

**ROSEBROOK COMMONS MIXED USE DEVELOPMENT
1747 West Main Rd Middletown RI**

Mesoella Development Corp.

4 Fox Place Fl 2, Providence, RI 02903

Assumptions

Ground FL Commercial	Footprint	Floors	Total SF
Building 1	12,000.00	1	12,000.00
Building 2	16,800.00	1	16,800.00
Total Commercial	28,800.00		28,800.00

Residential	Foot Print	Floors	Total SF
Building 1	12,000.00	2	24,000.00
Building 2	16,800.00	2	33,600.00
Building 3	6,000.00	3	18,000.00
Building 4	6,000.00	3	18,000.00
Building 5	6,000.00	3	18,000.00
Building 6	6,000.00	3	18,000.00
Building 7	6,000.00	3	18,000.00
Building 8	2,500.00	3	7,500.00
Total Residential SF	61,300.00		155,100.00
Total Project SF			183,900.00

FY 2021 RI Income Limits for LMI Households			
Type	One Bed	Two Bed	Three Bed
FMR	\$ 1,157.00	\$ 1,502.00	\$ 2,122.00
LMI (Gross)	\$ 1,191.00	\$ 1,429.00	\$ 1,650.00
Market	\$ 1,750.00	\$ 2,250.00	\$ 2,500.00
% Var	-32%	-36%	-34%

% AMI	1 Person	2 Person	3 Person
30%	\$22,250.00	\$ 25,400.00	\$ 28,600.00
50%	\$37,050.00	\$ 42,350.00	\$ 47,650.00
60%	\$44,460.00	\$ 50,820.00	\$ 57,180.00
80%	\$55,950.00	\$ 63,950.00	\$ 71,950.00
100%	\$74,050.00	\$ 84,650.00	\$ 95,200.00
120%	\$88,850.00	\$101,600.00	\$114,250.00

Type	One Bed	Two Bed	Three Bed	Total
Phase I	42	18	4	64
Phase II	28	44	8	80
Unit Mix	70	62	12	144
Market Mix	36.4	47.6	8.8	92.8
Affordable Mix	33.6	14.4	3.2	51.2
Market %	52%	77%	73%	64%
Affordable %	48%	23%	27%	36%
Market Income	\$ 764,400	\$ 1,285,200	\$ 264,000	\$ 2,313,600
Affordable Income	\$ 480,211	\$ 246,931	\$ 63,360	\$ 790,502
				\$ 3,104,102

PRELIMINARY CONSTRUCTION BUDGET

Mesolella Development Corp.

