

# Plan of Financing

## 4% Preservation Portfolio



# Transaction Overview

- NJ Portfolio bond transaction
- 962 Units
- 7 Properties
  - 4 100% section 8 contract
  - 3 various other debt sources
- 3 Designated family
- 2 Designated elderly
- 2 Family and elderly component
- 2 Municipalities (Newark and Jersey City)
- 3 Properties 100% owned
- 4 To be acquired at closing and throughout the transaction process
- One bond issuance
- In-place rehab

NHRA's 2016  
Summer Institute  
July 21-24

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# Sources and Uses

New Community Corporation (7 Properties)	
<b>SOURCES OF FUNDS</b>	
Tax-Exempt Bond Issuance	\$80,969,000
Hard Debt	\$77,071,000
Soft Debt	\$27,309,000
Tax Credit Equity	\$51,115,000
Project Operations	\$1,160,000
Deferred Developer Fee	\$7,250,000
<b>TOTAL SOURCES</b>	<b>\$244,874,000</b>
<b>TOTAL PERM SOURCES</b>	<b>\$163,905,000</b>
<b>USES OF FUNDS</b>	
Acquisition	\$68,594,000
Construction Contract	\$57,543,000
Hard Cost Contingency	\$5,754,000
Architectural / Engineering	\$1,364,000
Pre-Dev Costs	\$238,000
Interest Expense	\$476,000
Legal & Financing	\$5,660,000
Soft Costs	\$16,718,000
Reserves and Escrows	\$7,557,000
<b>Subtotal</b>	<b>\$163,905,000</b>
Bond Redemption	\$80,969,000
<b>Total Uses of Funds</b>	<b>\$244,874,000</b>
<b>Total Properties</b>	<b>7</b>
<b>Total Units</b>	<b>962</b>

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# 4% Portfolio Transaction

- One bond issuance
- Master partnership
- Weaker sisters effect
- No cross collateralization

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# Difficulties

- Volume cap availability
- Multiple municipalities
- HAP contracts
- State agency
- Environmental
- Multiple parties

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