



Denver Regional Council of Governments and Workgroup Overflow Topics

October 30, 2024

Agenda:

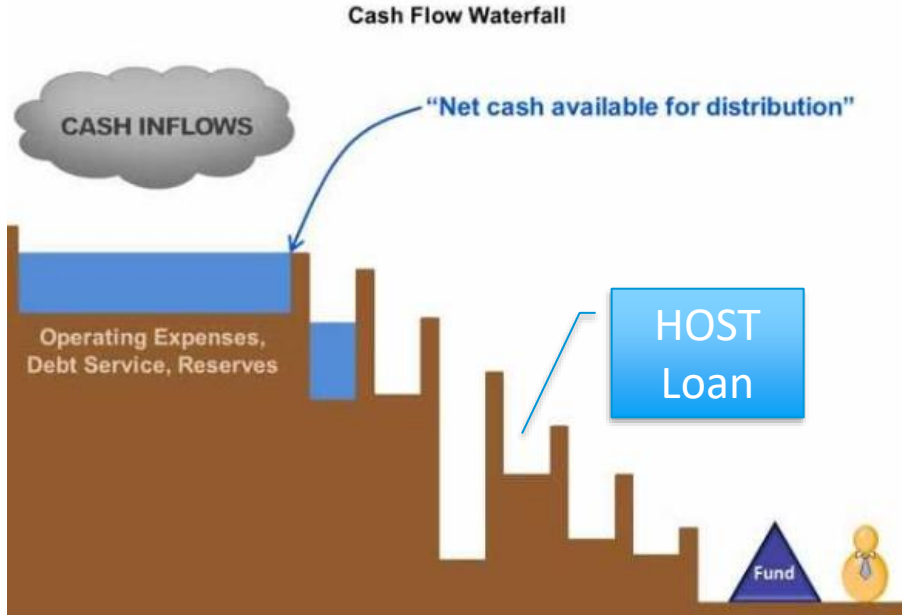
- Background on DRCOG's Regional Housing Needs Assessment (RHNA) and how it fits into DRCOG's regional planning work
- Overview of the RHNA Data Analysis
- Overview of the RHNA Systems Barriers identified
- Explanation of next steps and Questions

- HOST: Pro Formas and Cash Flow

LIHTC Pro Forma

PROJECT INCOME STATEMENT		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Rental Income	2%	\$1,633,392	\$1,666,060	\$1,699,381	\$1,733,369	\$1,768,036	\$1,803,397	\$1,839,465	\$1,876,254	\$1,913,779	\$1,952,055	\$1,991,096	\$2,030,918	\$2,071,536	\$2,112,967	\$2,155,226
Other Income (includes MHDC lease payment)	2%	\$84,501	\$86,191	\$87,915	\$89,673	\$91,467	\$93,296	\$95,162	\$97,065	\$99,006	\$100,987	\$103,006	\$105,066	\$107,168	\$109,311	\$111,497
Gross Income		\$1,717,893	\$1,752,251	\$1,787,296	\$1,823,042	\$1,859,503	\$1,896,693	\$1,934,627	\$1,973,319	\$2,012,785	\$2,053,041	\$2,094,102	\$2,135,984	\$2,178,704	\$2,222,278	\$2,266,723
Vacancy Allowance	7%	(\$120,253)	(\$122,658)	(\$125,111)	(\$127,613)	(\$130,165)	(\$132,768)	(\$135,424)	(\$138,132)	(\$140,895)	(\$143,713)	(\$146,587)	(\$149,519)	(\$152,509)	(\$155,559)	(\$158,671)
Effective Gross Income		\$1,597,640	\$1,629,593	\$1,662,185	\$1,695,429	\$1,729,337	\$1,763,924	\$1,799,203	\$1,835,187	\$1,871,890	\$1,909,328	\$1,947,515	\$1,986,465	\$2,026,194	\$2,066,718	\$2,108,053
Replacement Reserve Deposits	3%	(\$29,100)	(\$29,973)	(\$30,872)	(\$31,798)	(\$32,752)	(\$33,735)	(\$34,747)	(\$35,789)	(\$36,863)	(\$37,969)	(\$39,108)	(\$40,281)	(\$41,490)	(\$42,734)	(\$44,016)
Operating Expenses	3%	(\$672,421)	(\$692,594)	(\$713,371)	(\$734,773)	(\$756,816)	(\$779,520)	(\$802,906)	(\$826,993)	(\$851,803)	(\$877,357)	(\$903,678)	(\$930,788)	(\$958,712)	(\$987,473)	(\$1,017,097)
Net Operating Income		\$925,219	\$937,000	\$948,814	\$960,656	\$972,522	\$984,404	\$996,297	\$1,008,194	\$1,020,088	\$1,031,971	\$1,043,837	\$1,055,677	\$1,067,483	\$1,079,245	\$1,090,956
Debt Service																
1st		(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)
Total Debt Service		(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)	(\$803,919)
Cash Flow		\$121,300	\$133,081	\$144,895	\$156,737	\$168,603	\$180,485	\$192,378	\$204,275	\$216,169	\$228,052	\$239,918	\$251,758	\$263,564	\$275,326	\$287,037
DSCR ^(A)		1.15	1.17	1.18	1.19	1.21	1.22	1.24	1.25	1.27	1.28	1.30	1.31	1.33	1.34	1.36
Target		1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15
Cash-Flow Dependent Waterfall																
Partnership Asset Man. Fee	3%	(5,500)	(5,665)	(5,835)	(6,010)	(6,190)	(6,376)	(6,567)	(6,764)	(6,967)	(7,176)	(7,392)	(7,613)	(7,842)	(8,077)	(8,319)
DHA SLP Fee		(3,395)	(3,395)	(3,395)	(3,395)	(3,395)	(3,395)	(3,395)	(6,790)	(6,790)	(6,790)	(6,790)	(6,790)	(6,790)	(6,790)	(6,790)
Deferred Developer Fee		(112,405)	(124,021)	(135,665)	(147,332)	(159,017)	(170,714)	(182,416)	(190,720)	(202,411)	(131,563)					
HOST Loan Balance		3,300,000	3,333,000	3,366,000	3,399,000	3,432,000	3,465,000	3,498,000	3,531,000	3,564,330	3,597,990	3,590,718	3,512,170	3,428,143	3,338,657	3,243,737
HOST Payments											(41,262)	(112,868)	(118,677)	(124,466)	(130,230)	(135,964)
DOH Loan Balance		3,300,000	3,333,000	3,366,000	3,399,000	3,432,000	3,465,000	3,498,000	3,531,000	3,564,330	3,597,990	3,590,718	3,512,170	3,428,143	3,338,657	3,243,737
CDOH Payment											(41,262)	(112,868)	(118,677)	(124,466)	(130,230)	(135,964)
Surplus Cash Flow		\$0	(\$0)	(\$0)	\$0	\$0	(\$0)	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

LIHTC Cash Flow Waterfall



- For Cash Flow loans, HOST includes the "waterfall" as an exhibit to the Loan Agreement
- HOST typically shares cash flow with other "soft" lenders
- HOST's position in the waterfall is after the investor fees, DHA SLP, and deferred developer fee



Questions