Tax Credit needed for the project. The proceeds needed are the lesser of the total Equity from Syndication Proceeds or the Financing Gap. Subtract the gross proceeds of any historic tax credit from the total proceeds needed to determine the proceeds needed from Low-Income Housing Tax Credits. Divide this by the raise ratio from the syndication proposal to figure the total tax credit received over the tax credit period. Divide this by the 10-year period to determine the maximum Low-Income Housing Tax Credit requested.

Sources of Federal Financing. Sponsors must disclose the amount of all direct and indirect federal funds that are financing qualified project costs. Show the federal funds applicable to the project. If a source of funds is not included, show the amount under other and provide a brief description.

Applicable Fraction. The applicable fraction is the portion of the project that eligible low-income households will occupy. The lesser of the percentage of low-income units to total units or low-income square footage to total square footage determines the applicable fraction.

Applicable Percentage. The applicable percentage is the rate determined monthly by the Internal Revenue Service based on the present value (30% for acquisition or federally subsidized development costs or 70% for non-federally subsidized development costs) of the Low Income Housing Tax Credits estimated to be received by the project. The percentages generated by the present value calculations are commonly referred to as 4% credits for acquisition or for federally subsidized development or 9% for non-federally subsidized development.

Historic Tax Credit. Calculate the gross proceeds from any historic tax credit by multiplying the amount of the historic tax credit by the raise ratio from the syndication proposal.

PROJECT SUMMARY INFORMATION

General Information. Provide the project information, funding applied for, and occupancy restrictions of the project.

Project Income. Indicate total units for the low-income units, market rate units and nonresidential sources from the Project Income worksheet. The Potential Gross Income will automatically populate based on the information entered in the Project Income worksheet. Fill in the number of years until sustaining occupancy; the years until sustaining occupancy are the number of years between the application submission date and the estimated date of sustaining occupancy shown in the anticipated development schedule. For the annual trending, fill in the estimated annual increase in rents. The trend can be based upon experience with similar projects or determined in the market study. The trended income (at the time of sustaining occupancy) will be calculated by multiplying the annual income by the sum of the years until sustaining occupancy and annual trending rate and adding this result to the annual income. The vacancy allowance is the sum of the trended income multiplied by the vacancy rate for each unit type. These figures will automatically populate the 20-Year Operating Pro Forma in the next worksheet.

Project Expenses and Cash Flow. The annual expense for each project expense category will automatically populate based on the information entered in the Project Expenses worksheet. For administrative, utility, operating maintenance, taxes and insurance, and reserve for replacement, indicate the number of years until sustaining occupancy and the annual trending rate. The management fee is not trended but is always a percentage of effective gross income. The other expenses will be trended by multiplying the annual expense by the sum of the years until sustaining occupancy and annual trending rate and adding this result to the annual expenses.

Sources and Uses of Funds. The summary information will be drawn from information you completed on the Sources of Funds and Uses of Funds worksheets.

Project Description. Enter a narrative description that highlights the unique or innovative characteristics of the project.

20-YEAR OPERATING PRO FORMA

Income. The trended income will automatically populate based on the information entered in the Project Summary Worksheet. Each year after that, the annual income for the low income, market rate and nonresidential units should be trended forward by the rate shown in the Project Summary Information worksheet. Income is trended annually by multiplying the previous year's income by the trending rate and adding it to the previous year's annual income. The vacancy allowance is the sum of the vacancy rate times the gross income for each type of income.

Expenses. The trended expenses will automatically populate based on the information entered in the Project Summary Worksheet. The management fee is not to be trended. Other expenses are trended annually by multiplying the previous year's expenses by the trending rate and adding it to the previous year's expenses. The trended net operating income is calculated by subtracting the trended expenses from the trended effective gross income.

Debt Service Financing. Annual debt service payments are entered for each year from the Debt Service Financing table in the Project Summary Information section. The debt coverage ratio is calculated by dividing the net operating income by the total debt service payments.

Cash Flow Financing. Annual cash flow payments are calculated for each year by multiplying the cash flow by the Percentage of Cash Flow for Payment shown in the cash flow financing table in the Project Summary Information worksheet. The remaining cash flow is calculated by deducting debt service and cash flow payments from the trended net operating income. The debt coverage ratio is calculated by dividing the net operating income by the sum o

APPENDIX II: Demographic Profile of Prince George's County

Census 2000 Demographic Profile Highlights:	Number	%	U.S.
Total population	21,456		
Male	10,272	47.9	49.10 %
Female	11,184	52.1	50.90 %
Median age (years)	31.9	(X)	35.3
Under 5 years	1,473	6.9	6.80%
18 years and over	16,760	78.1	74.30 %
65 years and over	1,444	6.7	12.40 %
One race	20,711	96.5	97.60 %
White	8,526	39.7	75.10 %
Black or African American	8,871	41.3	12.30 %
American Indian and Alaska Native	50	0.2	0.90%
Asian	2,586	12.1	3.60%
Native Hawaiian and Other Pacific Islander	11	0.1	0.10%
Some other race	667	3.1	5.50%
Two or more races	745	3.5	2.40%
Hispanic or Latinc	1,383		12
Total housing units	10,18		
Occupied housing units	9,368	92	91.00 %
Owner-occupied housing units	4,324	46.2	66.20 %
Renter-occupied housing units	5,044	53.8	33.80 %
Vacant housing units	812	8	9.00%
Social Characteristics	**Number**	**%**	**U.S.**
Household population	21,455		
Group quarters population	1	0	2.80%
Average household size	2.29	(X)	2.59

2005-2007 American Community Survey 3-Year Estimates	Estimate	%	U.S.	Sperling Estimate	2010 Projected %
Total population	21,425			21,655	
Male	9,917	46.3	49.20%	9,745	45%
Female	11,508	53.7	50.80%	11,910	55%
Median age (years)	34.8	(X)	36.4	37	(X)
Under 5 years	1,340	6.3	6.90%	1,286	5.9%
18 years and over	17,174	80.2	75.30%	17,640	81.5%
65 years and over	1,907	8.9	12.50%	2,213	10.2%
One race	20,717	96.7	97.90%	20,966	96.8%
White	7,957	37.1	74.10%	7,451	35.5%
Black or African American	9,972	46.5	12.40%	10,404	49.6%
American Indian and Alaska Native	260	1.2	0.80%	377	1.8%
Asian	2,128	9.9	4.30%	1,799	8.6%
Native Hawaiian and Other Pacific Islander	0	0	0.10%	0	0.0%
Some other race	400	1.9	6.20%	247	1.2%
Two or more races	708	3.3	2.10%	689	3.2%
Hispanic or Latino (of any race)	965	4.5	14.70%	23	3.4%
Total housing units	10,237			10,271	
Occupied housing units	9,542	93.2	88.40%	9,647	93.9%
Owner-occupied housing units	4,960	52	67.30%	5,698	55.5%
Renter-occupied housing units	4,582	48	32.70%	4,573	44.5%
Vacant housing units	695	6.8	11.60%	624	6.1%
Social Characteristics	**Number**	**%**	**U.S.**	**Number**	**%**
Household population	21,425			21,407	
Group quarters population	(X)	(X)	(X)	(X)	(X)
Average household size	2.25	(X)	2.6	2.23	(X)

Average family size	3	(X)	3.14	Average family size	3.02	(X)	3.19	3.03	(X)
Population 25 years and over	13,924			Population 25 years and over	13,990			14,030	
High school graduate or higher	12,744	91.5	80.40 %	High school graduate or higher	(X)	95.8	84.00%	(X)	98%
Bachelor's degree or higher	6,257	44.9	24.40 %	Bachelor's degree or higher	(X)	45	27.00%	(X)	45%
Civilian veterans (civilian population 18 years and over)	1,525	9.2	12.70 %	Civilian veterans (civilian population 18 years and over)	N	N	10.40%		
Disability status (population 5 years and over)	2,664	13.4	19.30 %	Disability status (population 5 years and over)	1,774	8.9	15.10%	1,240	6%
Foreign born	5,822	27.2	11.10 %	Foreign born	5,163	24.1	12.50%	4,768	22%
Male, Now married, except separated (population 15 years and over)	3,436	41.9	56.70 %	Male, Now married, except separated (population 15 years and over)	3,304	40.2	52.60%	3,225	39%
Female, Now married, except separated (population 15 years and over)	3,303	35.6	52.10 %	Female, Now married, except separated (population 15 years and over)	3,207	32.5	48.50%	3,149	31%
Speak a language other than English at home (population 5 years and over)	5,873	29.4	17.90 %	Speak a language other than English at home (population 5 years and over)	N	N	19.50%		
Economic Characteristics	**Number**	**%**	**U.S.**	**Economic Characteristics**	**Number**	**%**	**U.S.**	**Number**	**%**
In labor force (population 16 years and over)	13,030	75.2	63.90 %	In labor force (population 16 years and over)	13,714	76.4	64.70%	14,124	
Mean travel time to work in minutes (workers 16 years and over)	31.5	(X)	25.5	Mean travel time to work in minutes (workers 16 years and over)	32.3	(X)	25.1	33	
Median household income in 1999 (dollars)	46,328	(X)	41,994	Median household income (in 2007 inflation-adjusted dollars)	59,261	(X)	50,007	67,021	
Median family income in 1999 (dollars)	55,671	(X)	50,046	Median family income (in 2007 inflation-adjusted dollars)	75,840	(X)	60,374	87,941	
Per capita income in 1999 (dollars)	25,236	(X)	21,587	Per capita income (in 2007 inflation-adjusted dollars)	32,120	(X)	26,178	36,250	
Families below poverty level	299	6	9.20%	Families below poverty level	(X)	4.1	9.80%	(X)	3%
Individuals below poverty level	2,177	10.2	12.40 %	Individuals below poverty level	(X)	8.2	13.30%	(X)	7%

Housing Characteristics	Number	%	U.S.
Single-family owner-occupied homes	2,991		
Median value (dollars)	121,700	(X)	119,600
Median of selected monthly owner costs	(X)	(X)	
With a mortgage (dollars)	1,247	(X)	1,088
Not mortgaged (dollars)	386	(X)	295
Source: U.S. Census Bureau, Summary File 1 (SF 1) and Summary File 3 (SF 3)			

