

**Women's Community Revitalization Project  
Nicole Hines Townhomes  
ACC Calculations and Internal Rent Reserve Plan and Details (Parts A-G)**

**A Assumptions**

Calculating PRA 30% Rents

Persons	20% Rents	40% Rents	PRA 30% Rents
Two Bed	\$355	\$710	\$533
Three Bed	\$410	\$820	\$615
Four Bed	\$457	\$915	\$686

Calculating PHFA Rent Subsidy

50% Rents	20% PHFA IRR
\$887	\$532
\$1,030	\$620
\$1,148	\$691

**B ACC Rent and Subsidy Sizing**

WCRP sized its 18 ACC unit rents and subsidy amounts so that they would be affordable to families earning 30% of AMI while adhering to the ACC subsidy maximum per unit value of \$500. Total per unit expenditures are well below HUD published Fair Market Rents. See calculations below:

Unit Type	# of Units	Per Unit Rent	Utility Allowance	Total Tenant Payment/PRA 30% Rent	Per Unit Subsidy	Total Payment (Rent+U/A+Subsidy)	HUD Fair Market Rent for Unit Size
2 Bdr	9	\$ 297	\$ 236	\$ 533	\$ 500	\$ 1,033	\$1,135
3 Bdr	7	\$ 334	\$ 281	\$ 615	\$ 500	\$ 1,115	\$1,414
4 Bdr	2	\$ 338	\$ 348	\$ 686	\$ 500	\$ 1,186	\$1,518

**B Internal Rent Reserve Calculations for PHFA IRR (set according to PHFA rules about use of developer's fee for internal rent reserves)**

		2 Bdr Outer	3dr Outer	Totals
1	Number of Units Per Type	3	1	4
2	AMI Unit Designation for the PRA	20%	20%	
3	AMI Unit Designation for PHFA	20%	20%	
4	Anticipated Utility Allowance (PHA Schedule)	\$236	\$281	
7	PHFA Maximum Rent at 20%	\$355	\$410	
9	PHFA Internal Subsidy Permitted	\$532	\$615	
10	Number of Units Participating in Internal Subsidy Program	3	1	4
11	Total Monthly Subsidy Required	\$1,596	\$615	\$2,211
12	Total Annual Subsidy Required	\$19,152	\$7,380	\$26,532

**C Sizing the PHFA Permitted Developer's Fee Boost**

\$	26,532	Subsidy Amount
	15	Term of Subsidy (Years)
	1.000%	Investment Rate

	Annual Subsidy Amount	Cumulative Cash Flow	Discount Rate	Present Value	Cumulative Value
1	\$ 26,532	\$ 26,532	1.000%	\$ 26,269.31	\$ 26,269
2	\$ 27,063	\$ 53,595	1.000%	\$ 26,529.40	\$ 52,799
3	\$ 27,604	\$ 81,199	1.000%	\$ 26,792.07	\$ 79,591
4	\$ 28,156	\$ 109,355	1.000%	\$ 27,057.33	\$ 106,648
5	\$ 28,719	\$ 138,074	1.000%	\$ 27,325.23	\$ 133,973
6	\$ 29,293	\$ 167,367	1.000%	\$ 27,595.78	\$ 161,569
7	\$ 29,879	\$ 197,246	1.000%	\$ 27,869.00	\$ 189,438
8	\$ 30,477	\$ 227,723	1.000%	\$ 28,144.93	\$ 217,583
9	\$ 31,086	\$ 258,810	1.000%	\$ 28,423.59	\$ 246,007
10	\$ 31,708	\$ 290,518	1.000%	\$ 28,705.02	\$ 274,712
11	\$ 32,342	\$ 322,860	1.000%	\$ 28,989.22	\$ 303,701
12	\$ 32,989	\$ 355,850	1.000%	\$ 29,276.25	\$ 332,977
13	\$ 33,649	\$ 389,499	1.000%	\$ 29,566.11	\$ 362,543
14	\$ 35,008	\$ 458,829	1.000%	\$ 30,154.48	\$ 422,557

**D Determining the Additional GP Contribution Available Per the PRA Rules**

1	PRA GP Contribution Required	\$772,556
2	Amount Required by PHFA	\$437,500
3	Amount Available to Fund Additional IRR	\$335,056

**E Defining the Additional Apartments to be Subsidized Using this Additional GP Contribution**

As it has done in the past, WCRP intends to invest this portion of its required developer fee reinvestment amount to subsidize rents. In the budgeted scenario, **WCRP will use this reserve to rent 13 units to families earning below 30% of AMI. In the budgeted scenario, these the units are affordable to families earning \$20,000 per year.** Please see the table below for details on which units will be targeted for use with this portion of the rental reserve, and subsequently a reserve draw schedule.

Annual Household Income	\$ 20,000.00
Monthly Household Income	\$ 1,667
Maximum Monthly Housing Payment (30% of income)	\$ 500

Unit Type	# of Units	Per Unit Rent	Utility Allowance	Total Tenant Payment	Per Unit Subsidy	Monthly Subsidy Needed
2 Bdr Outer	3	\$ 141	\$ 236	\$ 377	\$ 133	\$ 399
2 Bdr Inner	2	\$ 274	\$ 226		\$ 133	\$ 266
3 Bdr Outer	8	\$ 96	\$ 281	\$ 377	\$ 133	\$ 1,064
						<b>Subsidy Needed \$ 1,729</b>
						<b>Subsidy Needed \$ 20,748</b>

1	Amount Available to Fund Additional IRR	\$335,056
2	Investment Rate	1.00%
3	Initial Annual Subsidy Draw	\$20,748

Units subsidy per ur \$13  
\$133  
\$20,748

**F Drawdown Schedule for Portion of IRR Funded by PRA Required Reinvestment of Developer Fee**

Year	Starting Balance	Withdrawal to Fund Rents	Remaining	Add 1% Interest Earnings
1	\$335,056	\$20,748	\$314,308	\$317,451
2	\$317,451	\$21,162.96	\$296,288	\$299,251
3	\$299,251	\$21,586.22	\$277,665	\$280,441
4	\$280,441	\$22,017.94	\$258,423	\$261,008
5	\$261,008	\$22,458.30	\$238,549	\$240,935
6	\$240,935	\$22,907.47	\$218,027	\$220,208
7	\$220,208	\$23,365.62	\$196,842	\$198,811
8	\$198,811	\$23,832.93	\$174,978	\$176,727
9	\$176,727	\$24,309.59	\$152,418	\$153,942
10	\$153,942	\$24,795.78	\$129,146	\$130,438
11	\$130,438	\$25,291.70	\$105,146	\$106,197
12	\$106,197	\$25,797.53	\$80,400	\$81,204
13	\$81,204	\$26,313.48	\$54,890	\$55,439
14	\$55,439	\$26,839.75	\$28,600	\$28,886
15	\$28,886	\$27,376.55	\$1,509	\$1,524

**G Summary of PHFA IRR and Additional IRR**

Total Number of IRR Units	17
% of Internally Subsidized Units	49%
Total Annual Internal Subsidy	\$47,280