

# INSTRUCTIONS FOR COMPLETING THE DU PAGE COUNTY HOUSING APPLICATION & PROFORMA WORKSHEETS

Please note that many sections of this application do not apply to homebuyer projects. Please contact CDC staff for guidance on completing the application if your project is a homebuyer project.

## General Instructions

- A. Only enter information into yellow cells. Green cells are for Du Page County use. All other cells are protected.
- B. Some cells appear black based on data inputted in early sheets/cells. Do not fill in blacked-out cells.
- C. Complete the following worksheets roughly in the order corresponding with their numbering:
  - 0) Underwriting & HOME
  - 1) Application
  - 2) Rent Limits
  - 3) Units & Revenue
  - 4) Operating Budget
  - 5) Operating Cash Flow
  - 6) Development Budget
  - 7) Construction Budget
  - 8) Sources & Uses Summary
  - 9) Capital Needs Assessment
- D. All worksheets above must be completed. Information on each worksheet is linked to other sheets.
- E. If additional space is needed, enter "Refer to Attachment" in category and provide an attachment.

## Underwriting & HOME

- A. This sheet informs you as to HUD and Du Page County's program & policy requirements. It also allows applicants to enter their own #s and rates for some items as appropriate.
- B. If necessary, under "Underwriting Standards" explain why your rates, #s vary from Du Page County's targets.
- C. At the bottom of this sheet, fill out the yellow cells under "Cost Allocation" to insure you have sufficient HOME assisted units in the project.

## Application

- A. This is the general application form.
- B. Fill in all applicable yellow cells. Many sections will prompt you with drop-down menus. Some cells will initially be blank and will be populated once you have completed the other worksheets in this workbook.
- C. The application refers to "Required Attachments". These are listed at the end of this Instructions page.
- D. When you print a hard copy of this file, be sure to carefully read and sign the certifications on the final page.

## Properties

- A. This is a subsidiary sheet to the Application form.
- B. Enter requested info about properties in the project site(s) & properties owned by the applicant and its affiliates.

## Rent Limits

- A. *Utility Allowances*: Indicate the type of utilities the project will have, as well as which will be paid by owner and which by tenants. For utilities paid by tenants, enter the applicable utility allowance for each using the utility allowance tables provided on this worksheet.
- B. Review Du Page County's Contract Rent Limits. These represent the maximum starting rents you will be able to charge tenants. HUD often allows modest rent increases over time.

## Units & Revenue

- A. *Unit Distribution*: For each bedroom type, enter the requested information. Be sure to enter the Contract Rent—the rent you will be charging tenants or rent that a voucher will provide.
- B. *Square Footage Breakdown*: Enter the commercial square footage and common area square footage, if applicable.
- C. *Other Income*: Enter other sources of revenue you are reasonably sure the project will receive.
- D. *Annual Operating Subsidies*: If the project will receive operating subsidy, enter the source & amount.

## Operating Budget

- A. Enter a vacancy rate. A default % comes from Sheet #0. You may modify this as appropriate.
- B. Enter the expenses for Year 1 of stabilized operations.
- C. Review the Estimated Mortgage calculations. This is the permanent debt Du Page County anticipates your project can support.

## Operating Cash Flow

- A. This cash flow charts revenue and expenses over 20 years to see how a project performs financially. You may not need to enter any information, but you should make sure the project has sufficient debt coverage ratios and cash flow throughout whatever compliance period applies to the funding you seek.
- B. You may modify the default inflation or vacancy factors. Be prepared to justify your changes.

**Development Budget**

- A. Enter development costs. Note that construction costs are entered on the 7) *Construction Budget* sheet.
- B. The worksheet will automatically calculate Total Development Costs (TDC).

**Construction Budget/Costs**

- A. Enter detailed construction costs.
- B. Note Du Page County's % limits for overhead, general conditions and profits. Be sure to stay within these limits.
- C. After completing, check the Development Budget to insure costs transferred properly.

**Sources & Uses Summary**

- A. Enter all permanent sources of funding, financing, and equity, along with interest rates and terms where applicable.
- B. Enter all construction sources along with interest rates. Some may be identical to permanent sources.
- C. Check to be sure permanent sources = uses and that construction sources = uses.
- D. Enter any additional information you wish to provide Du Page County in the "Developer's Notes" section at the bottom of the

**CNA (Capital Needs Assessment)**

- A. Complete this sheet to determine if your project can afford future capital improvements during the HOME compliance period-- during which time you may not receive additional HOME subsidy for the project.

**How to Apply**

**1) Email this electronic application/proforma in Excel to:**

DuPage County Community Development Commission  
[communitydev@dupagecounty.gov](mailto:communitydev@dupagecounty.gov)

**2) Mail a hard copy of this entire application/proforma along with the Required Attachments listed above to:**

DuPage County Community Development Commission  
421 N. County Farm Road, Room 2-800  
Wheaton, Illinois 60187

**DU PAGE COUNTY  
HOME RENTAL COMPLIANCE CHECKS**

Project: Tower Court Residences Project Number: 0

<b>Underwriting Standards</b>	Target	Applicant's #	If outside limits, briefly explain.
Vacancy Rate Year 1-4	8.0%	8.0%	
Vacancy Rate Year 5-15	8.0%	8.0%	
Rent Inflation Rate Years 1-3	0.0%	2.0%	IHDA requires this inflation rate in their underwriting stds
Rent Inflation Rate Years 4+	1.0%	2.0%	IHDA requires this inflation rate in their underwriting stds
<b>Operating Cost Inflation Rates</b>			
Administrative	3.0%	3.0%	
Management Fee	2.0%	2.0%	
Operating	3.0%	3.0%	
Maintenance	3.0%	3.0%	
Utilities	3.0%	3.0%	
Taxes	4.0%	4.0%	
Insurance	3.0%	3.0%	
Reserves	3.0%	3.0%	
Replacement Reserve - Rehab	\$450		
Replacement Reserve - New Construction	\$400	\$350	IHDA requires \$350/unit all units. We can likely get a waiver for the HOME units only at \$400. please advise if this is needed.
Annual Operating Costs Per Unit	\$5,500	\$6,914	PSH projects have higher OPEX. Also increase in recent insurance/maintenance expenses. w/in IHDA approved levels for PSH projects.
Debt Coverage Ratio Year 1 - Minimum*	1.20	1.27	
<b>Lowest DCR through entire HUD affordability period</b>	<b>1.15</b>	1.15	IHDA's application required stress test of viability w/out 811 PBV subsidy.

\* DuPage County recognizes that a DCR in early years may be greater than 1.2 in order to ensure long term viability of the project through the HUD required affordability period.

**Household Income Limits:**

PJ: DuPage County

Targeted Income	Household Size					
	1	2	3	4	5	6
30% AMI	\$23,600	\$26,950	\$30,300	\$33,650	\$36,350	\$39,050
50% AMI	\$39,250	\$44,850	\$50,450	\$56,050	\$60,550	\$65,050
60% AMI	\$47,100	\$53,820	\$60,540	\$67,260	\$72,660	\$78,060
(HOME Limit) 80% AMI	\$62,800	\$71,800	\$80,750	\$89,700	\$96,900	\$104,100

Effective: 06/01/2024

**HOME Gross Rent Limits**

	Low-HOME	High-HOME	FMR
0 Bedrooms	\$981	\$1,255	\$1,399
1 Bedroom	\$1,051	\$1,346	\$1,507
2 Bedrooms	\$1,261	\$1,618	\$1,714
3 Bedrooms	\$1,457	\$1,860	\$2,182
4 Bedrooms	\$1,626	\$2,056	\$2,583

Effective: 06/01/2024

**Development Costs Standards**

	Minimum Required	Maximum Allowed	Notes	Project #s	Within Limits?
<b>Construction Contingency</b>				<i>New Construction</i>	
New Construction	5.0%	7.5%	of construction - recommendation only	3.4%	FALSE
Rehab	7.5%	10.0%	of construction - recommendation only		
<b>Developer Fee</b>					
New Construction	N/A	12.0%	of TDC - Identities of interest may lower this limit.	7.4%	Yes
Rehab	N/A	12.0%			
<b>Contractor's Overhead, Profit, Gen Conditions</b>					
Total Limit	N/A	14.0%	of construction	11.6%	Yes

**HOME Cost Allocation**

TDC for Residential & Common Space	\$28,710,024	State HOME Units	County HOME Units
Total HOME Funds Requested	\$2,400,336	\$0	\$2,400,336
HOME Subsidy as % of Total Development Costs	8.4%	0	0.083606201
Total Units	71		

**Required HOME Units**

	Minimum HOME Requirement		Number applicant has agreed to:	
	State HOME Units	County HOME Units	State HOME Units	County HOME Units
# of HOME-Assisted Units	0	6		14
# of Low HOME Units		2		3
HOME Subsidy Per Unit	\$400,056		\$171,453	

See other tests below for subsidy limits & non-comparable units.