Housing Characteristics	Number	%	U.S.
Owner-occupied homes	4,960		
Median value (dollars)	227,000	(X)	181,800
Median of selected monthly owner costs			
With a mortgage (dollars)	1,483	(X)	1,427
Not mortgaged (dollars)	584	(X)	402
Source: U.S. Census Bureau, 2005-2007 American Community Survey			

Number	%
6,141	
290,180	(X)
1,625	(X)
703	(X)

Prince George's County **DEMOGRAPHIC AND SOCIO-ECONOMIC OUTLOOK**

	Historical				Projected					
	1970	1980	1990	2000	2005	2010	2015	2020	2025	2030
Population Characteristics:										
Total Population	660,567	665,071	728,553	801,515	841,200	862,800	895,000	921,900	944,000	960,800
Male	326,135	323,556	353,065	383,050	402,430	413,440	429,190	442,560	453,630	462,330
Female	334,432	341,515	375,488	418,465	438,770	449,360	465,820	479,340	490,380	498,470
White **	561,441	391,427	324,703	242,521	239,730	240,960	239,720	237,760	235,510	233,860
Nonwhite **	99,126	273,644	403,850	558,994	601,470	621,840	655,290	684,140	708,500	726,940
Selected Age Groups:										
0-4	69,250	46,419	56,545	57,940	59,600	62,890	62,580	63,170	62,990	62,960
5-19	200,957	177,250	147,308	181,396	189,530	184,430	183,020	189,310	194,850	194,840
20-44	260,780	292,174	342,206	323,109	311,620	294,490	297,510	297,780	305,800	318,120
45-64	102,904	112,720	132,526	177,119	206,350	231,300	238,980	236,090	221,530	204,710
65+	26,676	36,508	49,968	61,951	74,090	89,700	112,920	135,550	158,840	180,170
Total	660,567	665,071	728,553	801,515	841,200	862,800	895,000	921,900	944,000	960,800
Total Household Population	644,056	649,665	712,090	784,158	821,301	840,626	871,929	897,362	917,506	932,097
Total Households	192,963	224,789	258,011	286,610	303,075	312,500	327,800	343,825	355,525	364,725
Average Household Size	3.34	2.89	2.76	2.74	2.71	2.69	2.66	2.61	2.58	2.56
Labor Force:										
Total Population 16+	436,923	497,142	569,454	608,651	646,100	672,910	700,160	721,550	742,720	759,310
In Labor Force	292,812	362,356	441,800	431,120	443,930	456,830	472,410	478,880	482,170	485,210
% In Labor Force	67.0	72.9	77.6	70.8	68.7	67.9	67.5	66.4	64.9	63.9
Male Population 16+	212,045	237,729	271,526	283,676	303,130	317,050	330,200	340,770	351,420	360,100
In Labor Force	180,717	193,807	224,291	209,268	216,340	223,930	231,550	235,780	238,730	241,630
% In Labor Force	85.2	81.5	82.6	73.8	71.4	70.6	70.1	69.2	67.9	67.1
Female Population 16+	224,878	259,413	297,928	324,975	342,970	355,860	369,960	380,780	391,300	399,210
In Labor Force	112,095	168,548	217,509	221,852	227,590	232,900	240,860	243,100	243,440	243,580
% In Labor Force	49.8	65.0	73.0	68.3	66.4	65.4	65.1	63.8	62.2	61.0
Jobs by Place of Work :	198,903	264,670	375,347	393,969	426,427	445,500	472,100	491,900	503,900	515,500
Income Characteristics:										
Personal Inc. (mill. constant 2000$)	$11,836.7	$13,521.3	$19,953.9	$23,195.4	$25,900.8	$28,145.4	$31,423.5	$33,569.1	$34,891.2	$35,921.4
Per Capita Income (constant 2000$)	$17,769	$20,291	$27,294	$28,875	$30,902	$32,621	$35,110	$36,413	$36,961	$37,387

Household Income (current $)	1989	1999	2006	2007		1989	1999	2006	2007
Median	$43,127	$55,250	$68,550	$70,300	Mean	$48,606	$64,400	$83,950	$86,750

Housing Units Authorized for Construction:	1990-1999	2001	2002	2003	2001	2005	2006	2007	2000-2007
Total	39,305	3,049	2,563	2,938	1,948	3,425	3,033	2,183	22,595
Single Family	34,760	3,049	2,485	2,808	1,875	3,255	2,918	1,462	21,031

	Historical			Projected						
Public School Enrollment:	2000	2003	2007	2010	2011	2012	2013	2014	2015	2017
Total	130,773	133,713	123,112	118,540	117,720	117,380	117,740	118,280	118,930	121,250
Primary School (K-6)	73,198	70,430	61,934	62,660	63,710	64,950	66,360	67,110	67,480	68,050
Secondary School (7-12)	57,575	63,283	61,178	55,880	54,010	52,430	51,380	51,170	51,450	53,200

** For 2000 to 2030 white population is equal to "white alone," and non-white population is equal to "all other races."

SOURCE: Projections prepared by the Maryland Department of Planning, Planning Data Services as of February 2009. Historical population, households, household income and labor force data through 2000, and for housing units authorized for construction through 2007 are from the U.S. Bureau of the Census. 1990 population is from modified age, race and sex data (MARS) and 2000 population from modified race data, both from the U.S. Bureau of the Census. Historical jobs, total personal income and per capita personal income data through 2006 are from U.S. Bureau of Economic Analysis (BEA). For annual historical data on jobs and personal income, see www.mdp.state.md.us/msdc/dw_bea.htm. Historical (2000-2007) school enrollment is from Maryland State Department of Education. Projections are rounded, therefore numbers may not add to totals.

APPENDIX III: Legislation Regarding County Impact Fees

SB 1043

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 1043 (Senator Harrington)

Education, Health, and Environmental Affairs Environmental Matters

Prince George's County - Development Impact Fees

This bill increases the limit on the amount of an impact fee that the Prince George's County Council may impose, under existing law, on single-family residences to finance transportation projects to accommodate new construction or development. The current $1,000 per unit limit is increased to $3,000 per unit in the developed tier, as defined in the 2002 Prince George's County Approved General Plan, and $5,000 per unit in the developing tier or the rural tier.

The bill takes effect July 1, 2009.

Fiscal Summary

State Effect: None.

Local Effect: The bill does not directly affect Prince George's County finances, but will allow for additional revenue to be generated in the event an impact fee is imposed in the future.

Small Business Effect: Potential meaningful.

Analysis

Current Law: The Prince George's County Council is authorized to impose and provide for the collection of development impact fees for financing up to 50% of the capital costs of additional or expanded transportation projects required to accommodate new construction or development. Among other requirements, any impact fees imposed must be adopted in accordance with a general statement of public policy adopted by the council to impose impact fees in areas of the county where the level of new construction or development is creating a need for additional or expanded transportation projects. The impact fees imposed for single-family residences may not exceed $1,000 per unit.

Background: Prince George's County currently imposes school facilities and public safety surcharges on new residential construction. The authorization for the county council to impose impact fees to finance up to 50% of the capital costs of transportation projects necessary to accommodate new construction or development was enacted under Chapter 596 of 1990, but the county does not impose impact fees under that authority.

The Prince George's County school facilities surcharge in fiscal 2009 is $14,019 for development outside the beltway and $8,177 for development inside the beltway. The public safety surcharge in fiscal 2009 is $6,619 for development outside of the "developed tier," as defined in the 2002 Prince George's County Approved General Plan, and $2,207 within the developed tier. The surcharges are collected at the time a building permit is issued. The Prince George's County Department of Environmental Resources issued 1,661 building permits for new residential construction in fiscal 2008, down from 2,380 issued in fiscal 2007. Prince George's County collected $47.7 million in development surcharges in fiscal 2007 and is projected to collect $27.6 million in fiscal 2008.

Transportation Funding Needs in Prince George's County

Recent deferrals of Consolidated Transportation Program projects due to funding shortfalls have exacerbated the current needs for funding transportation improvements (even before new development has occurred) in Prince George's County, and impact fees provide a mechanism for an equitable share of local funding to be obtained from new development. The Prince George's County Planning Department indicates that analysis of the funding needs along Route 4 in the developing Westphalia area of Prince George's County show that the current $1,000 per single-family residence impact fee limit is too low to allow an equitable share of the funding to be obtained under the impact fee authority.

Development Impact Fees

A development impact fee is a regulatory measure designed to fund facilities specifically required by new development projects in order to mitigate the impact of such development on infrastructure or public facilities. However, there must be a reasonable connection between the amount of the impact fee imposed and the actual cost of providing facilities to the properties assessed. In order to justify the imposition of an impact fee, a jurisdiction must conduct a study that measures the effects that new development will have on public facilities. The amount of an impact fee is subject to judicial review.

Development impact fees are imposed in eight counties – Anne Arundel, Carroll, Frederick, Harford, Queen Anne's, St. Mary's, Talbot, and Wicomico. Frederick County imposes both an impact fee and an excise tax on development. In fiscal 2008, the impact fees in these jurisdictions generated an estimated $23.8 million in revenue.

Local Fiscal Effect: The bill does not directly affect Prince George's County finances as the county does not currently impose an impact fee to finance capital costs of additional or expanded transportation projects. To the extent the Prince George's County Council imposes such a fee in the future, the increased limits on the amount that may be imposed on single-family residences would allow for a greater amount of revenue to be generated from the fee from residential construction.

Small Business Effect: Small business residential developers and builders may be meaningfully impacted to the extent the Prince George's County Council imposes an impact fee on single-family residences above $1,000 in the future. Development charges can add to the cost of a home, potentially affecting developers' and builders' ability to sell inventory. Currently, a new single-family residence in Prince George's County can be subject to development charges of up to $20,638 (reflecting the school facilities surcharge for development outside the beltway and the public safety surcharge for development outside the developed tier).

