GRANDVIEW SENIOR HOUSING

11/28/17

Inflator: Income 2.0%; Expense 3.0%

	Units	Rent	Monthly	Yearly
50%	25	$579	$14,475	$173,700
60%	14	$695	$9,730	$116,760
	39			$290,460

Operating Cash Flow - 15 Years	Year 1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Gross Rent (Apartments)	290,460	296,269	302,195	308,238	314,403	320,691	327,105	333,647	340,320	347,127	354,069	361,151	368,374	375,741	383,256
Rental Revenue (Other)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vacancy Allowance 5%	14,628	14,921	15,219	15,523	15,834	16,150	16,474	16,803	17,139	17,482	17,831	18,188	18,552	18,923	19,301
Adjusted Gross Income	275,832	281,349	286,976	292,715	298,569	304,541	310,632	316,844	323,181	329,645	336,238	342,962	349,822	356,818	363,954
Other Income															
Other	2,100	2,142	2,185	2,229	2,273	2,319	2,365	2,412	2,460	2,510	2,560	2,611	2,663	2,717	2,771
Other - Tax Increment Financing ("TIF")	35,000	35,700	36,414	37,142	37,885	38,643	39,416	40,204	41,008	41,828	42,665	43,518	44,388	45,276	46,182
Effective Gross Income	312,932	319,191	325,574	332,086	338,728	345,502	352,412	359,461	366,650	373,983	381,462	389,092	396,873	404,811	412,907
Operating Expenses															
Management Fee	23,450	23,760	23,760	23,760	23,760	23,760	23,760	23,760	23,760	23,760	23,760	23,760	23,760	23,760	23,760
Other Operating Expenses															
Administration															
Legal & Accounting	6,000	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829	8,063	8,305	8,555	8,811	9,076
Advertising & Marketing	250	258	265	273	281	290	299	307	317	326	336	346	356	367	378
Resident Services Coordinator	20,000	20,600	21,218	21,855	22,510	23,185	23,881	24,597	25,335	26,095	26,878	27,685	28,515	29,371	30,252
Other Administrative Expenses	9,500	9,785	10,079	10,381	10,692	11,013	11,343	11,684	12,034	12,395	12,767	13,150	13,545	13,951	14,370
Subtotal Administration	59,200	60,583	61,687	62,825	63,997	65,204	66,447	67,728	69,047	70,406	71,805	73,246	74,731	76,260	77,835
Utilities															
Heat & Hot Water (natural gas)	23,500	24,205	24,931	25,679	26,449	27,243	28,060	28,902	29,769	30,662	31,582	32,529	33,505	34,511	35,546
Electric / Including Common Area	24,000	24,720	25,462	26,225	27,012	27,823	28,657	29,517	30,402	31,315	32,254	33,222	34,218	35,245	36,302
Sewer & Water	17,250	17,768	18,301	18,850	19,415	19,997	20,597	21,215	21,852	22,507	23,183	23,878	24,594	25,332	26,092
Subtotal Utilities	64,750	66,693	68,693	70,754	72,877	75,063	77,315	79,634	82,023	84,484	87,019	89,629	92,318	95,088	97,940
Repairs & Maintenance															
Snow Removal	9,500	9,785	10,079	10,381	10,692	11,013	11,343	11,684	12,034	12,395	12,767	13,150	13,545	13,951	14,370
Grounds / Parking	6,500	6,695	6,896	7,103	7,316	7,535	7,761	7,994	8,234	8,481	8,735	8,998	9,267	9,545	9,832
Trash Removal	5,100	5,253	5,411	5,573	5,740	5,912	6,090	6,272	6,461	6,654	6,854	7,060	7,271	7,490	7,714
Building Repairs / Maintenance	27,500	28,325	29,175	30,050	30,951	31,880	32,836	33,822	34,836	35,881	36,958	38,066	39,208	40,385	41,596
Cleaning Supplies / Painting	5,750	5,923	6,100	6,283	6,472	6,666	6,866	7,072	7,284	7,502	7,728	7,959	8,198	8,444	8,697
Other (boiler, elevator, alarm)	12,500	12,875	13,261	13,659	14,069	14,491	14,926	15,373	15,835	16,310	16,799	17,303	17,822	18,357	18,907
Other, Janitorial	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720	6,921	7,129	7,343	7,563
Subtotal Repairs & Maintenance	71,850	74,006	76,226	78,512	80,868	83,294	85,793	88,366	91,017	93,748	96,560	99,457	102,441	105,514	108,680
Fixed Expenses															
Real Estate Taxes	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239	67,196	69,212	71,288	73,427	75,629
Insurance	15,000	15,450	15,914	16,391	16,883	17,389	17,911	18,448	19,002	19,572	20,159	20,764	21,386	22,028	22,689
Subtotal Fixed Expenses	65,000	66,950	68,959	71,027	73,158	75,353	77,613	79,942	82,340	84,810	87,355	89,975	92,674	95,455	98,318
Total Other Expenses	260,800	268,231	275,565	283,119	290,900	298,914	307,168	315,671	324,428	333,448	342,739	352,308	362,164	372,316	382,773
Replacement Reserve (3% increase annual)	17,550	18,077	18,619	19,177	19,753	20,345	20,956	21,584	22,232	22,899	23,586	24,293	25,022	25,773	26,546
Total Op Exp (w services)	278,350	286,307	294,183	302,296	310,652	319,259	328,124	337,255	346,660	356,347	366,324	376,601	387,186	398,089	409,319
Net Operating Income	**34,582**	**32,884**	**31,391**	**29,790**	**28,075**	**26,243**	**24,288**	**22,206**	**19,990**	**17,636**	**15,138**	**12,490**	**9,687**	**6,722**	**3,588**
Required Debt Service	**12,000**	**12,000**	**12,000**	**12,000**	**12,000**	**12,000**	**12,000**	**12,000**	**12,000**	**12,000**	**12,000**	**12,000**	**12,000**	**12,000**	**12,000**
Net Cash Flow	**22,582**	**20,884**	**19,391**	**17,790**	**16,075**	**14,243**	**12,288**	**10,206**	**7,990**	**5,636**	**3,138**	**490**	**(2,313)**	**(5,278)**	**(8,412)**
Net Cash Flow as % of EGI	**7.22%**	**6.54%**	**5.96%**	**5.36%**	**4.75%**	**4.12%**	**3.49%**	**2.84%**	**2.18%**	**1.51%**	**0.82%**	**0.13%**	**-0.58%**	**-1.30%**	**-2.04%**
Debt Ser Coverage Ratio 1.75	**2.88**	**2.74**	**2.62**	**2.48**	**2.34**	**2.19**	**2.02**	**1.85**	**1.67**	**1.47**	**1.26**	**1.04**	**0.81**	**0.56**	**0.30**
Operating Reserve															
Beginning Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income - 1%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disbursements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-