**Minimum HOME Affordability Period**

20 Years

**Breakdown of HOME Units Required by Bedroom Type:** Required HOME Units

Bedrooms	# of Units	HOME as % TDC	(Estimated)
0 Bedroom	0	8.4%	0.0
1 Bedroom	52	8.4%	4.3
2 Bedroom	18	8.4%	1.5
3 Bedroom	1	8.4%	0.1
4 Bedroom	0	8.4%	0.0
<b>Total</b>	<b>71</b>	<b>Rounded Total:</b>	<b>6.0</b>

**Actual Breakdown of HOME U** (Must match or exceed requirements listed above.)

Bedroom Type	# High HOME Units	# Low HOME Units	Total
0 Bedroom			0
1 Bedroom	8	2	10
2 Bedroom	3	1	4
3 Bedroom			0
4 Bedroom			0
<b>Total</b>	<b>11</b>	<b>3</b>	<b>14</b>

**HOME Subsidy Limits:**

Bedroom Type	# Units	HUD HOME Section 234 Subsidy Limit	Gross Maximum Subsidy
0 Bedroom	0	\$181,488.00	\$0
1 Bedroom	10	\$208,048.80	\$2,080,488
2 Bedroom	4	\$252,993.60	\$1,011,974
3 Bedroom	0	\$327,292.80	\$0
4 Bedroom	0	\$359,263.20	\$0

Subsidy Limits Effective:

02/13/2024

**Maximum HOME Subsidy Allowed** **\$3,092,462**  
 HOME Funds Requested \$2,400,336  
**Within Limits? Yes**

**Non-Comparable Units Test** (for mixed-income projects)

Are the project's units comparable in terms of bedrooms, bathrooms & size?

Yes

Development costs per residential square foot:

\$437

Calculation of Eligible Costs for HOME Units:

Type of HOME Unit	SqFt/Unit	# of HOME Units	Estimated Development Costs	HOME SqFt
			\$0	0
			\$0	0
			\$0	0
			\$0	0
			\$0	0
			\$0	0
			\$0	0
			\$0	0
<b>Common Space Attributable to HOME Units:</b>		<b>0</b>	<b>\$0</b>	<b>0</b>
<b>Total Eligible Development Costs for HOME Units</b>		<b>0</b>	<b>\$0</b>	<b>0.0%</b>

HOME Funds Requested \$2,400,336  
**Sufficient Eligible Costs? NO**

**HOME Match Calculation**

List the sources of HOME Match in this project:

Source	Amount of Match	Form of Permanent Contribution to Affordable Housing	Notes

## DU PAGE COUNTY HOME RENTAL PRODUCTION APPLICATION

Last Date Modified: **3/20/2025**

PROJECT NUMBER: \_\_\_\_\_

### A. General Information

#### Development Information

Development Name: **Tower Court Residences**

Street Address: **IL Rt 59 & 103rd Street** Census Tract: \_\_\_\_\_

Municipality: **Naperville** IL Zip: **60564** 8803.09

**Total number of rental units planned** **71** units

Number of income restricted HOME Units planned **11** units

Construction Type **New Construction**

Housing Type **Multi-Story w/Elevator** Fixed or Floating Units? **Floating**

**Project Summary** Briefly describe your project. *Please note that many sections of this application will not apply to homebuyer projects. Please contact CDC staff for guidance if your project is a homebuyer project.*

Gorman & Company has partnered with Ray Graham Association to develop a 71 unit new construction development in Naperville. This project has two target markets; low-income elderly people (62+) and individuals with Intellectual or Developmental Disabilities (IDD). The proportion of these two populations will be 75% elderly and 25% IDD. Construction includes one new construction building in the south-east corner of the site, surface parking, a walking path, and gardens.

Funding Request (info from other worksheets)	Total	Per Unit
DuPage County Funding Request	<b>\$2,400,336</b>	<b>\$33,808</b>

**Proposed use of DuPage County funds:** **Construction Hard Costs** (More info will be provided in a schedule below.)

### B. Developer Information

Entity Name: **Gorman & Company, LLC** Federal I.D. #: **82-3739186**

Contact Person: **Ron Clewer** Phone: **815-847-0347**

Address: **200 N. Main Street** Email: **rclewer@gormanusa.com**

City: **Oregon** State: **WI** Zip: **53575**

DUNS # **81077405** CCR# \_\_\_\_\_ Expiration Date: \_\_\_\_\_

Legal Form: **For-Profit Corp.**

Is entity registered and in good standing with the State of Illinois? **Yes**

Has a non-profit determination been made by the Internal Revenue Service?  
IRS Code designation: **No**

Will the proposed project be developed, owned, or sponsored by a currently certified Community Housing Development Organization (CHDO)? **No**

Is CHDO designation from Du Page County? \_\_\_\_\_

Is the entity a Certified Minority-owned Business Enterprise (MBE)? **No**

Certifying entity: \_\_\_\_\_

Is the entity a Certified Woman-owned Business Enterprise (WBE)? **No**

Certifying entity: \_\_\_\_\_

Is the entity a Certified Section 3 Business entity? **No**

Certifying entity: \_\_\_\_\_

Describe the ownership structure of the project and explain the role of any non-profits in the project.

Gorman & Company, LLC will serve as developer and co-owner alongside non-profit service provider and co-owner Ray Graham Association. Gorman & Company, LLC will own 49% of the Managing Member, while Ray Graham will own 51%.

**General Partner/Corporate Officer Information (if applicable)**

(List Managing General Partner on first line.)

				Owner-ship %
Name:	Tower Court Naperville, LLC	Fed. ID	92-2183901	100.00%
Name:		Fed. ID		
Name:		Fed. ID		

**Properties Currently Owned by Applicant & Affiliate Entities**

On the worksheet "1a)Properties" enter all properties owned by the applicant and its affiliated entities. Du Page County will check each address for outstanding taxes, code violations, etc.

**C. Development Plan Information**

Total number of Buildings planned: 1 buildings

Age of existing Building(s): N/A years old

# of Stories: 4 stories

Structural System	Frame	Other:		Parking	Parking Pad/Driveway
Basement	Slab	Other:		Other Parking:	
Exterior	Other	Other:	Brick & Siding	Sanitary Sewer	Public Sewer

Will this project target special populations? Yes

If yes, indicate which populations: Other Elderly (62+) & IDD

How many units will be fully accessible for the handicapped? 15 Fully Accessible

Describe accessibility improvements/features of the proposed units.  
 The project will include 20% Type A (fully ADA accessible units) including ADA cabinetry, room layouts, and accessible bath fixtures. Reference ICC/ANSI 117.1 2009 for the multiple design criteria. 100% of the units will be visitable as defined in the Illinois Housing Development Authority's Qualified Allocation Plan.

Will the project exceed the Americans with Disabilities Act standards & make units barrier free? Please explain.  
 The ADA requires that our project has a minimum of 10% of units designed and built to be fully accessible. We are planning to exceed this requirement by building 20% of units as fully accessible and 100% of units as visitable.

Will the project address unique physical needs with special site/design features that will substantially add to costs? Please explain.  
 The project will address physical needs as well as emotional/behavioral needs through site design; however, this will not add substantial costs. The project has been intentionally designed in a way that addresses these needs, so the costs were anticipated.

**Energy and Equipment Information**

DuPage County requires that applicants use energy-efficient components.

Describe the energy-efficient features/techniques (effective insulation, high performance windows, tight construction & ducts, appliances, efficient heating & cooling equipment, etc.) which will be used:  
 The project will be Enterprise Green Communities Certified (EGC). EGC certification requires highly energy efficient design, including specifications for insulation, windows, air recirculation, energy star appliances, efficient HVAC, and more. EGC also requires resident engagement in the design process and site design requirements as well.

Have you joined the Energy Star Partnership?

Anticipated Energy Star third-party inspection date (Provide Independent Rater/Inspector Name & Service Area):  
 The project will require EGC involvement for design through construction to ensure the EGC checklist requirements are met. The final inspection must be performed at project construction completion, prior to resident occupancy. We anticipate this to be ~ 17 months post financial closing.

	Energy Star?	Other green amenities:
Heating System: Electric	<input type="checkbox"/>	
Air Conditioning System: Central Forced Air	<input type="checkbox"/>	
Domestic Hot Water: Electric	<input type="checkbox"/>	

**Equipment included with Income Restricted Units (check all that apply)**

<input type="checkbox"/> Microwave	<input checked="" type="checkbox"/> Refrigerator	<input type="checkbox"/> Kitchen Exhaust Duct	Other:
<input checked="" type="checkbox"/> Range & Oven	<input type="checkbox"/> Ceiling Fans	<input type="checkbox"/> Common On-site Laundry	
<input type="checkbox"/> Garbage Disposal	<input type="checkbox"/> Fireplace	<input type="checkbox"/> Security Alarm	
<input checked="" type="checkbox"/> Dishwasher	<input checked="" type="checkbox"/> Blinds/Drapes	<input checked="" type="checkbox"/> Laundry Equipment	

## D. Site Information

On the worksheet "1a)Properties" enter all properties included in the project site(s).