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Prince George's County, Maryland-National Capital Park and Planning Commission, Maryland-National Capital Building Industry Association, Department of Legislative Services

Fiscal Note History: First Reader - March 26, 2009
ncs/hlb Revised - Senate Third Reader - April 10, 2009

Analysis by: Scott D. Kennedy

Direct Inquiries to:
(410) 946-5510
(301) 970-5510

APPENDIX IV: LIHTC Program Income and Rent Limits

Maryland State

Effective 3/19/2009

Calvert, Charles, Frederick, Montgomery and Prince George's Counties

Washington-Arlington-Alexandria, DC-VA-MD-WV MSA

FY 2009 MFI:	102,700			
4 person 50% limit=	51,350			
Income Limits Per HH Size	**1 Person**	**2 Person**	**3 Person**	**4 Person**
30%	21550	24650	27700	30800
40%	28760	32880	36960	41080
50%	35950	41100	46200	51350
60%	43140	49320	55440	61620
Maximum Rent Per HH Size	**1 Person**	**2 Person**	**3 Person**	**4 Person**
30%	538	616	692	770
40%	719	822	924	1027
50%	898	1027	1155	1283
60%	1078	1233	1386	1540
Maximum Rent Per Bedroom	**0-BR**	**1-BR**	**2-BR**	**3-BR**
30%	538	577	692	800
40%	719	770	924	1068
50%	898	963	1155	1335
60%	1078	1155	1386	1602

Documentation for Maryland Low Income Housing Tax Credit Program Income and Rent Limits

Median Family Income (MFI) data derived from income limits established by HUD and published at:
http://www.huduser.org/datasets/mtsp.html

The MFI is based on the 4-Person 50% income limit rounded to the nearest $50 per HUD.
1-Person family Income Limit is 70% of the 4-Person Income Limit.
2-Person family Income Limit is 80% of the 4-Person Income Limit.
3-Person family Income Limit is 90% of the 4-Person Income Limit.
5-Person family Income Limit is 108% of the 4-Person Income Limit.
6-Person family Income Limit is 116% of the 4-Person Income Limit.
7-Person family Income limit is 124% of the 4-Person Income Limit.
8-Person family Income Limit is 132% of the 4-Person Income Limit.
For family sizes larger than 8 persons, the income limit can be calculated by adding an additional 8% percent per person to the 8-person limit.

30% Income Limits are HUD Section 8 limits. Please see: http://www.huduser.org/Datasets/IL/IL09/md.pdf
40% Income Limits are 80% of the 50% limits.
50% Income Limits are published on the HUD Multifamily Tax Subsidy Income Limit webpage.
60% Income Limits are published on the HUD Multifamily Tax Subsidy Income Limit webpage and are 120% of the 50% limits

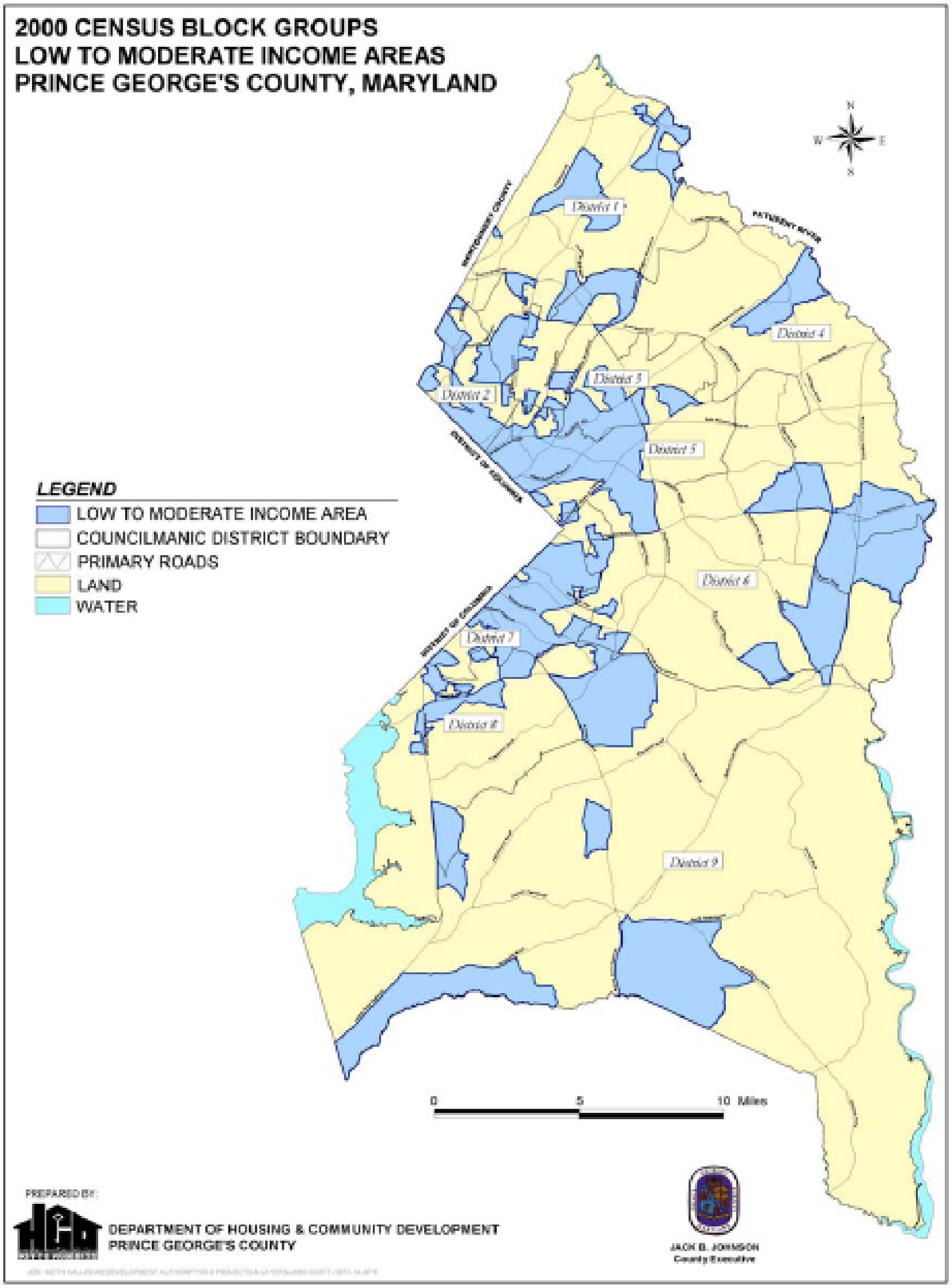
Rent limits per household assume 30% of the income limit as affordability index, divided by 12 for the monthly rent.

Rent limits per bedroom assume 1 person for studio/efficiency and 1.5 persons per bedroom, thereafter.

APPENDIX V: Low to Moderate Income Areas Prince George's County

Prince George's County 2006 – 2010 Consolidated Plan

Map 4



APPENDIX VI: Sample Tenant Income Certification Form

TENANT INCOME CERTIFICATION

☐ Initial Certification ☐ Recertification ☐ Other __________

Effective Date: ____________________
Move-in Date: ____________________
(MM/DD/YYYY)

PART I - DEVELOPMENT DATA

Property Name: ________________________________ County: ____________ BIN #: __________

Address: ________________________________ Unit Number: ______ # Bedrooms: __________

PART II. HOUSEHOLD COMPOSITION

HH Mbr #	Last Name	First Name & Middle Initial	Relationship to Head of Household	Date of Birth (MM/DD/YYYY)	F/T Student (Y or N)	Social Security or Alien Reg. No.
1			HEAD			
2						
3						
4						
5						
6						
7						

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)

HH Mbr #	(A) Employment or Wages	(B) Soc. Security/Pensions	(C) Public Assistance	(D) Other Income
TOTALS	$	$	$	$

Add totals from (A) through (D), above TOTAL INCOME (E): $

PART IV. INCOME FROM ASSETS

Hshld Mbr #	(F) Type of Asset	(G) C/I	(H) Cash Value of Asset	(I) Annual Income from Asset
		TOTALS:	$	$

Enter Column (H) Total If over $5000 $__________ X Passbook Rate 2.00% = (J) Imputed Income $

Enter the greater of the total of column I, or J: imputed income TOTAL INCOME FROM ASSETS (K) $

(L) Total Annual Household Income from all Sources [Add (E) + (K)] $

HOUSEHOLD CERTIFICATION & SIGNATURES

The information on this form will be used to determine maximum income eligibility. I/we have provided for each person(s) set forth in Part II acceptable verification of current anticipated annual income. I/we agree to notify the landlord immediately upon any member of the household moving out of the unit or any new member moving in. I/we agree to notify the landlord immediately upon any member becoming a full time student.

Under penalties of perjury, I/we certify that the information presented in this Certification is true and accurate to the best of my/our knowledge and belief. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of the lease agreement.

Signature	*(Date)*	Signature	*(Date)*
Signature	*(Date)*	Signature	*(Date)*

PART V. DETERMINATION OF INCOME ELIGIBILITY

TOTAL ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES: From item (L) on page 1 $

RECERTIFICATION ONLY:

Current Income Limit x 140%:

$ ______

Household Income exceeds 140% at recertification:

☐ Yes ☐ No

Current Income Limit per Family Size: $ ______

Household Income at Move-in: $ ______

Household Size at Move-in: ______

PART VI. RENT

Tenant Paid Rent $ ______

Utility Allowance $ ______

Rent Assistance: $______

Other non-optional charges: $______

GROSS RENT FOR UNIT: (Tenant paid rent plus Utility Allowance & other non-optional charges) $

Unit Meets Rent Restriction at:

☐ 60% ☐ 50% ☐ 40% ☐ 30% ☐ ____%

Maximum Rent Limit for this unit: $ ______

PART VII. STUDENT STATUS

ARE ALL OCCUPANTS FULL TIME STUDENTS?

