

4% Acq/Rehab Case Study - 300 Units

Sources	Initial
Permanent Loan	\$42,750,000
LIHTC Equity	\$37,300,000
RETC Equity	\$0
GRRP Grant	\$0
Local Incentives	\$0
<u>Deferred Developer Fee</u>	<u>\$6,000,000</u>
Total	\$86,050,000

Sources	Final
Permanent Loan	\$45,000,000
LIHTC Equity	\$38,500,000
RETC Equity	\$700,000
GRRP Grant	\$750,000
Local Incentives	\$315,000
<u>Deferred Developer Fee</u>	<u>\$785,000</u>
Total	\$86,050,000
Additional Sources	\$5,215,000



Renewable Energy Tax Credits

RETC Calcs	
Renewable Energy Generation System Cost	\$2,500,000
Energy Credit Factor *	30%
Total RETCs	\$750,000
<u>Tax Credit Sale Price</u>	<u>\$0.93</u>
Total RETC Equity	\$700,000

LIHTC Calcs	
Renewable Energy Generation System Cost	\$2,500,000
QCT/DDA Boost	130%
Total LIHTCs (10 years)	\$1,300,000
<u>Tax Credit Sale Price</u>	<u>\$0.93</u>
Total LIHTC Equity	\$1,200,000

Renewable Energy Generation System Cost	\$2,500,000
Total RETC Equity	\$700,000
Total LIHTC Equity	\$1,200,000
Net System Cost (24%)	\$600,000



Utility Savings

Historical Electric Cost	\$350,000 (\$1,167/unit)
Projected Annual Savings	\$315,000
Projected New Electric Cost	\$35,000 (\$116/unit)
Lender UW Electric Cost	\$175,000
New Perm Loan Proceeds	\$2,250,000
New Perm Loan PMT	\$150,000
Additional Cash Flow after Debt	\$165,000



GRRP Elements

- **Grant or Surplus Cash Flow Loan up to \$750,000**
- **Application in September 2023 via Grants.gov**
- **Awarded \$750,000 in December (~3 months)**
- **HUD Section 3 Requirements**
- **Closing Flexibility**



Local Incentives

Organization - Incentive Name	Eligible Scope	Estimated Funds	Estimated Time	Next Steps to Capture
<p>2. Liberty Utilities</p> <p>2024 Commercial Gas Boiler Rebate Program (Existing Buildings)</p> <p>Contact Information</p> <p>Liberty Utilities</p>	<p>This table displays ALL available rebates for the products listed in this program. Additional rebates may be available. These rebates, as well as any restrictions pertaining to additional programs, are available at: www.dsireusa.org.</p> <ul style="list-style-type: none"> • Rebates apply when boilers are purchased through authorized suppliers ONLY • Purchases made from unauthorized internet resellers DO NOT QUALIFY FOR THESE REBATES. • Rebates are offered for Liberty Utilities customers participating in an oil-to-gas conversion. • Offer cannot be combined with any other U.S. Boiler-sponsored incentives <p>PROGRAM NOTES:</p> <ul style="list-style-type: none"> • Rebate applies only to 	<p>Minimum Funds: Varies by Project</p> <p>Maximum Funds: Boiler Model Boiler Rebate</p> <ul style="list-style-type: none"> • ALP399C \$500 • ALP500C \$500 • ALP600C \$600 • ALP700C \$700 • ALP800C \$750 	<p>Application period 1/1/2024 - 12/31/2024</p> <ol style="list-style-type: none"> 1. Application period is open 2. Preferred Vendor/ Contractor required: No preferred vendor/contractor 3. Pre-Approval Required: No 4. Pre-Inspection Required: No 5. Post-Audit Required: No 6. Average time from Application to Approval: Varies by project. Please work with a program team member to ensure a streamlined process. 7. After approval, funds typ- 	<p>NOTE: Make sure you are in the Liberty Utilities service territory.</p> <ol style="list-style-type: none"> 1. Check Eligibility 2. Please send completed rebate form and copy of invoice to: 2023 Liberty Commercial Gas Rebate U.S. Boiler Company - Sales Support P.O. Box 3020, Lancaster, PA 17604



Tying it all Together

RETC and LIHTC Equity	\$1,900,000
Additional Perm Debt	\$2,250,000
GRRP Funds	\$750,000
Total New Sources from Solar	\$4,900,000
Renewable Energy Generation System Cost	(\$2,500,000)
New Sources (Net of Costs) from Solar	\$2,400,000
+ Additional Cash Flow (10 years)	\$1,650,000
+ Local Incentives	\$315,000