Project Site Area (utilized for proposed development):	4.68	Acres
Is the project in a national or local historic district?	No	
Have you already acquired the project property?	No	
Was the property occupied at the time you obtained ownership?	No	
If vacant at purchase, how many months had it been vacant?	Farmland	
Did/will you acquire the property with clear title and no debt?	No	
Is this an "Arms-Length" Transaction, meaning the buyer and seller are acting independently and have no relationship to one another?	Yes	

Explain the relationship between buyer and seller. Provide a copy of the sales contract. If the sales contract cannot be provided at the initial application stage, it will be a requirement to receive a firm Financing Commitment.

The Seller of the Property is The City of Naperville, the Buyer will be a single-purpose LLC created to own the property.

Does current site zoning allow the proposed residential use?	No
If no, please explain what steps have been or will be taken to obtain zoning approval.	

Gorman will lead the effort to rezone the parcel to allow for the development. Given the property is being acquired through an RFP issued by the City of Naperville we do not anticipate any resistance from the City once a design is agreed upon.

Will the current site(s) require lots to be subdivided?	Yes		
Are the following utilities now located on the site?			
Public Water Supply	Yes	Private Water	No
Public Sewer System	Yes	Private Sewer	No
Natural Gas Distribution System	No	Broadband	No
Electric Power System	Yes		
Cable Television System	No		
Telephone System	Yes		

Are the following conditions present at the proposed development site?			
In or includes a wetland?	No	Standing water	No
All or part in 100-yr. floodplain	No	Creek, lake, river frontage	No
Railroad tracks within 300 feet	No	Ravines or steep grades	No
High tension wires	No	Industrial sites	No
High noise levels	No	Commercial sites	No
Hazardous waste sites	No		

Are you aware of any other environmental hazards that are on or near the site?	No
Are there any soil, slope or erosion concerns associated with the site?	No
Has a Phase One Environmental Assessment been done for the site?	Yes

### Required for New Construction on Vacant Land

Are there any other environmental issues you wish to bring to our attention?	Yes
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Please Describe any other unusual site conditions:

The site has been found to have known contaminants that will be remediated by the City of Naperville and a no further remediation letter will be issued to us. The site is currently being enrolled in the site remediation program by Naperville to start the NFR process.

Is this a residential property for which construction was completed on or after 1/1/78?	No
Is this a zero bedroom dwelling unit or SRO?	No
Is housing exclusively for the elderly or disabled, disallowing children <6 as residents?	Yes
Has the property already undergone lead abatement?	No
Is this unoccupied residential property which is to be demolished?	No
Is this property going to be used for a purpose other than human residential habitation?	No
Is this rehab which will not disturb a painted surface?	No
Is this an emergency action which must be undertaken immediately to safeguard human life?	No
If there is an existing structure, has it been tested for asbestos-containing materials (ACM)?	No
If there is an existing structure, has it been tested for Radon?	No

## E. Market Analysis & Leasing

*Applicants will be required to submit a market assessment demonstrating the need for & marketability of the proposed project. Market Analyses may be conducted in-house or by a 3rd party professional. Please refer to the HOME Application Template Guidance.*

Describe how you determined the need/market demand for the proposed project.

Gorman and Company was approached by a group of parents from the community of Naperville who were concerned about a lack of housing for their children, who are young adults with IDD. Through conversations with the parent group and the City it was decided that the elderly would be a good fit to pair alongside those with IDD.

Explain how you arrived at the projected rents:

We performed a third-party market analysis and are using the Illinois Housing Development Authority affordable rents for the Naperville region as this project will use the low-income housing tax credit and therefore will be restricted to the rent levels allowed under that program.

How will you insure lease-up to eligible tenants within 18 months?

Because of Gorman's integrated affordable housing platform, property management has been involved in the project's design from its inception. This ensures that the property is designed in a way that facilitates easy management and leasing. AS the property approaches closing property management will create an Affirmative Fair Housing Marketing Plan and begin marketing prior to construction completion to ensure expedient lease-up.

Have you completed an Affirmative Marketing Plan?  
(Required for projects with 5+ HOME units.)

Yes

Is there anything in proximity to the project that could have a noteworthy positive or negative impact on the marketability of this development? Please describe:

The proximity to major roads (IL Route 59 and 103rd Street) may have a positive impact on the marketability of this development in terms of visibility for prospective tenants.

## F. Previous Development Experience

How many full-time equivalent (FTE) employees will be working on the project?

3.50

Has the developer completed other residential development projects?

Yes

If yes, please answer the following:

How many projects has the developer completed?

130

How many dwelling units has the developer been responsible for producing?

New Construction

# units

9703

Rehab

# units:

1583

List most recently completed projects:

Project Name	Address	Construction Type	Tenure Type	Target Residents	# Units	Total Devel. Costs
Valor on Washington	1322 E. Washington Street, Madison, WI	New	Rental	Mixed	59	\$18,948,782
Laradon Phase II	5190 N. Broadway, Denver, CO	New	Rental	Mixed	132	\$42,263,231
Avenida del Sol	5048 Morrison Road, Denver, CO	New	Rental	Low/Mod Income	80	\$27,632,288
Soluna II	1825 E. Rossevelt Street, Phoenix, AZ	New	Rental	Mixed	66	\$15,280,719
Printery Row	165 E. Pulaski Street, Pulaski, WI	New	Rental	Low/Mod Income	43	\$10,040,000

Describe the experience of the specific staff members who will manage this project. Attach resumes.

Ron Clewer will serve as the primary point for contact for the the developer on this project. As the Illinois Market President at Gorman & Company, Ron is responsible for all Gorman development activity in the state. Before joining Gorman Ron served as the CEO of the Rockford Housing Authority and has a long career in real estate. Colin Malin will serve as the secondary point of contact and will be responsible for much of the coordination of getting the project to financial closing in his role as Development Project Manager. More detailed resumes attached.

If developer has been involved in residential development projects in some other capacity, please specify:

As a fully integrated platform Gorman serves as developer, architect, general contractor, and property manager on many deals we're involved in.

If developer/team has completed previous HOME units in any jurisdiction, are there any outstanding performance issues to be resolved? If yes, please explain.

None Known

## G. Ongoing Management Experience, Structure & Capacity

Who will perform property management?	Developer/Owner will manage in-house
Name of management staff/company:	Gorman Property Management USA, LLC
How many units is your staff or 3rd party mgt company currently managing?	7,517
How many HUD income-restricted units is your staff/mgt company currently managing?	6,812

Describe staff/mgt company's experience managing HUD income-restricted rental units.

Gorman has been managing LIHTC properties since 1990 and has since expanded to managing over 6,500 income restricted units across 6 states.

Describe how the roles of property management, asset management & ongoing compliance will be delegated.

Gorman Property Management will hire new site management and leasing staff for this project. Candidates are from the area, a common trait of our process. They are brought into Oregon, WI "Gorman U" for training and compliance. The regional manager with oversight will be Sonja Droste, 608-835-3446, SDroste@GormanUSA.com. We have a shared compliance team that all applicants and leases must be reviewed by for compliance against LIHTC, HOME and any other supporting programs. The compliance team is fully certified and led by Carrie Constantinescu, Assistant Compliance Manager, HCCP, BOMS, COS, COSA, RAD-PBV, MORS, 815-543-7730, cconstantinescu@GormanUSA.com. Points of contact for the development of the project are me and as we transition from development to operations, the new site manager will become the local point of contact.

## H. Existing Loan Subsidies in Developments to be Acquired

Does your development plan include acquisition of units with existing subsidies? No

If yes, please indicate the kind of existing subsidy.

Does your development plan seek to preserve federally-assisted low-income housing which would otherwise convert to market rate use through mortgage prepayment, foreclosure or expiring subsidies?

## I. Rental & Operating Assistance Information

Do you expect to receive or are you currently receiving any rental subsidies for this development? Yes

If you answered yes, please check the types of subsidy expected: Project Based Rent Subsidy

If you answered yes, please describe the source and purpose of subsidies:

HUD provides funding to develop and subsidize rental housing with the availability of supportive services for very low- and extremely low-income adults with disabilities. IHDA will be the pass through agency for this assistance. NOTE: IHDA requires that we underwrite the model WITHOUT the assistance, however, request the support in the application. They want to stress test sustainability without the 811 subsidy as a precaution.

Number of units expected to receive assistance: 15 units

Number of years in assistance contract: 15 years

## J. Supportive Services Information

If you plan to provide supportive services to your tenants, please provide the following:

Description of the population to be served:

The two populations served by our project will be low-income elderly people (62+) and individuals with Intellectual and Developmental Disabilities (IDD).

Will participation in supportive services be mandatory? No

Description of the services to be provided and how they will be provided:

Individuals with Intellectual and Developmental Disabilities (IDD), ranging from age 18 to seniors, have diverse service needs. RGA offers person-centered services, which are tailored to the unique needs of each resident who chooses to participate. Their services include wraparound case management and direct services like financial literacy, along with a robust network of partners for referrals to other services such as behavioral, mental, and physical health care, education, and the arts.

RGA staff are on-site to conduct tenant assessments, discuss their needs, and create individualized service plans for those who opt into services. In return for providing these services, RGA receives a portion of the project developer fee and the cash flow, and also bills Medicaid/Medicare, as well as receiving funding from the DHS and other sources.