☐ yes ☐ no

If yes, Enter student explanation* (also attach documentation)

Enter 1-5

*Student Explanation:

1 TANF assistance
2 Job Training Program
3 Single parent/dependent child
4 Married/joint return
5 Former Foster Care

PART VIII. PROGRAM TYPE

Mark the program(s) listed below (a. through e.) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification.

a. Tax Credit ☐	b. HOME ☐	c. Tax Exempt ☐	d. AHDP ☐	e. ______ ☐ *(Name of Program)*
See Part V above.	*Income Status*	*Income Status*	*Income Status*	*Income Status*
	☐ ≤ 50% AMGI	☐ 50% AMGI	☐ 50% AMGI	☐ ______
	☐ ≤ 60% AMGI	☐ 60% AMGI	☐ 80% AMGI	☐ ______
	☐ ≤ 80% AMGI	☐ 80% AMGI	☐ OI**	☐ OI**
	☐ OI**	☐ OI**		

** Upon recertification, household was determined over-income (OI) according to eligibility requirements of the program(s) marked above.

SIGNATURE OF OWNER/REPRESENTATIVE

Based on the representations herein and upon the proofs and documentation required to be submitted, the individual(s) named in Part II of this Tenant Income Certification is/are eligible under the provisions of Section 42 of the Internal Revenue Code, as amended, and the Land Use Restriction Agreement (if applicable), to live in a unit in this Project.

______ ______
SIGNATURE OF OWNER/REPRESENTATIVE DATE

APPENDIX VII: Environmental Due Diligence Checklist

Environmental Risks	Observed	*Possible*	Not Observed
Asbestos	☐	☐	☐
Asbestos Containing Materials	☐	☐	☐
Lead Paint	☐	☐	☐
Underground Storage Tanks, Lines and Vents	☐	☐	☐
Above Ground Chemical Storage or Products	☐	☐	☐
Visible Soil Discoloration	☐	☐	☐
Buried Waste	☐	☐	☐
PCB Transformers or Light Ballast	☐	☐	☐
Surface Water Discharge	☐	☐	☐
Sensitive Adjacent Properties	☐	☐	☐
Potential Contaminated Adjacent Properties	☐	☐	☐
Air Emissions	☐	☐	☐
Wetland Areas	☐	☐	☐
Sanitary Sewer Failure	☐	☐	☐
On-lot Septic	☐	☐	☐
Private Water Supply	☐	☐	☐
Surface Impoundment	☐	☐	☐
Excessive Noise	☐	☐	☐
Foul Odors	☐	☐	☐
French Drain or Disposal Pit	☐	☐	☐
Unsafe Material Management Practices	☐	☐	☐
Pipe Leaks	☐	☐	☐
Mold	☐	☐	☐
Radon Gas	☐	☐	☐
Streams		☐	☐
Lakes		☐	☐
Ponds		☐	☐
Sink Holes		☐	☐
Rock Outcrops		☐	☐
Springs		☐	☐
Steep Slopes		☐	☐
Poor Drainage		☐	☐

APPENDIX VIII: Green Communities Criteria Checklist

green communities

Green Communities Criteria Checklist

Revised February 2008

Developer Name: KDS Development

Project Name: Greenbelt Crossing Senior Living Community (GCSLC)

Address (Street/City/State):

Maximum Points

Yes	No	?	#	Criteria	Maximum Points
Yes	No	?		**Integrated Design**	
yes			1.1	**Green Development Plan** Submit Green Development Plan outlining the integrated design approach used for this development that demonstrates involvement of the entire development team.	Mandatory
Yes	No	?		**Site, Location and Neighborhood Fabric**	
Yes			2.1a LH	**Smart Site Location: Proximity to Existing Development** Provide site map demonstrating that the development is located on a site with access to existing roads, water, sewers and other infrastructure within or contiguous (having at least 25 percent of the perimeter bordering) to existing development.	Mandatory *except infill site or rehabs*
Yes			2.1b LH	**Smart Site Location: Protecting Environmental Resources - New Construction** Do not locate new development within 100 feet of wetlands, critical slope areas, land identified as habitat for a threatened or endangered species; or on land previously used as public park land, land identified as prime farmland, or with elevation at or below the 100-year floodplain.	Mandatory *except infill site or rehabs*
Yes			2.1c LH	**Smart Site Location: Proximity to Services - New Construction** Locate projects within a ¼ mile of at least two, or ½ mile of at least four community and retail facilities.	Mandatory *except infill site or rehabs*
Yes			2.2	**Compact Development: New Construction** Achieve densities for new construction of at least six units per acre for detached/semi-detached houses; 10 for town homes; 15 for apartments.	Mandatory *except rehabs*
Yes			2.3	**Walkable Neighborhoods: Sidewalks and Pathways** Connect project to the pedestrian grid. Include sidewalks or other all-weather pathways within a multifamily property or single-family subdivision linking residential development to public spaces, open spaces and adjacent development.	Mandatory
Yes			2.4a LH	**Smart Site Location: Passive Solar Heating/Cooling** Orient building to make the greatest use of passive solar heating and cooling.	4
No			2.4b	**Smart Site Location: Grayfield, Brownfield or Adaptive Reuse Site** Locate the project on a grayfield, brownfield or adaptive reuse site.	10
Yes			2.5 LH	**Compact Development** Increase average minimum densities to meet or exceed: seven units per acre for detached/semi-detached; 12 units for town homes; and 20 units for apartments.	5
Yes			2.6	**Walkable Neighborhoods: Connections to Surrounding Neighborhood** Provide a site plan demonstrating at least three separate connections from the development to sidewalks or all-weather pathways in surrounding neighborhoods.	5
Yes			2.7 LH	**Transportation Choices** Locate project within ¼ mile radius of adequate public transit service, or ½ mile radius from an adequate fixed rail or ferry station.	12
Yes	No	?		**Site Improvements**	
Yes			3.1	**Environmental Remediation** Conduct a Phase I Environmental Site Assessment and provide a plan for abatement if necessary.	Mandatory
Yes			3.2 LH	**Erosion and Sedimentation Control** Implement EPA's Best Management Practices for erosion and sedimentation control during construction referring to the EPA document, Storm Water Management for Construction Activities.	Mandatory
Yes			3.3 LH	**Landscaping** Provide a tree or plant list certified by the Architect or Landscape Architect, that the selection of new trees and plants are appropriate to the site's soils and microclimate and do not include invasive species. Locate plants to provide shading in the summer and allow for heat gain in the winter.	Mandatory *if providing landscaping*

Yes	No	?	Item	Criterion	Points
Yes			3.4 LH	**Surface Water Management** Capture, retain, infiltrate and/or harvest the first ½ inch of rainfall that falls in a 24-hour period.	5
Yes			3.5	**Storm Drain Labels** Label all storm drains or storm inlets to clearly indicate where the drain or inlet leads.	2
Yes	No	?		**Water Conservation**	
Yes			4.1a LH	**Water-Conserving Appliances and Fixtures: New Construction** Install water-conserving fixtures with the following minimum specifications: toilets – 1.3 GPF; showerheads – 2.0 GPM; kitchen faucets – 2.0 GPM; bathroom faucets – 2.0 GPM	Mandatory
Yes			4.1b LH	**Water-Conserving Appliances and Fixtures: Moderate Rehabilitation** Install water-conserving fixtures with the following minimum specifications *for toilets and shower heads* and follow requirements for other fixtures wherever and whenever they are replaced: toilets – 1.3 GPF; showerheads – 2.0 GPF; kitchen faucets – 2.0 GPM; bathroom faucets – 2.0 GPM.	Mandatory
Yes			4.1c LH	**Water-Conserving Appliances and Fixtures** Install water-conserving fixtures with the following minimum specifications: toilets – 1.1 GPF; showerheads – 1.75 GPM; kitchen faucets – 2.0 GPM; bathroom faucets – 1.5 GPM	5
Yes			4.2 LH	**Efficient Irrigation** If irrigation is necessary, use recycled gray water, roof water, collected site run-off, water from a municipal recycled water system, or a highly efficient irrigation system including all the following: system designed by EPA Water Sense professional; plant beds with a drip irrigation system; separately zoned turf and bedding types; a watering zone timer/controller; moisture sensor controller.	Mandatory *if irrigation is necessary*
Yes	No	?		**Energy Efficiency**	
Yes			5.1a LH	**Efficient Energy Use: New Construction** Meet Energy Star standards (single family and low rise residential); exceed ASHRAE 90.1-2004 by 15 percent; California-exceed Title 24 by 15 percent; Oregon, Washington, Idaho and Montana--meet Northwest Energy Star	Mandatory
Yes			5.1b	**Efficient Energy Use: Moderate & Substantial Rehabilitation** Perform an energy analysis of existing building condition, estimate costs of improvements, implement measures that will improve building energy performance by 15 percent from pre-renovation figures.	Mandatory
Yes			5.2 LH	**Energy Star Appliances** If providing appliances, install Energy Star clothes washers, dishwashers and refrigerators.	Mandatory *if providing appliances*
Yes			5.3a LH	**Efficient Lighting: Interior** Install the Energy Star Advanced Lighting Package in all interior units and use Energy Star or high-efficiency commercial grade fixtures in all common areas and outdoors.	Mandatory
Yes			5.3b LH	**Efficient Lighting: Exterior** Install daylight sensors or timers on all outdoor lighting, including front and rear porch lights in single family homes.	Mandatory
Yes			5.4	**Electricity Meter** Install individual or sub-metered electric meters.	Mandatory *(see full criteria for exceptions)*
Yes			5.5 LH	**Additional Reductions in Energy Use** Exceed the relevant Energy Star HERS score for low-rise residential buildings or exceed other standards by increased percentages.	Optional *(see full criteria)*
	No		5.6a LH	**Renewable Energy** Install PV panels, wind turbines or other renewable energy source to provide at least 10 percent of the project's estimated electricity demand.	15
	No		5.6b	**Photovoltaic (PV) Ready** Site, design, engineer and wire the development to accommodate installation of PV in the future.	2
Yes	No	?		**Materials Beneficial to the Environment**	
Yes			6.1 LH	**Construction Waste Management** Develop and implement a construction waste management plan to reduce the amount of material sent to the landfill by at least 25 percent.	5
yes			6.2 LH	**Recycled Content Material** Use materials with recycled content; provide calculation for recycled content percentage based on cost or value of recycled content in relation to total materials for project. Minimum recycled material must be 5 percent	14