4 Fox Place Fl 2, Providence, RI 02903

Development Item	Total Cost Low Mod Component	Total Cost Market Rate Component	%/TPC	Total Project Cost
Development Costs				
Site Acquisition	\$1,327,500	\$3,172,500	13.49%	\$4,500,000
Hard Costs				
Site preparation	\$295,000	\$705,000	2.09%	\$1,000,000
Landscaping	\$73,750	\$176,250	0.52%	\$250,000
Residential construction	\$8,850,000	\$21,150,000	62.83%	\$30,000,000
Hard cost contingency	\$619,500	\$1,480,500	4.40%	\$2,100,000
Total Hard Costs	\$9,838,250	\$23,511,750	69.85%	\$33,350,000
Soft Costs				
Permits/Surveys	\$88,500	\$211,500	0.63%	\$300,000
Architectural	\$221,250	\$528,750	1.57%	\$750,000
Engineering	\$221,250	\$528,750	1.57%	\$750,000
Legal	\$73,750	\$176,250	0.52%	\$250,000
Insurance	\$221,250	\$528,750	1.57%	\$750,000
Security	\$0	\$0	0.00%	
Construction Manager	\$85,550	\$204,450	0.61%	\$290,000
Property Taxes	\$0	\$0	0.00%	
Construction Loan Interest	\$368,750	\$881,250	2.62%	\$1,250,000
Financing fees	\$154,875	\$370,125	1.10%	\$525,000
Appraisal	\$8,850	\$21,150	0.06%	\$30,000
Utilities	\$0	\$0	0.00%	
Accounting	\$17,700	\$42,300	0.13%	\$60,000
Marketing & Commissions	\$29,500	\$70,500	0.21%	\$100,000
Consultant	\$73,750	\$176,250	0.52%	\$250,000
Operating and Replacement Reserves	\$354,000	\$846,000	2.51%	\$1,200,000
Developer Fee	\$810,070	\$1,935,930	5.75%	\$2,746,000
Soft Cost Contingency	\$191,033	\$456,537	1.36%	\$647,570
Total Soft Costs	\$2,920,078	\$6,978,492	20.73%	\$9,898,570
Total Development Costs	\$14,085,828	\$33,662,742	100.00%	\$47,748,570
Sources				
9% LIHTC equity	\$11,350,000		23.77%	\$11,350,000
Developer Land	\$4,500,000		9.42%	\$4,500,000
Permanent mortgage		\$25,472,292	53.35%	\$25,472,292
RIH Workforce Housing		\$3,540,000	7.41%	\$3,540,000
RIH soft debt	\$2,886,278		6.04%	\$2,886,278
Total Revenue	\$18,736,278	\$29,012,292	100.00%	\$47,748,570

Mesolella Development Corp.