All units are operated under the IHDA Permanent Supportive Housing model. However, per federal guidelines, participation in services is optional.

## K. Development Schedule

For each item in the chart below, enter the month and year that the item was accomplished, or for future events, the month and year when that item is expected to be accomplished. If an item does not apply to your development, enter N/A or leave blank.

		Month	Year	Draw on PJ funds
<b>Site</b>	Option	September	2022	
	Contract	January	2023	
	Closing	May	2025	
	Zoning	October	2024	
	Site Analysis	November	2024	
<b>Construction Financing</b>	Application Submission	November	2024	
	Conditional Commitment	December	2024	
	Firm Commitment	February	2025	
	Closing	May	2025	
<b>Plans</b>	Preliminary Drawings	May	2024	
	Working Drawings	December	2024	
	Permits	February	2025	
<b>Construction Loan Closing</b>		August	2025	
<b>Construction Start</b>		August	2025	\$2,160,302
<b>Marketing Start-Up</b>		November	2026	
<b>Construction Complete</b>		February	2026	\$240,034
<b>Unit(s) Fully Leased</b>		August	2027	
<b>Total Construction Schedule:</b>		18	months	<b>\$2,400,336</b>

## L. Development Team Information

	Name	Address	Phone	Certified		Worked together previously?
				MBE	WBE	
Project Mgr:	Gorman & Company, LLC	200 N. Main Street, Oregon, WI	608-835-3900	No	No	Yes
Contractor:	Ujamaa Construction, Inc.	7744 S Stony Island Ave, Chicago, IL 60649	708-955-8174	Yes	No	Yes
Consultant:	TBD					
Attorney:	Reinhart Boerner Van Deuren	1000 North Water Street, Suite 1700, Milwaukee, WI	414-298-8330	No	No	Yes
Property Manager	Gorman Property Management USA, LLC	200 N. Main Street, Oregon, WI	608-835-3900	No	No	Yes
Architect:	Beehyyvve, LLC	1122 West 63rd Street, Unit 3 Chicago, IL 60621	773-954-1416	Yes	No	Yes
Engineer:	Manhard Consulting	One Overlook Point, Suite 290, Lincolnshire, IL 60069	847-343-1207	No	No	Yes

Track record of prime contractor — list the contractor's five most recently completed projects:

1. Soluna Phase II
2. Soluna Phase I
3. Valor on Washington
4. Pinecrest Apartments
5. Milwaukee Scattered Sites #2
Additional Information:

Does developer/applicant/sponsor hold a direct financial interest in any team member or entity? Yes

If yes, provide details of the relationship:

The developer is a subsidiary of Gorman & Company, LLC.

Is the Developer, Sponsor, or any other Development Team Member related to a Du Page County elected official or employee? Please note separate Conflict of Interest Disclosure forms required. No

If yes, provide details:

Is the developer/applicant/sponsor or any development team member, including any of their owners, partners, or board members CURRENTLY DEBARRED from Federal contracting opportunities by any agency of the Federal Government? ([www.sam.gov](http://www.sam.gov)) No

If yes, please provide details:

[Empty yellow box for details]

Is the developer/applicant/sponsor or any development team member, including any of their owners, partners, or board members EVER BEEN DEBARRED from Federal contracting opportunities by any agency of the Federal Government? ([www.sam.gov](http://www.sam.gov))

No

If yes, please provide details:

[Empty yellow box for details]

Has any development team member been subject to a HUD Office of the Inspector General audit or investigation?

No

If yes, please provide details & current status of audit or investigation:

[Empty yellow box for details]

### M. Relocation

Relocation is the moving of existing residential or commercial occupants from their current space. Relocation can be extremely costly and is strongly discouraged.

Have you already acquired the project property?

No

Was the property occupied at the time you obtained ownership?

No

If vacant at purchase, how many months had it been vacant?

Farmland

Will your development require any households to move temporarily?

No

# of households to move temporarily:

[Empty yellow box]

Will your plans require any occupants to move permanently?

No

# of households to move permanently:

[Empty yellow box]

Will your development require any commercial occupants to move?

No

# of commercial occupants to move:

[Empty yellow box]

If you answered yes to any of the above questions, describe your relocation plan.

[Empty yellow box for relocation plan]

### N. Required Application Attachments

- 1 Project Area Map Identifying Location
- 2 Proof of Site Control\* such as Deed, Purchase Agreement, Option, or Closing Statement
- 3 Plans, Specs, Drawing, Renderings
- 4 Market Study/Needs Assessment
- 5 Appraisal Supporting Acquisition Price\*
- 6 Developer Staff Resumes/References
- 7 Detailed Relocation Plan\*. You are strongly encouraged **not** to cause **any** relocation.
- 8 Detailed Construction Cost Estimate
- 9 Quotes or other agreements substantiating key professional costs
- 10 Basis for estimating other soft costs including capitalized reserves.
- 11 Lead, ACM, and/or Radon test results\*
- 12 Affirmative Marketing Plan for Lease Up & Tenant Selection Plan
- 13 Current Letters of Commitment for Project Financing/Funding. **All** letters must be provided *prior* to County commitment of HOME funds.
- 14 Developer or Personal Financial Statement
- 15 Developer's Annual Operating Budget or Non-Profit Audit
- 16 Current Letters of Support\*
- 17 Current Letters of Partnership\*
- 18 Board Resolution authorizing position to submit application &, if funded, execute the Agreement & abide by terms
- 19 Completed & Executed Conflict of Interest Disclosure
- 20 Agreements governing the various reserves to be capitalized at closing. Reserves cannot be drawn later as fees or distributions.
- 21 LIHTC projects: Documentation on the syndication costs (legal, accounting, tax opinion, etc.) from the entity who will syndicate & sell the offering.
- 22 An *actual* operating budget from an *actual* project similar to the proposed project.

**\*If Applicable**

Please Note: If funded, a third party appraisal will be required to substantiate the value of the land and the value of the property after rehabilitation or the structure being built. The County may utilize the assessed value as published by the DuPage County Supervisor of Assessor's Office.

## O. Applicant Certifications

I certify that submission of this application has been duly authorized by the governing body of the applicant and that all information contained in this application and its attachments is complete, true, and accurate to the best of my knowledge.

I certify that all forms of governmental assistance sought or already secured for this project are listed on the Sources & Uses section of this application. The applicant also certifies that should other governmental assistance be sought/secured in the future, applicant shall notify Du Page County promptly (within 5 business days).

I understand that awards will be made on a competitive basis and Du Page County may award an amount less than requested. I understand that Du Page County has no obligation to make a grant or loan to the applicant. I am aware that incomplete or late applications may not be accepted or considered for funding.

I further understand that submission of this application renders it a public document subject to the Freedom of Information Act.

### Applicant Signatures:

**Owner, Developer, Executive Director:**

Michael Redman

signature on file

Signature

Chief Financial Officer

Title

3/20/2025

Date

**Chief Elected Officer Signature** (Board Chair)

Printed Name

Signature

Title (Board Chair, President, etc.)

Date

**Addendum to Application Form**

Project: Tower Court Residences

Project #: 0

**Properties Included in the Project Site(s)**

	Street Address	Zip	Year # of Built Units		Parcel #	Form of Site Control	Acquisition Price <i>(actual or anticipated)</i>	Date of Appraisal
1	4231 Tower Court, Naperville IL	60564	-	71	07-01-15-101-044	Purchase Contract	\$1,735,580	-
2								
3								
4								
5								
							<b>\$1,735,580</b>	

**Code Violations and/or Outstanding Taxes**

If you are aware of code violations and/or outstanding taxes on properties located in Du Page County that are owned by your organization or by affiliates, please describe such issues below and explain how you are addressing them.

**Other Properties Currently Owned by Applicant**

Enter all properties in Du Page County owned by the applicant and its affiliated entities that are located inside Du Page County. Du Page County will check addresses for outstanding taxes, code violations, etc. If the form below does not offer enough space, you may submit a complete list in a separate document.

