

Project Feasibility ~ LIP Ownership Project				
LOUIS FARM VILLAGE DRACUT, MA				
July 8, 2021				
1. Ownership Pro Forma				
	Total Costs	Per Home (20 Homes)	Per Gross Square Foot	% of Total Development Cost
(a) Site Acquisition	\$240,000	\$12,000	\$6.03	3.03%
<u>Hard Costs</u>				
Earth Work (included in Roads & Walks)	\$0	\$0	\$0.00	0.00%
Site Utilities (Layout, Sewer, Water, Drainage, Electric, Telephone)	\$300,000	\$15,000	\$0.38	3.79%
Utility Company Charges (Natural Gas and Electric)	\$60,000	\$3,000	\$1.51	0.76%
Roads & Walks (including Roadway Trees and Shrubs, Walls, Dumpster Enclosure)	\$300,000	\$15,000	\$7.54	3.79%
Site Improvements (Street Lamps)	\$20,000	\$1,000	\$0.50	0.25%
Unusual Site Conditions	\$0	\$0	\$0.00	0.00%
(b) Total Site Work	\$680,000	\$34,000	\$17.09	8.59%
Excavation	\$360,000	\$18,000	\$9.05	4.55%
Concrete (Foundations, Gypcrete for Floors)	\$390,000	\$19,500	\$9.80	4.93%
Driveways	\$40,000	\$2,000	\$1.01	0.51%
Masonry	\$0	\$0	\$0.00	0.00%
Metals (Bulkheads, Gutters, Downspouts, Fireplaces)	\$104,000	\$5,200	\$2.61	1.31%
Carpentry (Framing for Houses, Garages and Decks, Siding, Sheetrock, Interior Finish Carpentry)	\$1,740,000	\$87,000	\$43.72	21.99%
Painting	\$80,000	\$4,000	\$2.01	1.01%
Roofing	\$130,000	\$6,500	\$3.27	1.64%
Insulation	\$240,000	\$12,000	\$6.03	3.03%
Doors & Windows (including Garage Doors and Openers)	\$190,000	\$9,500	\$4.77	2.40%
Interior Finishes (Flooring, Mirrors, Closet Stock)	\$200,000	\$10,000	\$5.03	2.53%
Cabinets & Appliances	\$260,000	\$13,000	\$6.53	3.29%
Plumbing and HVAC	\$600,000	\$30,000	\$15.08	7.58%
Lawns & Planting (At Homes, including Irrigation System)	\$80,000	\$4,000	\$2.01	1.01%
Electrical (including Security System)	\$278,000	\$13,900	\$6.98	3.51%
(c) Total Building Construction	\$4,692,000	\$234,600	\$117.89	59.30%
(d) General Conditions, Builder's Overhead, and Builder's Profit	\$752,080	\$37,604	\$18.90	9.51%
(e) Subtotal Hard Costs (a+b+c+d)	\$6,364,080	\$318,204	\$159.90	80.43%
(f) Hard Cost Contingency (5%)	\$268,600	\$13,430	\$6.75	3.39%
(g) Total Hard Costs (e + f)	\$6,632,680	\$331,634	\$166.65	83.83%

	<i>Total Costs</i>	<i>Per Home (20 Homes)</i>	<i>Per Gross Square Foot</i>	<i>% of Total Development Cost</i>
Soft Costs:				
Building Permits/Water & Sewer Fees (Market Units)	\$247,500	\$12,375	\$6.22	3.13%
Architectural	\$11,000	\$550	\$0.28	0.14%
Engineering (includes Survey)	\$40,000	\$2,000	\$1.01	0.51%
Legal (includes Condo Documents and closings)	\$50,000	\$2,500	\$1.26	0.63%
Title Insurance	\$4,200	\$210	\$0.11	0.05%
Excise Tax (Middlesex North Registry of Deeds) (\$4.56/\$1,000)	\$40,868	\$2,043	\$1.03	0.52%
Real Estate Taxes (during construction)	\$20,000	\$1,000	\$0.50	0.25%
Insurance (during construction)	\$30,000	\$1,500	\$0.75	0.38%
HOW Warranty	\$20,000	\$1,000	\$0.50	0.25%
Developer's Overhead	\$80,000	\$4,000	\$2.01	1.01%
LIP/40B Consultant	\$30,000	\$1,500	\$0.75	0.38%
Construction Interest and Bank Fees	\$165,000	\$8,250	\$4.15	2.09%
Application/Appraisal Fees	\$32,000	\$1,600	\$0.80	0.40%
Accounting/Cost Certification/Monitoring	\$15,000	\$750	\$0.38	0.19%
Marketing (Market Homes @ 5% + Model Home)	\$419,925	\$20,996	\$10.55	5.31%
Marketing/Lottery (Affordable Homes @ 3%)	\$34,914	\$1,746	\$0.88	0.44%
(h) Subtotal Soft Costs	\$1,240,407	\$62,020	\$31.17	15.68%
(i) Soft Cost Contingency (5%)	\$39,278	\$1,964	\$0.99	0.50%
(j) Total Soft Costs (h + i)	\$1,279,685	\$63,984	\$32.15	16.17%
(k) Total Development Costs (g + j)	\$7,912,365	\$395,618	\$198.80	100.00%

2. Profit Analysis				
Sources:				
Affordable Projected Sales	\$1,163,795			
Market Projected Sales	\$7,798,500			
Public Grants	\$0			
(A) Total Sources	\$8,962,295			
Uses:				
(B) Total Development Costs	\$7,912,365			
Profit:				
(C) Total Profit (A-B)	\$1,049,930			
(D) Percentage Profit (C/B)	13.27%			
3. Cost Analysis				
Total Gross Building Square Footage	39,800	(Decks, Garages and Basements not included. Unfinished Space on Second Floor of Affordable Homes included.)		
Residential Construction Cost per Gross Building Square Foot	\$161	(Lines b,c,d and f)		
Total Hard Costs per Gross Square Foot	\$167	(Line g) (Includes Site Acquisition and Hard Cost Contingency)		
Total Development Costs per Gross Square Foot	\$199	(Line k)		
Sales per Gross Square Foot	\$225	(Average)		

PROJECT DESCRIPTION			
LOUIS FARM VILLAGE DRACUT, MA			
20 Age-Restricted (55+) Homes			
Affordable Homes	5	25%	
Market Homes	15	75%	
Total Homes	20	100%	
Total Gross Building Square Footage	39,800		
(not including Garages, Decks, and Basements)			
Garage Spaces/Home (Each 2-Car Garage is approximately 420 Square Feet)	2		
Sales Revenue	<i>Homes</i>	<i>Average Price</i>	<i>Revenue</i>
Affordable	5	\$232,759	\$1,163,795
Market	15	\$519,900	\$7,798,500
Total Homes	20	TOTAL	\$8,962,295