yes			6.3 LH	**Certified, Salvaged and Engineered Wood** Commit to using at least 25 percent (by cost) wood products and materials that are salvaged wood, engineered framing materials or certified in accordance with the Forest Stewardship Council.	5
yes			6.4a LH	**Water-Permeable Walkways** Use water-permeable materials in 50 percent or more of walkways.	5
yes			6.4b LH	**Water-Permeable Parking Areas** Use water-permeable materials in 50 percent or more of paved parking areas.	5
yes			6.5a LH	**Reduce Heat-Island Effect: Roofing** Use Energy Star-compliant and high-emissive roofing or install a "green" (vegetated) roof for at least 50 percent of the roof area; or a combination of high-albedo and vegetated roof covering 75 percent of the roof area.	5
yes			6.5b LH	**Reduce Heat-Island Effect: Paving** Use light-colored, high-albedo materials and/or an open-grid pavement with a minimum Solar Reflective Index of 0.6 over at least 30 percent of the site's hardscaped area.	5
yes			6.5c LH	**Reduce Heat-Island Effect: Plantings** Locate trees or other plantings to provide shading for at least 50 percent of sidewalks, patios and driveways within 50 feet of a home.	5
Yes	No	?		**Healthy Living Environment**	
yes			7.1 LH	**Low / No Volatile Organic Compounds (VOC) Paints and Primers** Specify that all interior paints and primers must comply with current Green Seal standards for low VOC limits.	Mandatory
yes			7.2 LH	**Low / No VOC Adhesives and Sealants** Specify that all adhesives must comply with Rule 1168 of the South Coast Air Quality Management District. Caulks and sealants must comply with Regulation 8, Rule 51 of the Bay Area Air Quality Management District.	Mandatory
yes			7.3	**Urea Formaldehyde-free Composite Wood** Use particleboard and MDF that is certified compliant with the ANSI A208.1 and A208.2. If using nonrated composite wood, all exposed edges and sides must be sealed with low-VOC sealants.	Mandatory
yes			7.4 LH	**Green Label Certified Floor Coverings** Do not install carpets in below grade living spaces, entryways, laundry rooms, bathrooms, kitchens or utility rooms. If using carpet, use the Carpet and Rug Institute's Green Label certified carpet, pad and carpet adhesives.	Mandatory *if providing floor coverings*
yes			7.5a LH	**Exhaust Fans – Bathroom** Install Energy Star-labeled bathroom fans that exhaust to the outdoors and are connected to a light switch and are equipped with a humidistat sensor or timer, *or* operate continuously.	Mandatory
yes			7.5b LH	**Exhaust Fans – Kitchen: New Construction & Substantial Rehabilitation** Install power vented fans or range hoods that exhaust to the exterior.	Mandatory
yes			7.5c	**Exhaust Fans – Kitchen: Moderate Rehabilitation** Install power vented fans or range hoods that exhaust to the exterior.	5
yes			7.6a LH	**Ventilation: New Construction & Substantial Rehabilitation** Install a ventilation system for the dwelling unit, providing adequate fresh air per ASHRAE 62.1-2007 for residential buildings above 3 stories or ASHRAE 62.2 for single family and low-rise multifamily dwellings.	Mandatory
yes			7.6b	**Ventilation: Moderate Rehabilitation** Install a ventilation system for the dwelling unit, providing adequate fresh air per ASHRAE 62.1-2007 for residential buildings above 3 stories or ASHRAE 62.2 for single family and low-rise multifamily dwellings.	10
yes			7.7 LH	**HVAC Sizing** Size heating and cooling equipment in accordance with the Air Conditioning Contractors of America Manual, Parts J and S, ASHRAE handbooks, or equivalent software.	Mandatory
yes			7.8	**Water Heaters: Mold Prevention** Use tankless hot water heaters or install conventional hot water heaters in rooms with drains or catch pans with drains piped to the exterior of the dwelling and with non-water sensitive floor coverings.	Mandatory

Yes	No	?	Item	Criterion	Points
yes			7.9a	**Materials in Wet Areas: Surfaces** In wet areas, use materials that have smooth, durable, cleanable surfaces. Do not use mold-propagating materials such as vinyl wallpaper and unsealed grout.	Mandatory
yes			7.9b	**Materials in Wet Areas: Tub and Shower Enclosures** Use fiberglass or similar enclosure or, if using any form of grouted material, use backing materials such as cement board, fiber cement board or equivalent (i.e., not paper-faced).	Mandatory
yes			7.10a	**Basements and Concrete Slabs: Vapor Barrier** Provide vapor barrier under all slabs. For concrete floors either in basements or on-grade slab install a capillary break of 4 four inches of gravel over soil. Cover all gravel with 6 millimeter polyethylene sheeting moisture barrier with joints lapped one foot or more. On interior below grade walls, avoid using separate vapor barrier or below grade vertical insulation.	Mandatory
yes			7.10b LH	**Basements and Concrete Slabs – Radon:** New Construction & Substantial Rehabilitation In EPA Zone 1 and 2 areas, install passive radon-resistant features below the slab along with a vertical vent pipe with junction box available, if an active system should prove necessary. For substantial rehab, introduce radon-reduction measures if elevated levels of radon are detected.	Mandatory
yes			7.11	**Water Drainage** Provide drainage of water to the lowest level of concrete away from windows, walls and foundations.	Mandatory
yes			7.12 LH	**Garage Isolation** Provide a continuous air barrier between the conditioned (living) space and any unconditioned garage space. In single-family houses with attached garages, install a CO alarm inside the house on the wall that is attached to the garage and outside the sleeping area, and do not install air handling equipment in the garage.	Mandatory
yes			7.13 LH	**Clothes Dryer Exhaust** Clothes dryers must be exhausted directly to the outdoors.	Mandatory
yes			7.14 LH	**Integrated Pest Management** Seal all wall, floor and joint penetrations with low VOC caulking. Provide rodent-proof and corrosion-proof screens (e.g., copper or stainless steel mesh) for large openings.	Mandatory
yes			7.15	**Lead-Safe Work Practices: Moderate & Substantial Rehabilitation** For properties built before 1978, use lead-safe work practices during renovation, remodeling, painting and demolition.	Mandatory
yes			7.16	**Healthy Flooring Materials: Alternative Sources** Use non-vinyl, non-carpet floor coverings in all rooms.	5
yes			7.17	**Smoke-free Building** Enforce a "no smoking" policy in all common and individual living areas in all buildings. See full criteria for "common area" definition.	2
yes			7.18 LH	**Combustion Equipment (includes space & water-heating equipment)** Specify power vented or combustion sealed equipment. Install one hard-wired CO detector for each sleeping area, minimum one per floor.	Mandatory
Yes	No	?		**Operations and Maintenance**	
yes			8.1 LH	**Building Maintenance Manual** Provide a manual that includes the following: a routine maintenance plan; instructions for all appliances, HVAC operation, water-system turnoffs, lighting equipment, paving materials and landscaping, pest control and other systems that are part of each occupancy unit; an occupancy turnover plan that describes the process of educating the tenant about proper use and maintenance of all building systems.	Mandatory
yes			8.2 LH	**Occupant's Manual** Provide a guide for homeowners and renters that explains the intent, benefits, use and maintenance of green building features, along with the location of transit stops and other neighborhood conveniences, and encourages additional green activities such as recycling, gardening and use of healthy cleaning materials, alternate measures for pest control, and purchase of green power.	Mandatory
yes			8.3 LH	**Homeowner and New Resident Orientation** Provide a walk-through and orientation to the homeowner or new resident using the Occupant Manual from 8-2 above that reviews the building's green features, operations and maintenance along with neighborhood conveniences.	Mandatory

APPENDIX IX: Form 203: Developer Qualifications

DEVELOPER'S QUALIFICATIONS

FORM 203

Principal Office of Firm

Name of Firm	KDS Development		
Mailing Address	11710 Old Georgetown RD		
Contact	Kim Sperling	Phone	( ) -
Title	President	Fax	( ) -
		E-mail	

Type of Firm *(mark only one box)*

☐ Individual ☐ General Partnership ☐ Local Government
☐ Corporation ☐ Limited Partnership ☐ Other: ______
☒ Limited Liability Corporation

Year Organized 1982 *(not applicable to individuals)*

Is the entity organized under the laws of Maryland? If no, indicate State of organization. ☒Yes ☐No

Is the entity qualified to do business in Maryland? If no, explain. ☒Yes ☐No

Is the development entity required to file periodic reports with the Federal Securities and Exchange Commission or any other federal or state agency? ☐Yes ☒No

Principal Participants

List all principals and affiliates (individuals, businesses and organizations) that have an interest (financial or otherwise) in the development entity.

Name and Address	*Taxpayer ID*	*Title or Role*	*Interest (%)*	*Character and Extent of Interest*
Kim Sperling				
Jane Doe				
John Doe LLC				

Previous Experience

Has the development entity *(or any of its principals and affiliates)* participated in the development or operation of a project that has been on the Department's Watchlist in the previous five years? (if unsure, please contact the Department.) If yes, explain. ☒Yes ☐No

Has the development entity *(or any of its principals and affiliates)* ever had a limited denial of participation from HUD or been debarred, suspended or voluntarily excluded from participation in any federal or state program? If yes, explain. ☐Yes ☒No

Has the development entity *(or any of its principals or affiliates)* participated in the development or operation of a project that experienced a default? If yes, provide the number of developments and explain *(including the name and location of the development, circumstances surrounding each default, its cure, workout and mortgage modification arrangements, assignments, foreclosures, etc.)* . ☐Yes ☒No

Has a petition of involuntary bankruptcy ever been filed against the development entity? If yes, explain. ☐Yes ☒No

Has the development entity ever filed a petition of bankruptcy? If yes, explain. ☐Yes ☒No

Has the development entity ever made an assignment for the benefit of creditors? If yes, explain. ☐Yes ☒No

Are there any unsatisfied judgments outstanding against the development entity or any of its principals or affiliates?, If yes, explain. ☐Yes ☒No

Has the development entity been a party to any litigation during the past five years? If yes, explain. ☐Yes ☒No

CERTIFICATION

The undersigned hereby certifies that he/she is the duly authorized representative of the Firm and that the information set forth in this document, and in any attachment in support thereof, is true, correct and complete to the best of his/her knowledge and belief.