	Street Address	Zip	Parcel #
1	None in Du Page County		
2	See Attached REO Schedule for other properties outside Du Page		
3			
4			
5			

**Properties Currently Owned by Affiliate Entities**

**Affiliate Entity 1:**

	Street Address	Zip	Parcel #
1			
2			
3			
4			
5			

**Affiliate Entity 2:**

	Street Address	Zip	Parcel #
1			
2			
3			
4			
5			

**Affiliate Entity 3:**

	Street Address	Zip	Parcel #
1			
2			
3			
4			
5			

**Affiliate Entity 4:**

	Street Address	Zip	Parcel #
1			
2			
3			
4			
5			

**DU PAGE COUNTY  
Utilities & Rent Limits**

**Utility Allowance Calculation** (use Utility Allowance tables below to look up applicable amounts.)

Utility	Type of Utility (gas, oil, etc.)	Utilities Paid By:	Allowance for Utilities Paid by Tenant Only				
			0 BR	1 BR	2 BR	3 BR	4 BR
Cooking	Electric	Tenant		\$5	\$8	\$11	
Other, Lighting	Electric	Tenant		\$25	\$34	\$55	
Hot Water	Gas	Owner					
Water		Owner					
Heating	Electric	Tenant		\$38	\$41	\$44	
Sewer		Owner					
Trash Collection		Owner					
<b>TOTAL</b>			<b>\$0</b>	<b>\$68</b>	<b>\$83</b>	<b>\$110</b>	<b>\$0</b>

**HOME Rent Limits**

Limits	HOME GROSS Rent Limits			HOME CONTRACT Rent Limits		
	Low-HOME	High-HOME	FMR	Low-HOME	High-HOME	FMR
0 Bedrooms	\$981	\$1,255	\$1,399	<b>\$981</b>	<b>\$1,255</b>	\$1,399
1 Bedroom	\$1,051	\$1,346	\$1,507	<b>\$983</b>	<b>\$1,278</b>	\$1,439
2 Bedrooms	\$1,261	\$1,618	\$1,714	<b>\$1,178</b>	<b>\$1,535</b>	\$1,631
3 Bedrooms	\$1,457	\$1,860	\$2,182	<b>\$1,347</b>	<b>\$1,750</b>	\$2,072
4 Bedrooms	\$1,626	\$2,056	\$2,583	<b>\$1,626</b>	<b>\$2,056</b>	\$2,583

Effective: 06/01/2024

(Rent Limit Minus Utility Allowances)

**Utility Allowance Reference Tables**

For all **TENANT-PAID** utilities, look up the allowance for each unit type & size, as listed in the tables below. Be sure to use the allowances for the type of fuel to be installed in your project. Enter the allowances for your units input them in the yellow cells "Utility Allowance Calculation" table at the top of this sheet.

**Utility Allowances for Tenant-Paid Utilities**  
Source: HUD Utility Schedule Model - Property Specific Effective: 5/6/2024

**To Be Generated by CDC Staff - Property Address, Unit Room Size(s), Utility Types, and Utilities to be paid by Tenat Required - Please Contact CDC Staff for UA Calculation(s)**

Utility or Service	Monthly Dollar Allowances					
	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Space Heating	Natural Gas	N/A	N/A			
	Bottle Gas		N/A	N/A		
	Electrical Resistance		\$23	\$32		
	Electric Heat Pump		\$38	\$41		
	Fuel Oil		N/A	N/A		
Cooking	Natural Gas		N/A	N/A		
	Bottle Gas		N/A	N/A		
	Electric		\$5	\$8		
	Other		N/A	N/A		
Other Electric		\$20	\$28			
Air Conditioning		\$5	\$6			
Water Heating	Natural Gas		N/A	N/A		
	Bottle Gas		N/A	N/A		
	Electric		\$14	\$18		
	Fuel Oil		N/A	N/A		
Water		N/A	N/A			
Sewer		N/A	N/A			
Trash Collection		N/A	N/A			
Range/Microwave		N/A	N/A			
Refrigerator		N/A	N/A			
Number of Bedrooms: 1	Utility/Service					Cost/Month
	Space Heating			Electric Heat Pump		\$38
	Cooking			Electric		\$5
	Other Electric			Electric		\$20
	Air Conditioning			Electric		\$5
	Water Heating			Not Applicable		\$0
	Water			Not Applicable		\$0
	Sewer			Not Applicable		\$0
	Trash Collection			Not Applicable		\$0
	Range/Microwave			Not Applicable		\$0
	Refrigerator			Not Applicable		\$0
	Other			Not Applicable		\$0
	<b>TOTAL</b>					<b>\$68</b>

Number of Bedrooms: 2	Utility/Service		Cost/Month
	Space Heating	Electric Heat Pump	\$41
	Cooking	Electric	\$8
	Other Electric	Electric	\$28
	Air Conditioning	Electric	\$6
	Water Heating	Not Applicable	\$0
	Water	Not Applicable	\$0
	Sewer	Not Applicable	\$0
	Trash Collection	Not Applicable	\$0
	Range/Microwave	Not Applicable	\$0
	Refrigerator	Not Applicable	\$0
	Other	Not Applicable	\$0
	<b>TOTAL</b>		<b>\$83</b>

**DU PAGE COUNTY  
Unit Information & Gross Revenue Potential**

**Project:** Tower Court Residences

**Developer:** Gorman & Company, LLC

Efficiency Units	% AMI Targeted	# of Units	Baths	Sq. Ft.	Contract Rent	Monthly Rent		HOME Contract Rent Limit	Total Sq Footage
						Rent	Annual Rent		
						\$0	\$0	\$981	0
						\$0	\$0	\$981	0
						\$0	\$0	\$981	0
						\$0	\$0	\$1,255	0
						\$0	\$0	\$1,255	0
Market						\$0	\$0	na	0
<b>Subtotal</b>		0				\$0	\$0		0

3 BR Units	% AMI Targeted	# of Units	Baths	Sq. Ft.	Contract Rent	Monthly Rent		HOME Contract Rent Limit	Total Sq Footage
						Rent	Annual Rent		
						\$0	\$0	\$1,347	0
						\$0	\$0	\$1,347	0
						\$0	\$0	\$1,347	0
	60%	1	2	1,184	\$1,551	\$1,551	\$18,612	\$1,750	1184
						\$0	\$0	\$1,750	0
Market						\$0	\$0	na	0
<b>Subtotal</b>		1				\$1,551	\$18,612		1184

1 BR Units	% AMI Targeted	# of Units	Baths	Sq. Ft.	Contract Rent	Monthly Rent		HOME Contract Rent Limit	Total Sq Footage
						Rent	Annual Rent		
811 PBV	< 30%	13	1	592	\$530	\$6,890	\$82,680	\$983	7696
DPCLowHOME	50%	2	1	592	\$930	\$1,860	\$22,320	\$983	1184
SRN	50%	7	1	592	\$930	\$6,510	\$78,120	\$983	4144
	50%	9	1	592	\$930	\$8,370	\$100,440	\$983	5328
DPCHighHOME	60%	8	1	592	\$1,129	\$9,032	\$108,384	\$1,278	4736
	60%	13	1	592	\$1,129	\$14,677	\$176,124	\$1,278	7696
<b>Subtotal</b>		52				\$47,339	\$568,068		30784

4 BR Units	% AMI Targeted	# of Units	Baths	Sq. Ft.	Contract Rent	Monthly Rent		HOME Contract Rent Limit	Total Sq Footage
						Rent	Annual Rent		
						\$0	\$0	\$1,626	0
						\$0	\$0	\$1,626	0
						\$0	\$0	\$1,626	0
						\$0	\$0	\$2,056	0
						\$0	\$0	\$2,056	0
Market						\$0	\$0	na	0
<b>Subtotal</b>		0				\$0	\$0		0

2 BR Units	% AMI Targeted	# of Units	Baths	Sq. Ft.	Contract Rent	Monthly Rent		HOME Contract Rent Limit	Total Sq Footage
						Rent	Annual Rent		
811 PBV	< 30%	2	1.5	836	\$636	\$1,272	\$15,264	\$1,178	1672
DPCLowHOME	50%	1	1.5	836	\$1,115	\$1,115	\$13,380	\$1,178	836
	50%	9	1.5	836	\$1,115	\$10,035	\$120,420	\$1,178	7524
						\$0	\$0	\$1,178	0
DPCHighHome	60%	3	1.5	836	\$1,355	\$4,065	\$48,780	\$1,535	2508
	60%	3	1.5	836	\$1,355	\$4,065	\$48,780	\$1,535	2508
<b>Subtotal</b>		18				\$20,552	\$246,624		15048

<b>Total Units</b>	71	<b>Gross Rent Potential</b>	Monthly Rent	Annual Rent
		Per Unit Avg	\$978	\$11,737
			<b>\$69,442</b>	<b>\$833,304</b>

Other Income	Monthly	Annually
Miscellaneous/Interest: Interest, Craft Class, etc.	\$183	\$2,200
Laundry		\$0
Carports/Garages		\$0
Tenant Charges (late fees, insufficient funds, etc)	\$167	\$2,000
Other: Pet Rent	\$833	\$10,000
<b>Totals</b>	\$1,183	\$14,200

Square Footage Breakdown	
Residential Square Footage	47,016
Common Areas Sq. Ft.	18,618
Commercial Sq. Ft.	
<b>Total Square Footage</b>	<b>65,634</b>

Operating Subsidy:	(source)				
	Year 1	Year 2	Year 3	Year 4	Year 5
Amount					

**DU PAGE COUNTY  
ANNUAL OPERATING BUDGET**

**Project:** Tower Court Residences

**Developer:** Gorman & Company, LLC

<b>REVENUE</b>	<u>Annual</u>	<u>Per Unit</u>	
Gross Rent Potential	\$833,304	\$11,737	
Other Revenue	\$14,200	\$200	
Subtotal	\$847,504	\$11,937	
Combined Vacancy Rate	8.0%	\$67,800	\$955
<b>Adjusted Gross Income</b>	<b>\$779,704</b>	<b>\$10,982</b>	100.0%

