

Project Feasibility ~ LIP Ownership Project
 LOUIS FARM VILLAGE DRACUT, MA
 July 8, 2021

1. Ownership Pro Forma				
	<i>Total Costs</i>	<i>Per Home (20 Homes)</i>	<i>Per Gross Square Foot</i>	<i>% of Total Development Cost</i>
(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%

<u>2. Profit Analysis</u>				
<u>Sources:</u>				
Affordable Projected Sales	\$1,163,795			
Market Projected Sales	\$7,798,500			
Public Grants	\$0			
(A) Total Sources	\$8,962,295			
<u>Uses:</u>				
(B) Total Development Costs	\$7,912,365			
<u>Profit:</u>				
(C) Total Profit (A-B)	\$1,049,930			
(D) Percentage Profit (C/B)	13.27%			
<u>3. Cost Analysis</u>				
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	<u>15</u>	75%	
Total Homes	20	100%	
Total Gross Building Square Footage (not including Garages, Decks, and Basements)	39,800		
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	<u>15</u>	\$519,900	\$7,798,500
Total Homes	20	TOTAL	\$8,962,295