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Project Pro Forma

Assumptions												
Income Trend			2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%		
Expense Trend			3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%		
Rental Income			YR 1	YR 2	YR 3	YR 4	YR 5	YR 6	YR 7	YR 8	YR 9	
Residential			\$ 3,104,102.40	\$ 3,166,184.45	\$ 3,229,508.14	\$ 3,294,098.30	\$ 3,359,980.27	\$ 3,427,179.87	\$ 3,495,723.47	\$ 3,565,637.94	\$ 3,636,950.70	
Res Vacancy			-7% \$ (217,287.17)	\$ (221,632.91)	\$ (226,065.57)	\$ (230,586.88)	\$ (235,198.62)	\$ (239,902.59)	\$ (244,700.64)	\$ (249,594.66)	\$ (254,586.55)	
Commercial			\$25 \$ 720,000.00	\$ 734,400.00	\$ 749,088.00	\$ 764,069.76	\$ 779,351.16	\$ 794,938.18	\$ 810,836.94	\$ 827,053.68	\$ 843,594.75	
Comm Vacancy			-10% \$ (72,000.00)	\$ (73,440.00)	\$ (74,908.80)	\$ (76,406.98)	\$ (77,935.12)	\$ (79,493.82)	\$ (81,083.69)	\$ (82,705.37)	\$ (84,359.48)	
Total			\$ 3,534,815.23	\$ 3,605,511.54	\$ 3,677,621.77	\$ 3,751,174.20	\$ 3,826,197.69	\$ 3,902,721.64	\$ 3,980,776.07	\$ 4,060,391.59	\$ 4,141,599.43	
RE Taxes			8.00% \$ 282,785.22	\$ 288,440.92	\$ 294,209.74	\$ 300,093.94	\$ 306,095.81	\$ 312,217.73	\$ 318,462.09	\$ 324,831.33	\$ 331,327.95	
Net Utilities			6.00% \$ 63,626.67	\$ 64,899.21	\$ 66,197.19	\$ 67,521.14	\$ 68,871.56	\$ 70,248.99	\$ 71,653.97	\$ 73,087.05	\$ 74,548.79	
Res Operating Expenses	RIH per unit	\$	7,000.00 \$ 1,008,000.00	\$ 1,038,240.00	\$ 1,069,387.20	\$ 1,101,468.82	\$ 1,134,512.88	\$ 1,168,548.27	\$ 1,203,604.71	\$ 1,239,712.86	\$ 1,276,904.24	
Comm Operating Expenses			\$2.50 \$72,000.00	\$ 74,160.00	\$ 76,384.80	\$ 78,676.34	\$ 81,036.63	\$ 83,467.73	\$ 85,971.77	\$ 88,550.92	\$ 91,207.45	
Total			\$ 1,426,411.89	\$ 1,465,740.13	\$ 1,506,178.93	\$ 1,547,760.23	\$ 1,590,516.89	\$ 1,634,482.72	\$ 1,679,692.54	\$ 1,726,182.15	\$ 1,773,988.43	
NOI			\$ 2,108,403.34	\$ 2,139,771.41	\$ 2,171,442.83	\$ 2,203,413.97	\$ 2,235,680.80	\$ 2,268,238.92	\$ 2,301,083.54	\$ 2,334,209.44	\$ 2,367,610.99	
Dep			\$ 1,225,214.25	\$ 1,225,214.25	\$ 1,225,214.25	\$ 1,225,214.25	\$ 1,225,214.25	\$ 1,225,214.25	\$ 1,225,214.25	\$ 1,225,214.25	\$ 1,225,214.25	
Mortgage												
	Principal		\$648,725.51	\$673,536.29	\$699,296.82	\$726,043.49	\$753,814.08	\$782,647.82	\$812,585.46	\$843,669.30	\$875,943.25	
	Interest		\$1,426,596.38	\$1,401,785.59	\$1,376,025.06	\$1,349,278.39	\$1,321,507.80	\$1,292,674.06	\$1,262,736.42	\$1,231,652.58	\$1,199,378.63	
EBT			\$ (543,407.29)	\$ (487,228.44)	\$ (429,796.48)	\$ (371,078.67)	\$ (311,041.25)	\$ (249,649.39)	\$ (186,867.13)	\$ (122,657.39)	\$ (56,981.89)	
Taxes		30%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Net Income			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
DSCR			1.02	1.03	1.05	1.06	1.08	1.09	1.11	1.12	1.14	
CF		0	\$ 33,081.46	\$ 64,449.52	\$ 96,120.95	\$ 128,092.09	\$ 160,358.92	\$ 192,917.04	\$ 225,761.66	\$ 258,887.56	\$ 292,289.11	
Cap Value		6.50%										
Value at Sale												
Cost of Sale												
PV		7.50%	\$ 6,750,554.58	\$ 30,773.45	\$ 55,770.28	\$ 77,373.58	\$ 95,915.42	\$ 111,699.39	\$ 125,002.82	\$ 136,078.94	\$ 145,158.83	\$ 152,453.17
IRR		10.85%	\$ (4,500,000.00)	\$ 33,081.46	\$ 64,449.52	\$ 96,120.95	\$ 128,092.09	\$ 160,358.92	\$ 192,917.04	\$ 225,761.66	\$ 258,887.56	\$ 292,289.11

2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

	YR 10	YR 11	YR 12	YR 13	YR 14	YR 15	YR 16
\$	3,709,689.71	\$ 3,783,883.50	\$ 3,859,561.17	\$ 3,936,752.40	\$ 4,015,487.45	\$ 4,095,797.20	\$ 4,177,713.14
\$	(259,678.28)	\$ (264,871.85)	\$ (270,169.28)	\$ (275,572.67)	\$ (281,084.12)	\$ (286,705.80)	\$ (292,439.92)
\$	860,466.65	\$ 877,675.98	\$ 895,229.50	\$ 913,134.09	\$ 931,396.77	\$ 950,024.71	\$ 969,025.20
\$	(86,046.66)	\$ (87,767.60)	\$ (89,522.95)	\$ (91,313.41)	\$ (93,139.68)	\$ (95,002.47)	\$ (96,902.52)
\$	4,224,431.42	\$ 4,308,920.04	\$ 4,395,098.44	\$ 4,483,000.41	\$ 4,572,660.42	\$ 4,664,113.63	\$ 4,757,395.90