**OPERATING EXPENSES**

<b>Administrative</b>	<u>Annual</u>	<u>Per Unit</u>	
Administrative Salaries	\$65,000	\$915	
Office Expenses	\$34,000	\$479	
Legal	\$2,000	\$28	
Accounting	\$10,000	\$141	
Telephone	\$4,000	\$56	
Monitoring Fee(s)	\$1,775	\$25	
Marketing	\$2,500	\$35	
Other-Management Fee	\$46,782	\$659	
<b>Subtotal</b>	<b>\$166,057</b>	<b>\$2,339</b>	21.3%

<b>Operating</b>	<u>Annual</u>	<u>Per Unit</u>	
Operating Expense Salaries		\$0	
Janitorial	\$5,000	\$70	
Exterminating	\$2,000	\$28	
Rubbish Removal	\$4,000	\$56	
Security		\$0	
Snow Removal	\$6,000	\$85	
Other	\$30,000	\$423	
<b>Subtotal</b>	<b>\$47,000</b>	<b>\$662</b>	6.0%

<b>Maintenance</b>	<u>Annual</u>	<u>Per Unit</u>	
Maintenance Salaries	\$45,000	\$634	
Grounds & Pool	\$3,000	\$42	
Elevator	\$2,500	\$35	
HVAC	\$5,000	\$70	
Plumbing & Electrical	\$2,500	\$35	
Painting/Decorating/Carpet	\$5,000	\$70	
Other	\$10,000	\$141	
Other		\$0	
<b>Subtotal</b>	<b>\$73,000</b>	<b>\$1,028</b>	9.4%

<b>Utilities</b>	<u>Annual</u>	<u>Per Unit</u>	
Electricity	\$28,000	\$394	
Gas	\$10,000	\$141	
Oil		\$0	
Water & Sewer	\$17,000	\$239	
Other		\$0	
<b>Subtotal</b>	<b>\$55,000</b>	<b>\$775</b>	7.1%

<b>Taxes &amp; Insurance</b>	<u>Annual</u>	<u>Per Unit</u>	
Real Estate Taxes	\$75,000	\$1,056	
Other Taxes		\$0	
Insurance	\$50,000	\$704	
Other		\$0	
<b>Subtotal</b>	<b>\$125,000</b>	<b>\$1,761</b>	16.0%

<b>Reserves</b>	<u>Annual</u>	<u>Per Unit</u>	
Replacement Reserve	\$24,850	\$350	
Operating		\$0	
FF&E		\$0	
Debt Service		\$0	
Other		\$0	
Other		\$0	
<b>Subtotal</b>	<b>\$24,850</b>	<b>\$350</b>	3.2%

**Total Operating Expenses**      **\$490,907**      **\$6,914**      63.0%

**NET OPERATING INCOME**      **\$288,796**      **\$3,718**      37.0%

**Estimated Mortgage**

Debt Coverage Ratio Year 1	1.20
Interest Rate	6.46%
Term	40
Annual Payment	\$240,664
Mortgage Amount (PV)	\$3,442,324

*This is an estimate only. Actual debt service is entered on the 'Sources & Uses' Sheet.*

*Net Cash Flow Year 1*      \$48,133  
*Cash Flow Per Unit*      \$678

**DU PAGE COUNTY  
OPERATING CASH FLOW PROJECTION**

Project: Tower Court Residences

Developer: Gorman & Company, LLC

	<u>0.02</u>		Year									
	Years 1-4	Years 5+	1	2	3	4	5	6	7	8	9	10
<b>REVENUE</b>												
Gross Income Potential	2.0%	2.0%	\$847,504	\$864,454	\$881,743	\$899,378	\$917,366	\$935,713	\$954,427	\$973,516	\$992,986	\$1,012,846
Vacancy Factor	8.0%	8.0%	\$67,800	\$69,156	\$70,539	\$71,950	\$73,389	\$74,857	\$76,354	\$77,881	\$79,439	\$81,028
Operating Subsidy/Reserve Draw			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Net Income</b>			\$779,704	\$795,298	\$811,204	\$827,428	\$843,976	\$860,856	\$878,073	\$895,634	\$913,547	\$931,818
<i>Per Unit</i>			\$10,982	\$11,201	\$11,425	\$11,654	\$11,887	\$12,125	\$12,367	\$12,615	\$12,867	\$13,124
<b>OPERATING EXPENSES</b>		<u>Inflation Factor</u>										
Administration	3.0%		\$119,275	\$122,853	\$126,539	\$130,335	\$134,245	\$138,272	\$142,421	\$146,693	\$151,094	\$155,627
Management Fee	2.0%		\$46,782	\$47,718	\$48,672	\$49,646	\$50,639	\$51,651	\$52,684	\$53,738	\$54,813	\$55,909
Operating	3.0%		\$47,000	\$48,410	\$49,862	\$51,358	\$52,899	\$54,486	\$56,120	\$57,804	\$59,538	\$61,324
Maintenance	3.0%		\$73,000	\$75,190	\$77,446	\$79,769	\$82,162	\$84,627	\$87,166	\$89,781	\$92,474	\$95,248
Utilities	3.0%		\$55,000	\$56,650	\$58,350	\$60,100	\$61,903	\$63,760	\$65,673	\$67,643	\$69,672	\$71,763
Taxes	4.0%		\$75,000	\$78,000	\$81,120	\$84,365	\$87,739	\$91,249	\$94,899	\$98,695	\$102,643	\$106,748
Insurance	3.0%		\$50,000	\$51,500	\$53,045	\$54,636	\$56,275	\$57,964	\$59,703	\$61,494	\$63,339	\$65,239
Reserves	3.0%		\$24,850	\$25,596	\$26,363	\$27,154	\$27,969	\$28,808	\$29,672	\$30,562	\$31,479	\$32,424
<b>Total Operating Expenses</b>			\$490,907	\$505,917	\$521,397	\$537,363	\$553,831	\$570,817	\$588,338	\$606,410	\$625,052	\$644,282
<i>Per Unit</i>			\$6,914.19	\$7,125.59	\$7,343.62	\$7,568.50	\$7,800.44	\$8,039.68	\$8,286.45	\$8,540.99	\$8,803.55	\$9,074.39
<b>Net Operating Income</b>			\$288,796	\$289,381	\$289,807	\$290,064	\$290,145	\$290,039	\$289,735	\$289,224	\$288,495	\$287,536
<i>Per Unit</i>			\$4,067.56	\$4,075.79	\$4,081.79	\$4,085.41	\$4,086.55	\$4,085.05	\$4,080.78	\$4,073.58	\$4,063.31	\$4,049.81
<b>Du Page Mortgage</b>			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Other Debt Service</b>			\$228,197	\$228,197	\$228,197	\$228,197	\$228,197	\$228,197	\$228,197	\$228,197	\$228,197	\$228,197
Debt Coverage Ratio			1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.26	1.26
<b>CASH FLOW</b>			\$60,600	\$61,185	\$61,610	\$61,868	\$61,948	\$61,842	\$61,539	\$61,028	\$60,299	\$59,340
<i>Per Unit</i>			\$854	\$862	\$868	\$871	\$873	\$871	\$867	\$860	\$849	\$836
Payments Out of Cash Flow:			\$5,000	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524
Payments Out of Cash Flow:			\$55,600	\$56,035	\$56,306	\$56,404	\$56,321	\$56,046	\$55,568	\$54,878	\$53,965	\$52,816
<b>FINAL CASH FLOW</b>			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Per Unit</i>			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**DU PAGE COUNTY  
OPERATING CASH FLOW PROJECTION**