NOTICE: *Section 2-207, Article 83B, Annotated Code of Maryland provides in part: A person who knowingly makes or causes false statements for the purpose of influencing the action of the Administration"...is subject to a fine not exceeding $50,000 or imprisonment not exceeding five years, or both."*

11/1/2009
(Date)

Kim Sperling
(Full legal name of firm)

Signature: ______________________
Name: ______________________
Title: ______________________

APPENDIX X: Multifamily Rental Financing Program Guide

Project Evaluation Criteria

Applications requesting Tax Credits must obtain a minimum scope of 180 points under Project Evaluation Criteria to be eligible for funding.

Summary of Evaluation Criteria Scoring (*325 Points Total*)

4.1 Capacity of Development Team	***Total 100 Points***	***See Current Application Submission Package Exhibit(s)***
4.1.1 Development Team Experience	50 points	Exhibit C, Form 202
4.1.2 Deductions from Team Experience Score	(up to minus 30 points)	Exhibit F, Form 202
4.1.3 Financial Capacity	20 points	Exhibit D
4.1.4 Nonprofit/Housing Authority Participation	15 points	Exhibit H, Form 202
4.1.5 MBE/WBE Participation	15 points	Exhibit G, Form 202
4.2 Public Purpose	***Total 70 Points***	
4.2.1 QCT/DDA, Rehabilitation and Revitalization Plans	10 points	Exhibit B, I , Form 202
4.2.2. Income Targeting – Below 60% of Median	25 points	Form 202
4.2.3 Housing for Individuals with Disabilities	5 points	Exhibit M, Form 202
4.2.4 Family Housing	5 points	Form 202
4.2.5 Tenant Services	20 points	Exhibit K
4.2.6 Link to Public and Assisted Housing Waiting Lists	5 points	Exhibit L

4.3 Location and Marketability	***Total 65 Points***	See Current Application Submission Package Exhibit(s)
4.3.1 Market Study	40 points	Exhibit A
4.3.2 Housing in BRAC Impacted Counties and Communities with Indicators above Statewide Averages	15 points	Exhibit J, Form 202
4.3.3 Projects in Rural Areas	10 points	Exhibit A, Form 202
4.4 Development Quality	***Total 60 Points***	
4.4.1 Sustainable Development	33 points	Exhibit E
4.4.2 Amenities and Design Criteria	27 points	Exhibit E
4.5 Construction or Rehabilitation Cost Limits	(Up to 5 Minus Points)	Exhibit E
4.6 Leveraging and Long Term Subsidies	***Total 30 Points***	
4.6.1 Leveraging of Non-State Resources	20 points	Exhibit A, Form 202
4.6.2 Long-Term Operating Subsidies	10 points	Exhibit N, Form 202

APPENDIX XI: Multifamily Rental Financing Program Guide Development Quality Criteria

Exhibit C: Development Quality Criteria

The Development Quality Scoring is divided into two sections: "Sustainable Development Criteria" 1 through 5 with 28 possible points; and "Amenities and Design Criteria" 6 through 9 with 27 possible points.

Sustainable Development: Criteria 1 – 5

(The requirements in this section are further explained in Project Evaluation Criteria Section 4.4.1)

1. **The Layout of the building(s) and the improvements, on the site, is well thought out and complements the surrounding environment. (6 points)**

☐ *The building(s) and the other improvements on the site are located to provide superior accessibility, traffic flow, storm water drainage, recreation, noise mitigation, green space and energy conservation. (5-6 points)*
☐ *The building(s) and the other improvements on the site are located in such a way that they provide reasonable accessibility, traffic flow, storm water drainage, recreation, green space and energy conservation. (3-4 points)*
☐ *The building(s) and the other improvements on the site are located on the site such a way that is (are) not conducive to better living and may contribute to additional costs in long run. (1-2 points)*

Please consider the following criteria in assessing points in this category; the first two criteria should receive greater weight than the remaining five.

- The building, parking areas and other improvements thoughtfully utilize the site with a practical layout where transit, parking and exterior facilities can be conveniently accessed.
- The building parking areas and other improvements take advantage of existing topography. Excessive grading resulting in steep slopes or construction of large retaining walls is not anticipated nor is excessive erosion or sedimentation control expected. Driveways and entrances do not require excessive engineering.
- For existing and urban structures, the setback and parking provided is consistent with nearby buildings and local requirements. On new structures, in addition to the above, there is sufficient setback to provide walkways and a buffer from adjoining properties.
- There are green space areas, courtyards or exterior seating areas which provide privacy, recreational opportunities, and a feeling of spaciousness.
- The site has adequate usable space for project needs as proposed and does not have significant under-utilized or unused areas subject to ongoing maintenance. There are no areas that will require significantly higher than normal maintenance.
- Meets the accessibility needs of individuals with disabilities through integration of universal design standards with the site design.
- The project is connected to the local neighborhood by sidewalks.

2. **Material selections are of better quality, environmentally friendly, and designed for durability and long term performance with reduced maintenance. (6 points)**

Please Note: For rehabilitation projects, failure to completely replace or upgrade aging finishes, fixtures, equipment or systems and site conditions which are nearing the end of their useful life or show signs of excessive wear, deterioration, are in need of repair, are obsolete or inefficient may result in a deduction of one to four points.

☐ *Building materials, furnishings and equipment are of superior quality from reputable manufacturers offering proven long-term performance and significant savings in maintenance costs. (6 points)*
☐ *Building materials, furnishings and equipment are expected to provide better performance than standard and longer than normal durability with normal maintenance. (4-5 points)*
☐ *Materials, furnishings and equipment are expected to provide normal performance and durability with normal maintenance. (2-3 points)*
☐ *Major materials, furnishings and equipment are expected to provide minimum performance and limited life with normal maintenance. (1 point)*

Projects may be able to satisfy the goals of this category and receive full points in a variety of ways. Points will be awarded based on the number of Criteria Credits present in the project. A list of the items which are eligible for Criteria Credits and their value is provided below. The first four items in this list will receive additional Criteria Credits.

To score in the top box above (i.e. 6 points), a project must also have a total of at least 12 Material Selection Criteria Credits from the list below. To score in the second box above (i.e. 4-5 points) a project must have a total of 8 to 11 Material Selection Criteria Credits from the list below. To score in the third box (i.e.2-3 points), a project must have a total of 4 to 7 Material Selection Criteria Credits from the list below. To score in the fourth box (i.e. 1 point), a project will have a total of 2 to 3 Material Selection Criteria Credits from the list below

Material Selection Criteria Credits

Material Selection Criteria Credits	***Item Description***
1 to 3	Building exterior is at least 75 percent masonry or other highly durable materials such as cement fiber siding, stucco, stone, etc. For rehabilitation projects, needed repairs and cleaning must be specified for existing finishes to receive partial or full points.
2	Heavy-duty paving selected through-out with specifications provided. Paving section to equal local requirements for standard duty residential roadway or provide specifications which indicate a stone base of 8 inches or greater with the combination thickness of the asphalt base and top coat being at least 5 inches.
1 to 2	Improved resident comfort and convenience through installation of central or split HVAC systems for community area(s) and units. Packaged HVAC units which have duct work serving all major room and providing adequate air return capacity will receive one point.
2	High performance roofing specified for durability. Warranties should equal or exceed 20 years for flat roofs and 30 years for pitched shingled roofs.
1	Exterior trim is upgraded to composite or select materials or exterior trim will be rehabilitated to meet historic standards. Interior finish elements meet historic standards as applicable. Architectural accessories such as decorative door, window, corner eave, cornice and column details or other special features provided.
1	Cement fiber siding, stucco, EIFS or significant use of masonry or highly durable material exterior selected as an alternative to vinyl siding. *(These points are not available if project receives points in the first item above for 75 percent or more masonry or other highly durable materials.)*
1	The plumbing and electric fixture package is upgraded for improved functionality, appearance, low-cost maintenance and durability. The architect must clearly show then products selected are better quality than base builder grade selections. Identify manufacturer, product line and provide a narrative or literature supporting higher quality. Residential electric fixtures must be Energy Star rated except incandescent light fixtures where CFL light bulbs are provided. Product specifications are provided in the application submission.
1	The interior door/trim package has been upgraded to panel doors, better quality hardware, wood trim or additional treatments. Information must be provided to confirm the quality of each of these items.

Exhibits

1	Heavy (i.e. 18 to 20) gauge metal or solid core wood unit entrance doors with durable frames and hardware selected.
1	The cabinetry is upgraded with plywood boxes and durable finishes and hardware.
1	Floor coverings are upgraded to significantly higher quality longer lasting products. Carpet is 26 oz. high density nylon yarn or heavier with a recognized stain resistance treatment. Hard finish flooring is upgraded to products with a verifiable 10 year or longer warranty.
1	Ceramic tile bathrooms with sealed grout are provided. Bathrooms with ceramic tile flooring and better quality fiberglass shower or tub surrounds, preferred. Alternately, ceramic tile tub surrounds with ceramic tile floors or sheet goods flooring having a ten year or longer warranty are acceptable. Cementitious backer board required for all new wall tile installation.
1	Framing/decking system significantly upgraded over minimum design standards for increased insulation and durability.
1	Identifiable, project specific significant upgrades which provide increased performance, better appearance, durability, and lower maintenance.

3. Design features provide comfort and energy efficiency over the extended period of the project life. (Maximum 5 points)

Please Note: The base level standards are described on the Base Level Energy Standards Certification in the Exhibits section to this Guide. The Base Level Energy Standards Certification must be completed and included in the application to be considered for any criteria points in the section. Failure to submit an Energy Improvement Report on rehabilitation projects will result in a 5 point deduction from the overall development quality score in addition to receiving no points in this scoring category.