\$	337,954.51	\$ 344,713.60	\$ 351,607.88	\$ 358,640.03	\$ 365,812.83	\$ 373,129.09	\$ 380,591.67
\$	76,039.77	\$ 77,560.56	\$ 79,111.77	\$ 80,694.01	\$ 82,307.89	\$ 83,954.05	\$ 85,633.13
\$	1,315,211.37	\$ 1,354,667.71	\$ 1,395,307.74	\$ 1,437,166.97	\$ 1,480,281.98	\$ 1,524,690.44	\$ 1,570,431.16
\$	93,943.67	\$ 96,761.98	\$ 99,664.84	\$ 102,654.78	\$ 105,734.43	\$ 108,906.46	\$ 112,173.65
\$	1,823,149.32	\$ 1,873,703.85	\$ 1,925,692.23	\$ 1,979,155.80	\$ 2,034,137.13	\$ 2,090,680.04	\$ 2,148,829.61

\$	2,401,282.10	\$ 2,435,216.19	\$ 2,469,406.22	\$ 2,503,844.61	\$ 2,538,523.29	\$ 2,573,433.59	\$ 2,608,566.29
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\$	1,225,214.25	\$ 1,225,214.25	\$ 1,225,214.25	\$ 1,225,214.25	\$ 1,225,214.25	\$ 1,225,214.25	\$ 1,225,214.25
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\$909,452.93	\$944,245.70	\$980,370.72	\$1,017,879.07	\$1,056,823.76	\$1,097,259.84	\$1,139,244.48
\$1,165,868.95	\$1,131,076.18	\$1,094,951.16	\$1,057,442.81	\$1,018,498.12	\$978,062.04	\$936,077.40

\$	10,198.90	\$ 78,925.75	\$ 149,240.81	\$ 221,187.55	\$ 294,810.92	\$ 370,157.30	\$ 447,274.65
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\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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\$	10,198.90	\$ 78,925.75	\$ 149,240.81	\$ 221,187.55	\$ 294,810.92	\$ 370,157.30	\$ 447,274.65
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1.16	1.17	1.19	1.21	1.22	1.24	1.26
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	10	11	12	13	14	15
\$	325,960.22	\$ 359,894.31	\$ 394,084.34	\$ 428,522.73	\$ 463,201.41	\$ 498,111.71
						\$40,131,789.14
						\$15,793,624.89
						\$ 1,003,294.73
\$	158,153.92	\$ 162,435.84	\$ 165,457.94	\$ 167,364.69	\$ 168,287.31	\$ 4,998,629.00
\$	325,960.22	\$ 359,894.31	\$ 394,084.34	\$ 428,522.73	\$ 463,201.41	\$14,790,330.16

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4 Fox Place Fl 2, Providence, RI 02903

