

Citifund Rental Project Analysis
1610 Baysore Drive
PAL Vancouver - Bayshore Gardens
APPENDIX "B"
Variable Input and Ratios:

Long Term
Target Rents
@ Break Even

Initial
Rents
@ current equity

		Equity of \$ 2,885,000		Equity of \$ 885,000
1 Rent				
Deep Core Need	33	\$ 550.00	0	\$ 550.00
Shallow Core Need	33	\$ 650.00	50	\$ 650.00
90% of Market	33	\$ 1,126.00	49	\$ 1,126.00
Two Bedroom (Prepaid Life Lease)	12	\$ -	12	\$ -
2 Average Rent per Unit (99)	111	\$ 775.33	111	\$ 885.60
3 Average Rent per Sq. Ft. Calculated		\$ 1.10		\$ 1.26
4 Vacancy:		1.0%		1.0%
5 Operating Expense Ratio:		34.1%		30.0%
6 Operating Expenses/unit/annum - 99 Units		\$ 3,308		\$ 3,308
7 Capitalization Rate:		7.00%		7.00%
8 Term of Mortgage		10		10
A. Income, Expenses & Valuation:				
Gross Rental Income		\$ 921,096		\$ 1,052,088
Other Income: Parking		\$ 50,089		\$ 50,089
Gross Income Potential		\$ 971,185		\$ 1,102,177
Less: Vacancy & Rental Loss		(9,712)		(11,022)
Effective Gross Income		\$ 961,473		\$ 1,091,155
Less: CMHC Replacement Reserves	2.0%	(19,424)	2.0%	(22,044)
Less: Operating Expenses (Pro rata Appraisal) -		(327,534)		(327,534)
NET INCOME		\$ 614,515		\$ 741,578
VALUE as per Appraisal (Pro rata)		\$ 16,626,000		\$ 16,626,000
B. Long Term Loan Underwriting:				
Gross Loan Amount		\$ 9,614,267		\$ 11,614,267
BCHMC Premium (%) Before Credit		1.00%		1.00%
CMHC Premium		\$ 96,143		\$ 116,143
Blue Tree Re-imburse		\$ (96,143)		\$ (116,143)
Net Loan Amount		\$ 9,614,267		\$ 11,614,267
Interest Rate (Minimum 10 yr Term)		5.495%		5.486%
Amortization		35		35
Net Statistics -				
Annual Debt Service		\$ 614,515		\$ 741,577
Debt Service Cover Ratio		1.00		1.00
Loan/Value Ratio		57.8%		69.9%
Gross Statistics -				
Annual Debt Service		\$ 614,515		\$ 741,577
Debt Service Cover Ratio		1.00		1.00
Positive Cash Flow		\$ -		\$ -
C. Cash Flow				
Project		\$ -		\$ -
Per Unit per month		\$ -		\$ -
D. Equity:				
Land Lease Cost (60 Yrs, \$1)		\$ 1		\$ 1
Anticipated Costs of Upgrades		\$ (250,000)		\$ (250,000)
Hard and Soft Costs & GST		\$ (15,393,268)		\$ (15,393,268)
Total Cost Incl GST Excl CMHC Prem		\$ (15,643,267)		\$ (15,643,267)
Loan Amount (Net)		\$ 9,614,267		\$ 11,614,267
Equity Required		\$ (6,029,000)		\$ (4,029,000)
Sales of Life Lease Units		\$ 3,144,000		\$ 3,144,000
Balance		\$ (2,885,000)		\$ (885,000)
Cash on Hand		\$ 885,000		\$ 885,000
Equity Cushion (Deficiency)		\$ (2,000,000)		\$ -
To be raised by PAL		\$ 500,000		\$ -
BCHMC Foregiveable Loan		\$ 500,000		\$ -
Proposed City contribution		\$ 1,000,000		\$ -
Sub total		\$ 2,000,000		\$ -
Balance Required		\$ -		\$ -