The building design features and selection of equipment are clearly specified to maximize energy efficiency and sustained performance while minimizing tenant and property utility costs. Up to Five (5) points may be awarded to projects which submit the fully executed Base Level Energy Standards Certification and fit the following point categories:

5 criteria points	Building will follow Energy Star design, verification, and commissioning process resulting in a 20 percent or greater improvement over code energy efficiency levels, or buildings with design prediction exceeding code energy efficiency requirements by 30% or more and not following the Energy Star certification process.
4 criteria points	Buildings will follow Energy Star design, verification, and commissioning process resulting in a 15 percent or greater improvement over code energy efficiency levels; or buildings will provide design projections resulting in a 25 percent improvement over code energy efficiency levels without the Energy Star certification process, or Rehabilitation buildings not achieving this level of energy efficiency but completing all energy improvements identified on the Energy Improvement Report as having a 16 year or less payback period.
3 criteria points	Buildings with design projections exceeding code energy efficiency requirements by 20 percent or greater without the Energy Star certification process; or Rehabilitation buildings not achieving this level of energy efficiency but completing all energy improvements identified on the Energy Improvement Report as having a 14 year or less payback period.

2 criteria points Buildings with design projections exceeding code energy efficiency requirements by 15 percent or greater without the Energy Star certification process; or Rehabilitation buildings not achieving this level of energy efficiency but completing all energy improvements identified on the Energy Improvement Report as having a 12 year or less payback period.

1 criteria point Buildings with design projections exceeding code energy efficiency requirements by 10 percent or greater without the Energy Star certification process; or Rehabilitation buildings not achieving this level of energy efficiency but completing all energy improvements identified on the Energy Improvement Report as having a 10 year or less payback

Please Note: Code is defined as the 2006 IECC, or ASHRAE 90.1 as applicable to the type of building. The State of Maryland has adopted the 2006 version of the IECC.

Please Note: Verifications of construction installations, performance, and commissioning listed in the 4 and 5 point categories above are to be completed by a certified rater of RESNET or the Building Performance Institute, or another rater recognized by Energy Star or the Maryland Energy Administration.

Please Note: Overall, building energy performance code projections must be completed or approved by RESNET or Building Performance Institute; or be in the form of REScheck or COMcheck code compliance certifications; or be in the form of a comprehensive analysis from a qualified building engineer or architect.

Please Note: In the 4 and 5 point categories above, certain buildings not eligible for the present Energy Star certification program may elect to follow an equivalent process to the Energy Star pilot program (Multifamily Performance with Energy Star) which is designed for buildings 4 stories or greater.

4. Design features contribute to a sustainable healthy environment over the extended period of the project life. (5 Maximum points)

Please Note: The base level standards are described on the Base Level Green Standards Certification in the Exhibits section to this Guide. The Base Level Green Standards Certification must be completed and included in the application to be considered for any criteria points in the section.

The project demonstrates environmental sustainability through conservation of resources and providing healthier living conditions. Up to Five (5) points may be awarded to projects which submit the fully executed Base Level Green Standards Certification and fit the following point categories:

5 points Project achieves a high level of sustainable and healthy living features with 5 or more **Green Feature Criteria Credits.**

4 points Project achieves a high level of sustainable and healthy living features with 4 or more **Green Feature Criteria Credits.**

3 points Project achieves a high level of sustainable and healthy living features with 3 or more **Green Feature Criteria Credits.**

2 points Project achieves a moderate level of sustainable and healthy living features with 2 or more **Green Feature Criteria Credits.**

1 point Project achieves a basic level of sustainable and healthy living features with 1 or more **Green Feature Criteria Credits.**

Green Feature Criteria Credits

Green Feature Criteria Credits	***Item Description***
5	Applicant agrees to make application for green certification from the group of nationally recognized sustainable development programs identified in Section 4.4.1, Subcategory I of this Guide.
2	Reduction of Impervious Cover - On rehabilitation projects the existing impervious surface is physically reduced by 20 percent or more; or
2	On new construction through the use of innovative planning, a detailed written statement from the civil engineer shows a 20 percent or greater reduction in impervious surface area over conventional design through the use of permeable paving, efficient narrower compact road design, reduction in local parking ordinances to a level where the project needs will still be met, permeable spill over parking areas, angled parking, shared parking and driveways, narrower sidewalks, and greater permeable open space adjacent to impervious cover. (Please note that implementation of certain listed examples may face local jurisdiction obstacles and must be compliant with accessibility codes and standards. While MDE supports progressive designs which are highly suitable for specific projects, approval from local jurisdictions may require waivers or special processes.)
1	Site Work Management - Utilize the 2007 or current version of the Maryland Stormwater Design Manuals to select Best Management Practices (BMP) for collection and treatment of stormwater captured on site through maximizing permeable surfaces. Identify and utilize low impact treatment methods such as open channel design in conjunction with open section paving, rain gardens (bio retention devices) urban BMP devices, disconnection of roof or non roof runoff, collection and reuse of water for irrigation or other approved domestic use. Criteria points awarded for projects utilizing methods identified or recognized by the Maryland Water Management Administration as Stormwater Credits for Innovative Planning: Natural area conservation Disconnection of rooftop runoff Disconnection of non rooftop runoff Sheet flow to buffers Open channel use Environmentally Sensitive Development
1	Ventilation - Install Energy Star qualified, hard ducted to exterior exhaust fans in bathroom and kitchen with spot ventilation to balance exhausted air; and install whole dwelling fresh air ventilation system which provides approximately 15 cfm per person. See ASHRAE 62.2
1	Recycled Materials - Project uses at least 2 of the following: recycled paving products, recycled concrete aggregate or binders; recycled framing lumber, trim or deck materials with recycled content; mulch obtained from chipping of trees removed during on site clearing operations; donations of material from demolition such as kitchen cabinets or appliances to non profit organizations or other significant use of recycled materials.
1	Construction Waste Recycling/Deconstruction - The project will implement a contruction waste recycling plan in which construction waste materials are collected, separated and recyled instead of being sent to a land fill. The plan shall include a record keeping function that shows the weight, type and disposition materials processed.

1	Local Material Procurement-The project makes use of locally available construction materials thereby reducing associated transportation costs. Submit a plan consistent with the local construction material procurement sections of any of the recognized sustainable development programs identified in Section 4.4.1, Subcategory I of this Guide.
1	Interior Air Quality – The project makes primary use of all of the following: Green Label carpeting, low toxic, low volatile organic compound (VOC) paint, primer, sealers and adhesives. Architect to reference national standard such as Green Seal, South Coast Air Quality Management District; Bay Area Air Quality Management District, or equivalent standard. In addition, unsealed engineered or composite wood products to be free of added urea formaldehyde. See ANSI A203. The architect will verify compliance of green products during the submittal review and construction verification process.
1	Reflective Roofing – Install light colored/high albedo roofing Energy Star rated. On flat roof surfaces application to be at least 75 percent reflective roofing. On pitched roofs, reflective shingle roofing will be considered if a suitable product showing dirt and stain resistance is selected.
1	Reflective Paving –Install light colored/high albedo materials with a minimum solar reflective index of 0.6 (60 percent) or open grid paving on at least 75 percent of site paved areas.
1	Exterior Lighting – Install Energy Star qualified exterior lighting which has dark sky features for parking area and site.
1	Healthy Flooring – Install non- vinyl, non-carpet hard surface floor coverings in all rooms. Architect to review the need for adding sound attenuation elements where hard surface flooring is selected.
1	Innovative Lumber Conserving Practices – Use engineered lumber or manufactured framing methods which conserve materials and do not rely on the use of full dimensional lumber and also reduce site originated waste. Identify systems to be used. Provide documentation that at least 25 percent (by cost) of the project wood products and materials are certified in accordance with the Forest Stewardship Council (FSC), American Tree Farm System (ATFS), Canadian Standards Association (CSA) and Sustainable Forestry Initiative (SFI). Innovative practices such as Optimal Value Engineering (OVE) or other system conserving materials or increasing energy performance over conventional framing practices also qualifies for receiving points.
1	Recycled Water - The project utilizes site run-off water, roof run-off or recycled gray water for irrigation or other code permissible uses. Water is effectively and practically stored and distributed to reduce the need for treated domestic water.
1	Geothermal Heat Pumps - The project will utilize geothermal heat pumps for common area or apartment HVAC.
1	Solar Energy - The project will utilize solar energy for any of the following: water heating; heat and cooling systems; lighting; or electric generation.
1	Integrated Pest Management - Implement an integrated pest management program equivalent to the HUD Healthy Homes Initiative.

5. **The building and the project site, including the nearby surroundings, provide opportunities for recreation, education, convenient access to mass transit or rail systems and community activities. (6 points)**

☐ *Ample opportunities for recreation, use of public transportation, education and community activities are available on the project site and nearby vicinity. (6 points)*
☐ *Moderate opportunities for recreation, use of public transportation, education and community activities are available on the project site and nearby vicinity. (4-5 points)*
☐ *Limited opportunities for recreation, use of public transportation, education and community activities are available on the project site or nearby vicinity. (2-3 points)*
☐ *Recreational, public transportation, educational and community activities are unavailable on the project site or are minimal or nonexistent in the vicinity. (0-1 points)*

Please consider the following in assessing points in this category:

- The proximity of parks, schools, cultural centers and other public facilities used by the residents.
- Shopping is convenient to the project. Basic services such as grocery and drug stores are located nearby.
- Public transportation is located near the project. Regularly scheduled public transportation is available at the site or within a short walking distance.
- Depending on whether it is a family or age-restricted project, there are recreational, educational and medical facilities within a short distance.
- The project is not located in a high traffic or congested area; or an area which is non-residential in character.
- The on-site community space and common areas are suitable for the size and targeted occupancy of the project.