AMORTIZATION SCHEDULES

Residential
 mtg \$ 31,898,570.00
 rate 3.75%
 term 35
 PMT \$1,651,491.00

Commercial
 mtg (80% LTV) \$ 5,760,000.00
 rate 4.00%
 term 20
 PMT \$423,830.88

PRINCIPAL & INTEREST

	0	1	2	3	4	5	6	7	8	9	10	11
Residential												
Balance	\$ 31,898,570.00	\$31,443,275.38	\$30,970,907.20	\$30,480,825.22	\$ 29,972,365.17	\$29,444,837.86	\$28,897,528.28	\$28,329,694.60	\$27,740,567.14	\$27,129,347.41	\$ 26,495,206.94	\$25,837,286.20
PMT		\$1,651,491.00	\$1,651,491.00	\$1,651,491.00	\$1,651,491.00	\$1,651,491.00	\$1,651,491.00	\$1,651,491.00	\$1,651,491.00	\$1,651,491.00	\$1,651,491.00	\$1,651,491.00
PRIN		\$455,294.62	\$472,368.17	\$490,081.98	\$508,460.05	\$527,527.31	\$547,309.58	\$567,833.69	\$589,127.45	\$611,219.73	\$634,140.47	\$657,920.74
INT		\$1,196,196.38	\$1,179,122.83	\$1,161,409.02	\$1,143,030.95	\$1,123,963.69	\$1,104,181.42	\$1,083,657.31	\$1,062,363.55	\$1,040,271.27	\$1,017,350.53	\$993,570.26
Commercial												
Balance	\$ 5,760,000.00	\$ 5,566,569.12	\$ 5,365,401.00	\$ 5,156,186.16	\$ 4,938,602.72	\$ 4,712,315.95	\$ 4,476,977.71	\$ 4,232,225.93	\$ 3,977,684.09	\$ 3,712,960.57	\$ 3,437,648.11	\$ 3,151,323.15
PMT		\$423,830.88	\$423,830.88	\$423,830.88	\$423,830.88	\$423,830.88	\$423,830.88	\$423,830.88	\$423,830.88	\$423,830.88	\$423,830.88	\$423,830.88
PRIN		\$193,430.88	\$201,168.12	\$209,214.84	\$217,583.44	\$226,286.77	\$235,338.24	\$244,751.77	\$254,541.84	\$264,723.52	\$275,312.46	\$286,324.96
INT		\$230,400.00	\$222,662.76	\$214,616.04	\$206,247.45	\$197,544.11	\$188,492.64	\$179,079.11	\$169,289.04	\$159,107.36	\$148,518.42	\$137,505.92
Combined												
Balance	\$ 37,658,570.00	\$37,009,844.49	\$36,336,308.20	\$35,637,011.38	\$ 34,910,967.89	\$34,157,153.81	\$33,374,505.99	\$32,561,920.53	\$31,718,251.23	\$30,842,307.98	\$ 29,932,855.05	\$28,988,609.36
PMT		\$2,075,321.88	\$2,075,321.88	\$2,075,321.88	\$2,075,321.88	\$2,075,321.88	\$2,075,321.88	\$2,075,321.88	\$2,075,321.88	\$2,075,321.88	\$2,075,321.88	\$2,075,321.88
PRIN		\$648,725.51	\$673,536.29	\$699,296.82	\$726,043.49	\$753,814.08	\$782,647.82	\$812,585.46	\$843,669.30	\$875,943.25	\$909,452.93	\$944,245.70
INT		\$1,426,596.38	\$1,401,785.59	\$1,376,025.06	\$1,349,278.39	\$1,321,507.80	\$1,292,674.06	\$1,262,736.42	\$1,231,652.58	\$1,199,378.63	\$1,165,868.95	\$1,131,076.18

12	13	14	15	16
\$ 25,154,693.44	\$24,446,503.44	\$23,711,756.32	\$22,949,456.18	\$22,158,569.79
\$1,651,491.00	\$1,651,491.00	\$1,651,491.00	\$1,651,491.00	\$1,651,491.00
\$682,592.77	\$708,190.00	\$734,747.12	\$762,300.14	\$790,886.39
\$968,898.23	\$943,301.00	\$916,743.88	\$889,190.86	\$860,604.61
\$ 2,853,545.20	\$ 2,543,856.12	\$ 2,221,779.49	\$ 1,886,819.78	\$ 1,538,461.69
\$423,830.88	\$423,830.88	\$423,830.88	\$423,830.88	\$423,830.88
\$297,777.96	\$309,689.07	\$322,076.64	\$334,959.70	\$348,358.09
\$126,052.93	\$114,141.81	\$101,754.24	\$88,871.18	\$75,472.79
\$ 28,008,238.63	\$26,990,359.56	\$25,933,535.81	\$24,836,275.97	\$23,697,031.48
\$2,075,321.88	\$2,075,321.88	\$2,075,321.88	\$2,075,321.88	\$2,075,321.88
\$980,370.72	\$1,017,879.07	\$1,056,823.76	\$1,097,259.84	\$1,139,244.48
\$1,094,951.16	\$1,057,442.81	\$1,018,498.12	\$978,062.04	\$936,077.40