Project: Tower Court Reside

		Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
<b>REVENUE</b>											
	<u>0.02</u>										
	Years 1-4    Years 5+										
Gross Income Potential	2.0%    2.0%	\$1,033,103	\$1,053,765	\$1,074,840	\$1,096,337	\$1,118,264	\$1,140,629	\$1,163,441	\$1,186,710	\$1,210,444	\$1,234,653
Vacancy Factor	8.0%    8.0%	\$82,648	\$84,301	\$85,987	\$87,707	\$89,461	\$91,250	\$93,075	\$94,937	\$96,836	\$98,772
Operating Subsidy/Reserve Draw		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Net Income</b>		\$950,454	\$969,464	\$988,853	\$1,008,630	\$1,028,802	\$1,049,378	\$1,070,366	\$1,091,773	\$1,113,609	\$1,135,881
	<i>Per Unit</i>	\$13,387	\$13,654	\$13,928	\$14,206	\$14,490	\$14,780	\$15,076	\$15,377	\$15,685	\$15,998
<b>OPERATING EXPENSES</b>											
	<u>Inflation</u>										
	Factor										
Administration	3.0%	\$160,296	\$165,104	\$170,058	\$175,159	\$180,414	\$185,827	\$191,401	\$197,143	\$203,058	\$209,149
Management Fee	2.0%	\$57,027	\$58,168	\$59,331	\$60,518	\$61,728	\$62,963	\$64,222	\$65,506	\$66,817	\$68,153
Operating	3.0%	\$63,164	\$65,059	\$67,011	\$69,021	\$71,092	\$73,224	\$75,421	\$77,684	\$80,014	\$82,415
Maintenance	3.0%	\$98,106	\$101,049	\$104,081	\$107,203	\$110,419	\$113,732	\$117,144	\$120,658	\$124,278	\$128,006
Utilities	3.0%	\$73,915	\$76,133	\$78,417	\$80,769	\$83,192	\$85,688	\$88,259	\$90,907	\$93,634	\$96,443
Taxes	4.0%	\$111,018	\$115,459	\$120,077	\$124,881	\$129,876	\$135,071	\$140,474	\$146,093	\$151,936	\$158,014
Insurance	3.0%	\$67,196	\$69,212	\$71,288	\$73,427	\$75,629	\$77,898	\$80,235	\$82,642	\$85,122	\$87,675
Reserves	3.0%	\$33,396	\$34,398	\$35,430	\$36,493	\$37,588	\$38,715	\$39,877	\$41,073	\$42,305	\$43,575
<b>Total Operating Expenses</b>		\$664,119	\$684,582	\$705,693	\$727,471	\$749,939	\$773,118	\$797,033	\$821,706	\$847,163	\$873,429
	<i>Per Unit</i>	\$9,353.78	\$9,642.00	\$9,939.33	\$10,246.07	\$10,562.51	\$10,888.99	\$11,225.81	\$11,573.33	\$11,931.88	\$12,301.82
<b>Net Operating Income</b>		\$286,336	\$284,881	\$283,160	\$281,159	\$278,864	\$276,260	\$273,333	\$270,067	\$266,445	\$262,452
	<i>Per Unit</i>	\$4,032.90	\$4,012.41	\$3,988.17	\$3,959.99	\$3,927.66	\$3,890.99	\$3,849.76	\$3,803.76	\$3,752.75	\$3,696.50
<b>Du Page Mortgage</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Other Debt Service</b>		\$228,197	\$228,197	\$228,197	\$228,197	\$228,197	\$228,197	\$228,197	\$228,197	\$228,197	\$228,197
Debt Coverage Ratio		1.25	1.25	1.24	1.23	1.22	1.21	1.20	1.18	1.17	1.15
<b>CASH FLOW</b>											
	<i>Per Unit</i>	\$819	\$798	\$774	\$746	\$714	\$677	\$636	\$590	\$539	\$482
Payments Out of Cash Flow:		\$6,720	\$6,921	\$7,129	\$7,343	\$7,563	\$7,790	\$8,024	\$8,264	\$8,512	\$8,768
Payments Out of Cash Flow:		\$51,420	\$49,764	\$47,835	\$45,620	\$1,423	\$0	\$0	\$0	\$0	\$0
<b>FINAL CASH FLOW</b>		\$0	\$0	\$0	\$0	\$41,681	\$40,274	\$37,113	\$33,606	\$29,737	\$25,488
	<i>Per Unit</i>	\$0	\$0	\$0	\$0	\$587	\$567	\$523	\$473	\$419	\$359

**DU PAGE COUNTY  
DEVELOPMENT BUDGET (Uses)**

Project: Tower Court Residences      Developer: Gorman & Company, LLC  
Project Number: 0

ACQUISITION	TOTAL	Per Unit	Per SF	% TDC
Land	\$1,735,580	\$24,445		
Building		\$0		
Holding Costs		\$0		
Other:		\$0		
Other:		\$0		
<b>Total Acquisition:</b>	<b>\$1,735,580</b>	<b>\$24,445</b>	<b>\$26.44</b>	<b>6.0%</b>
<b>HARD COSTS (complete sheet #7)</b>				
General Cond., Overhead & Profit	\$2,288,772	\$32,236		
Construction Hard Costs	\$17,525,175	\$246,833		
Building Permit & Other Local Fees	\$277,834	\$3,913		
<b>Total Construction:</b>	<b>\$20,091,781</b>	<b>\$282,983</b>	<b>\$306.12</b>	<b>70.0%</b>
<b>CONTINGENCY</b>	<b>\$976,841</b>	<b>\$13,758</b>	<b>1488.3%</b>	<b>3.4%</b>
<b>SOFT COSTS</b>				
Architect: Design	\$664,022	\$9,352		
Architect: Supervision	\$15,000	\$211		
Civil Engineering	\$65,634	\$924		
Green Certification Fees	\$45,000	\$634		
Legal	\$123,399	\$1,738		
Accounting/Cost Certification	\$30,000	\$423		
Survey	\$12,000	\$169		
Appraisal	\$8,000	\$113		
Environmental Report	\$12,500	\$176		
Soil Tests	\$4,000	\$56		
Market Study	\$7,500	\$106		
3rd Party Cost Estimate		\$0		
Title & Recording	\$50,000	\$704		
Marketing		\$0		
Other: Owner FF&E	\$75,000	\$1,056		
Other: Misc. studies, plans, copies, review, soft cost cont	\$60,000	\$845		
<b>Total Soft Costs:</b>	<b>\$1,172,055</b>	<b>\$16,508</b>	<b>\$17.86</b>	<b>4.1%</b>
<b>PERMANENT FINANCING</b>				
Application Fees	\$3,500	\$49		
LIHTC Fees	\$151,500	\$2,134		
Working Capital/Latent Defects LOC Fee		\$0		
Origination Fees	\$202,640	\$2,854		
Financing Legal Fees	\$15,000	\$211		
Lender's Inspecting Architect	\$25,000	\$352		
Bond Insurance Fees		\$0		
Credit Enhancement Fee		\$0		
Bank Escrow Fee		\$0		
Rating Agency Fee		\$0		
Other:		\$0		
Other:		\$0		
<b>Total Interim Financing:</b>	<b>\$397,640</b>	<b>\$5,601</b>	<b>\$6.06</b>	<b>1.4%</b>
<b>INTERIM FINANCING</b>				
Construction/Bridge Loan Interest	\$1,428,000	\$20,113		
MIP/Credit Enhancement during construction		\$0		
Servicing Fees during construction		\$0		
Real Estate Taxes during construction	\$75,000	\$1,056		
Insurance during construction	\$115,000	\$1,620		
Other: Construction loan origination, Due diligence & Let	\$35,000	\$493		
<b>Total Permanent Financing:</b>	<b>\$1,653,000</b>	<b>\$23,282</b>	<b>\$25.19</b>	<b>5.8%</b>
<b>SYNDICATION</b>				
Syndication Legal	\$55,000	\$775		
Partnership organizational expense		\$0		
Other:		\$0		
<b>Total Syndication:</b>	<b>\$55,000</b>	<b>\$775</b>	<b>\$0.84</b>	<b>0.2%</b>
<b>RESERVES</b>				
Real Estate Tax Reserve	\$41,250	\$581		
Insurance Reserve	\$52,500	\$739		
Capital Replacement Reserve		\$0		
Initial Rent-up Reserve	\$53,250	\$750		
Operating Reserve	\$233,029	\$3,282		
Debt Service Reserve	\$114,098	\$1,607		
Other:		\$0		
Other:		\$0		
Other:		\$0		
<b>Total Reserves:</b>	<b>\$494,127</b>	<b>\$6,960</b>	<b>\$7.53</b>	<b>1.7%</b>
<b>DEVELOPER FEE</b>	<b>\$2,134,000</b>	<b>\$30,056</b>	<b>\$32.51</b>	<b>7.4%</b>
<b>TOTAL DEVELOPMENT COSTS (TDC):</b>	<b>\$28,710,024</b>	<b>\$404,367</b>	<b>\$437.43</b>	<b>100.0%</b>

**DU PAGE COUNTY**  
**Construction Budget/Costs (Based on CSI)**

Project: Tower Court Residences      Square Feet: 65,634      Units: 71  
 Project Number 0      Construction: New Construction