Amenities and Design: Criteria 6 – 9

(The requirements in this section are further explained in Project Evaluation Criteria Section 4.4.2)

6. **Building design and uses are compatible with the surrounding environment and existing neighborhood. (7 points)**

☐ *Building exterior design features, finishes, height and uses are compatible with the immediate neighborhood and highly suitable for residential use and are significantly improved from their existing condition if a rehabilitation project. (6-7 points)*
☐ *Building exterior design features, finishes and height and uses are not closely compatible with the immediate neighborhood, but, also are not distinctly different from or complement the surrounding larger community or, if a rehabilitation project, are moderately improved from their existing condition and are highly suitable for residential use. (4-5 points)*
☐ *Building exterior design features and finishes are attractive but pose significant contrast with the surrounding environment and neighborhood and are generally suitable for residential use. (2-3 points)*
☐ *Building exterior design features and/or finishes are not compatible with the surrounding community and are less suitable for residential use. (0-1 points)*

Please consider the following criteria in assessing points in this category:

- The architectural design is consistent with or complements the existing neighborhood;
- The exterior finish materials are consistent with those found on other buildings nearby or there is an adequate buffer from other buildings to introduce different finish materials;
- The building height and mass are consistent with nearby structures and are not overly imposing, particularly to existing owner-occupied housing, but an adequate buffer from other buildings will be a mitigating factor;
- There are exterior architectural elements which add interest, functionality and generally improve the appearance and quality of the building;
- For rehabilitation projects, the scope of work includes significant exterior renewal or cleaning of finishes to provide a positive visual impact on the neighborhood;
- The building is located in an area that is residential, appropriate mixed use area with businesses or uses highly compatible with a residential neighborhood; and

- The building(s) is (are) located in a recognized planned residential growth or revitalization district.

7. **Individual unit sizes are spacious and the floor plans well designed. (7 points)**

☐ *Individual units are spacious and well designed with generous space dedicated to living and working areas and ample closets and storage space. (More than 650 gsf area for predominant 1-BR units and 20% more area for each additional bedroom unit, preferably with the smallest bedroom not less than 10'x11' in clear size. For SROs, efficiencies and other approved special needs housing, more than 542 gsf per unit.* (6-7 points)

☐ *Individual units are well designed for comfortable living and working, with adequate closet and storage space. (600 - 650 gsf. area for predominantly 1-Br units and 20% more area for each additional bedroom unit, preferably with the smallest bedroom not less than 10'x10' in clear size.) (4-5 points)*

☐ *Individual units are less than 600 gsf (1-Br) but adequately laid out for living and working with adequate closet space. (2-3 points)*

☐ *Individual unit sizes are restrictive and or have an overall non-functional floor plan or undesirable arrangement. (0-1 points)*

Please consider the following in assessing points in this category:

- If the closet space is significantly inadequate but the size and lay-out is reasonable, deduct 1 point.
- If the floor plan is not efficient, has poor proportions, does not have a practical traffic flow or provides inadequate space for furniture placement, but the size of the units and closet space are reasonable, deduct 1 to 2 points.
- Failure to provide a second bathroom in 3+ bedroom units will result in the loss of 1 point.

8. **The site is suitable for the proposed development and limited or no extraordinary or unanticipated geotechnical, environmental or utility infrastructure costs are indicated. (6 points)**

☐ *Site improvement costs are <u>reasonable</u> (no more than 18% of the net construction cost unless the land acquisition cost was proportionally discounted to reflect the increased site development cost) with required development costs included in the budget. All necessary investigative reports do not reveal any significant issues at the site, and the Department's experience indicates limited risk of unanticipated costs in the construction budget. (5-6 points)*

☐ *Site improvement costs exceed the reasonable standard (more than 18% of the net construction cost), and all necessary investigative reports and the Department's experience indicates moderate risk of unanticipated costs in the construction budget. (3-4 points)*

☐ *The site improvement costs exceed the reasonable standard and limited investigative reports are submitted with the application, or the submitted reports or the Department's experience indicates considerable risk of unanticipated costs unaddressed in the construction budget. (1-2 points)*

Depending on the severity of the condition and its potential for construction period risk, deductions of 1-3 points will be made for <u>each</u> potential condition which could result in unbudgeted site costs related to the following:

- Unsuitable soils;
- Extensive haul-in/haul-off changes for earth removal related to an unbalanced site;
- Steep slopes;
- Rock removal;
- Wet conditions, dewatering;
- Asbestos or lead removal;
- Oil or chemical contamination;
- Unidentified utility expenditures; or
- Other site specific conditions.

9. **Unit amenities are consistent with or better than amenities in other similar projects in the market area. (7 points)**

☐ *Varieties of unit amenities are available which are substantially better than the amenities provided by comparable projects in the competitive market area. (6-7 points)*

☐ *Unit amenities are moderate and either retained or replaced, but are somewhat better than the amenities* *provided in the similar projects in the competitive market area. (4-5 points)*

- ☐ *Unit amenities are moderate and either retained or replaced, which are about the same or similar to the amenities provided in the similar projects in the competitive market area. (2-3 points)*
- ☐ *Unit amenities are limited or none, either retained or replaced, and are less than the amenities provided in the similar projects in the competitive market area. (0-1 points)*

The following should be considered unit amenities in scoring this category:

- Appliances including
  - refrigerator,
  - range or stove,
  - dishwasher,
  - garbage disposal,
  - microwave oven,
  - washer and/or dryer;
- Secure electronic building entry features under individual resident control;
- Walk-in closet or additional storage area;
- Ceiling fans;
- Bathroom heaters;
- Upgraded window and door security features including deadbolts, security bars, electronic alarms;
- Reasonable kitchen cabinet and counter space;
- Window and patio door treatments;
- Balconies or patios;
- Incorporates universal design features in common areas and dwelling units in order to better integrate individuals with disabilities into the community. Some examples of basic universal design features includes: no-step entry; one-story living; doorways 32-36 inches wide; hallways 36-42 inches wide; extra floor space; floors and bathtubs with non-slip surfaces; thresholds that are flush with the floor; good lighting; lever door handles and rocker light switches.

APPENDIX XII: Prince George's County FY2009-2010 Tax Rates

PRINCE GEORGE'S COUNTY
FY2009-2010 tax rates approved:
(in dollars/$100 of Assessed Valuation)

TAX CLASS	COUNTY	STATE	M-NCPPC	STORM WATER	WSTC	FY09	FY10	CHANGE
Real Property:								
1	0.9600	0.0000	0.2790	0.0120	0.0260	1.2770	1.2770	0.0000
2	0.9600	0.1120	0.0605	0.0540	0.0260	1.2125	1.2125	0.0000
5	0.0000	0.1120	0.0000	0.0000	0.0000	0.1120	0.1120	0.0000
6	0.9600	0.1120	0.2324	0.0540	0.0260	1.3844	1.3844	0.0000
8	0.9600	0.1120	0.2790	0.0540	0.0260	1.4310	1.4310	0.0000
9	0.9600	0.1120	0.2790	0.0009	0.0260	1.3780	1.3779	(0.0001)
10	0.9600	0.1120	0.2790	0.0000	0.0260	1.3770	1.3770	0.0000
11	0.0000	0.0000	0.2790	0.0009	0.0000	0.2800	0.2799	(0.0001)
13	0.9600	0.1120	0.1071	0.0120	0.0260	1.2171	1.2171	0.0000
14	0.0000	0.1120	0.1071	0.0540	0.0000	0.2731	0.2731	0.0000
15	0.9600	0.1120	0.1071	0.0540	0.0260	1.2591	1.2591	0.0000
20	0.0000	0.1120	0.2790	0.0000	0.0000	0.3910	0.3910	0.0000
21	0.9600	0.1120	0.2790	0.0120	0.0260	1.3890	1.3890	0.0000

* The Property has been assigned Code "5"

APPENDIX XIII: LIHTC Application and Processing Fees

Description	Low-income Housing Tax Credit	Rental Housing Fund	Due Date
Application Fee (non-refundable)	$1,000. Funding for these programs is requested on the same application and requires a single application fee regardless of how many programs are involved.		Fee must accompany application.
Reservation Fee (non-refundable)	$4,000. Reservation fee payments must be remitted as invoiced with the reservation letter regardless of how many programs are involved.		Fee must be remitted to CDA's Trustee per invoice.
Tax Credit Allocation Fee (non-refundable)	4% of the annual tax credit amount allocated	N/A	Varies depending on financing and sponsor type. See QAP for details.
Commitment Fee	N/A	1.5% of the loan amount. May be financed.	Due at the earlier of initial loan closing or bond closing.
10% Expenditure Test Deadline Extension Fee	$1,000 for each month the deadline is extended.	N/A	Payable with application for extension.
Tax Credit Allocation Amendment Fee	$1,000 per project	N/A	Payable upon the filing of a request for an amended IRS Form 8609 where the amendment is not the result of an administrative error by CDA.
Closing Attorney's Fees	N/A	Closing (first loan): $20,000 Each Additional loan: $1,000	Payable at initial loan closing.
Tax Credit Compliance Monitoring Fee	$25 per unit per year	N/A	Payable annually when billed.
IRS Form 8823 Compliance Re-Review Fee	$25 per unit per occurrence	N/A	Payable with request from the owner for issuance of an 8823 by CDA to correct a previous uncorrected 8823.

APPENDIX XIV: Private Market Senior Housing Table

Prince George's County 2006-2010 Consolidated Plan

Private Market Senior Housing

Senior Facilities	Units	Senior Facilities	Units
Bowie Commons, Bowie	36	Parkview Apartments II, Laurel	105
Council House, Suitland	162	Park View Manor, Hyattsville	54
Emerson House, Bladensburg	220	Mrs. Philippines House, Oxon Hill	73
Friendship Arms, Hyattsville	150	Pin Oak Village, Bowie	220
Gateway Village, Capitol Heights	84	Prince George's Manor, Temple Hills	148
Greenridge House, Greenbelt	101	Rainier Manor Apts., Mount Rainier	104
Horizon House I, Clinton	4	Rollingcrest Commons, Chillum	140
Horizon House II, Suitland (Elderly and Transitional Units)	10	Selborne House, Laurel	126
Independence Court, Hyattsville	135	Spellman House, College Park	140
Largo Landing Fellowship House, Upper Marlboro	105	St Paul Senior Living Ctr, Capitol Heights (Assisted Living)	150
Malta House, Hyattsville	30	Vistas at Lake Largo, Landover	110
Manor Apartments I, Hyattsville	62		
Manor Apartments II, Hyattsville	88	The Willows, Bladensburg	101
Marwood Senior Apartments, Upper Marlboro	155	Windsor Crossing	128
Palmer Park Senior Apartments (under construction)	69	Willow Oaks, Laurel (Homeownership Units)	60
Park Seton, Bladensburg	102	Woodside Village, Oxon Hill	200
Parkview Apartments I, Laurel	153		
		Total Units—Private Market	**3,525**

Source: County Department of Family Services and Maryland DHCD