

Section 6.4 - Selection Criteria #14

New Construction or Adaptive Reuse Developments will receive the following points based on the average per residential square foot costs from applications submitted in the past August 2019 round, with the single highest and single lowest cost developments excluded from the calculations. Points from the three cost categories shall be combined to receive an aggregate score.....max 8 points

% of Average	Land Cost	Hard Construction Costs	All Remaining Development Costs
≤ 80%	2.0 Points	2.0 Points	4.0 Points
80.1% to 90.0%	1.5 Point	1.5 Points	3.0 Points
90.1% to 100.0%	1.0 Point	1.0 Point	2.0 Points
≥100.1%	0.5 Point	0.5 Point	1.0 Point

August 2019 Application Round Applications (with highest & lowest cost developments excluded)	Land Cost	Hard Construction Costs	All Remaining Development Costs
Average Cost Per Residential Square Foot	\$21.03	\$159.61	\$94.77

Acquisition/Rehabilitation or Rehabilitation-only developments are not included in the Average Cost Per Residential Square Foot calculations.

Residential Square Footage is the sum of the square footage of all the individual units contained in a development (including employee units). Square footage from commercial or common areas, such as hallways, storage, or community rooms is excluded in this calculation. Cost per Residential Square Foot is determined on an individual development basis before results are averaged.

Land and Hard Construction Costs will be scored separately, with all remaining development costs included in a combined category

In determining land cost, if the land is being purchased from an unrelated third party, the value of the land will be based off the sales price of the purchase and sales agreement. If the land is owned by the developer or sponsor at the time of application, the value will be determined by the following:

- Based off the settlement statement at the time of the closing prepared and provided by the Title Company if it was bought less than one year prior to the date of the application; or
- Fair market value based upon an MAI appraisal no older than 6 months if the land has been held for one year or more.

Hard Construction Costs include site work, new construction or rehabilitation, and construction contingency, and exclude contractor profit, overhead, general requirements and construction management fees.

All Remaining Development Costs equals Total Development Costs (as listed in the development’s tax credit application) less Land Costs and Hard Construction Costs as described above, and includes (but is not limited to) development reserves and any professional fees including Developer/Consultant Fees