		<b>Total Cost</b>	<i>Per Unit</i>	<i>Per SF</i>	<i>% Construction</i>
<b>1. General Requirements</b>		<b>Limit</b>			
<u>A. General Contractor's Markup (See DuPage County General Guidance for further detail)</u>					
Overhead: Expenses necessary to conduct a business. Shall also include costs specific to the project.	14.0%	\$309,712			
General Conditions are functions needed to complete the construction phase: project manager/superintendent/draw related paperwork, field office, site cleaning.		\$929,136			
Profit		\$1,049,924			
	<b>Subtotal</b>	<b>\$2,288,772</b>	\$32,236	\$34.87	12%
<b>2. Existing Conditions</b>					
Environmental Clearance					
Demolition					
Other	Off-Site Work	\$1,965,000			
	<b>Subtotal</b>	<b>\$1,965,000</b>	\$27,676	\$29.94	10%
<b>3. Concrete</b>					
Basement and Garage Floors					
Foundation Walls		\$465,741			
Flatwork		\$366,100			
Other					
		<b>\$831,841</b>	\$11,716	\$12.67	4%
<b>4. Masonry</b>					
Foundation Walls					
Veneer		\$488,000			
Fireplace and/or chimney					
Exterior retaining walls					
Other					
	<b>Subtotal</b>	<b>\$488,000</b>	\$6,873	\$7.44	2%
<b>5. Metals</b>					
Structural		\$85,708			
Wrought Iron		\$0			
Other:		\$0			
	<b>Subtotal</b>	<b>\$85,708</b>	\$1,207	\$1.31	0%
<b>6. Wood &amp; Composites</b>					
Rough Capentry		\$2,107,734			
Finish Carpentry		\$610,220			
Other					
	<b>Subtotal</b>	<b>\$2,717,954</b>	\$38,281	\$41.41	14%
<b>7. Thermal &amp; Moisture Protection</b>					
Roofing		\$328,200			
Insulation		\$0			
Exterior Siding		\$50,750			
Exterior Trim					
Gutters and Downspouts		\$35,620			
Other					
	<b>Subtotal</b>	<b>\$414,570</b>	\$5,839	\$6.32	2%
<b>8. Openings</b>					
Windows		\$481,864			
Exterior Doors		\$17,000			
Interior Doors		\$491,490			
Garage Door		\$0			
Door Hardware		\$74,575			
Other					
	<b>Subtotal</b>	<b>\$1,064,929</b>	\$14,999	\$16.23	5%
<b>9. Finishes</b>					
Gypsum Wallboard		\$1,408,865			
Ceramic Tile		\$10,635			
Flooring (wood, vinyl, carpet, etc.)		\$468,263			
Painting		\$390,000			
Other					
	<b>Subtotal</b>	<b>\$2,277,763</b>	\$32,081	\$34.70	11%
<b>10. Specialties</b>					
Towel Racks, mirrors, etc.		\$0			
Closet racks		\$53,177			
Other	Postal Specialties	\$13,490			
	<b>Subtotal</b>	<b>\$66,667</b>	\$939	\$1.02	0%

<b>11. Equipment</b>						
Appliances		\$341,365				
Other	Elevators	\$144,500				
	<b>Subtotal</b>	<b>\$485,865</b>	\$6,843	\$7.40	2%	
<b>12. Furnishings</b>						
Cabinets		\$230,070				
Countertops						
Window Treatments		\$34,500				
Other	Signage & Storage	\$91,790				
	<b>Subtotal</b>	<b>\$356,360</b>	\$5,019	\$5.43	2%	
<b>13. Special Construction</b>						
Accessibility Modifications						
Other						
	<b>Subtotal</b>	<b>\$0</b>	\$0	\$0.00	0%	
<b>21. Fire Suppression Systems</b>						
Sprinkler System		\$403,360				
Other	Fire Protection Specialties	\$4,274				
	<b>Subtotal</b>	<b>\$407,634</b>	\$5,741	\$6.21	2%	
<b>22. Plumbing</b>						
Rough Plumbing		\$1,426,800				
Finish Plumbing						
Fixtures						
Other						
	<b>Subtotal</b>	<b>\$1,426,800</b>	\$20,096	\$21.74	7%	
<b>23. HVAC</b>						
HVAC		\$1,720,000				
Other						
	<b>Subtotal</b>	<b>\$1,720,000</b>	\$24,225	\$26.21	9%	
<b>26. Electrical</b>						
Rough Electrical		\$1,186,540				
Fixtures		\$223,710				
Finish Electrical		\$286,870				
Other						
	<b>Subtotal</b>	<b>\$1,697,120</b>	\$23,903	\$25.86	9%	
<b>27. Communications</b>						
Security & Alarm Systems						
Other						
	<b>Subtotal</b>	<b>\$0</b>	\$0	\$0.00	0%	
<b>31. Earthwork</b>						
Excavation		\$425,861				
Trenching						
Backfilling						
Site Grading						
Driveway						
Other						
	<b>Subtotal</b>	<b>\$425,861</b>	\$5,998	\$6.49	2%	
<b>32. Exterior Improvements</b>						
Paving		\$291,900				
Fencing		\$33,897				
Final grade and seeding		\$50,000				
Landscaping		\$149,575				
Other	Concrete	\$136,500				
	<b>Subtotal</b>	<b>\$661,872</b>	\$9,322	\$10.08	3%	
<b>33. Utilities</b>						
Utility Connections		\$431,231				
Other						
	<b>Subtotal</b>	<b>\$431,231</b>	\$6,074	\$6.57	2%	
<b>Total Construction:</b>		<b>\$19,813,947</b>	<b>\$279,070</b>	<b>\$301.89</b>	<b>100%</b>	

**DU PAGE COUNTY  
Sources & Uses Summary**

Project Name	Tower Court Residences	Total Square Feet: 65,634	Total Units: 71
Project Number	0	Avg SqFt/Unit: 924	HOME Units: 14
Developer	Gorman & Company, LLC		
Project Type:	New Construction	Target Population: Other	
Unit Type	Multi-Story w/Elevator	Average Rent 978	

<b>Unit Mix</b>	Efficiency	1 BR	2 BR	3 BR	4 BR	<b>Total</b>	
Number of Units	0	52	18	1	0	71	
Average Monthly Rent	#DIV/0!	\$910	\$1,142	\$1,551	#DIV/0!		
Income-Restricted Units		52	18	1		71	100%
Unrestricted/Market Rate Units						0	0%
<b>Total</b>	0	52	18	1	0	71	

<b>Development Costs</b>		Total	Per Unit	% of Total	
Acquisition		\$1,735,580	\$24,445	6.0%	
Hard Costs (Construction)		\$20,091,781	\$282,983	70.0%	
Construction Contingency		\$976,841	\$13,758	3.4%	
Soft Costs		\$1,172,055	\$16,508	4.1%	
Permanent Financing		\$397,640	\$5,601	1.4%	
Interim Financing		\$1,653,000	\$23,282	5.8%	
Syndication		\$55,000	\$775	0.2%	
Reserves		\$494,127	\$6,960	1.7%	
Developer Fee		\$2,134,000	\$30,056	7.4%	
<b>Total Development Costs*</b>		<b>\$28,710,024</b>	<b>\$404,367</b>	<b>100.0%</b>	

**Construction Cost/SqFt:** \$302  
**Total Cost/SqFt:** \$437

<b>Permanent Financing</b>		Total	Per Unit	% of Total	Interest Rate	Loan Term (yrs)	Annual Payment
Bank Mortgage	<i>Est. mortgage:</i> \$3,442,324	\$3,264,000	\$45,972	11.4%	6.46%	40	\$228,197
Low Income Housing Tax Credits		\$14,098,590	\$198,572	49.1%			
Other State/Federal/Historic Tax Credits			\$0	0.0%			
Deferred Developer Fee		\$750,000	\$10,563	2.6%			
Developer Long-Term Equity			\$0	0.0%			
<b>Du Page County Funds</b>		<b>\$2,400,336</b>	<b>\$33,808</b>	<b>8.4%</b>			
			\$0	0.0%			
State HOME Funds			\$0	0.0%			
Additional Tax Credits		\$4,781,518	\$67,345	16.7%			
FHLB Chicago AHP		\$2,000,000	\$28,169	7.0%	0.00%		
Seller Note		\$1,415,580	\$19,938	4.9%	0.00%		
			\$0	0.0%			
<b>Total Sources</b>		<b>\$28,710,024</b>	<b>\$404,367</b>	<b>100.0%</b>			<b>\$228,197</b>
<b>(GAP) or Surplus</b>		<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>			<b>DCR: 1.265560382</b>

<b>Construction Financing</b>		Amount Available During Construction	% TDC	Const. Loan Interest Rate	Developer Notes
Private Construction Loan(s) (bank financing)		\$17,000,000	59.2%	7.50%	
Developer Equity (Self-financing for acquisition, predevelopment, etc.)			0.0%		
Deferred Developer Fee		\$750,000	2.6%		
Low Income Housing Tax Credits Construction Equity		\$2,114,789	7.4%		
FHLB Chicago AHP		\$2,000,000	7.0%		
Seller Note		\$1,415,580	4.9%		
<b>Du Page County Funds</b>	100%	\$2,400,336	8.4%		
		\$0	0.0%		
Costs Not Incurred During Construction (reserves, developer fee, etc.)		\$3,029,319	10.6%		
<b>Total Construction Sources</b>		<b>\$28,710,024</b>	<b>100.0%</b>		
Construction Financing Surplus/(Gap)?		\$0	0.0%		

<b>Du Page County Funding Request</b>	Total	Per Unit	
DuPage County Funding Request	\$2,400,336	\$33,808	Permanent Subsidy

*Proposed use of DuPage County fund Construction Hard Costs*

<b>Operating Budget</b>	Annual	Per Unit	<b>Key Assumptions</b>	
Gross Rent Potential	\$833,304	\$11,737	Vacancy Years 1-4	8.0%
Other Income	\$14,200	\$200	Vacancy Years 5+	8.0%
Vacancy	\$67,800	\$955	Rent Inflation Years 1-4	2.0%
Adjusted Gross Income	\$779,704	\$10,982	Rent Inflation Years 5+	2.0%
Annual Operating Expenses	\$490,907	\$6,914	Expense Inflation:	
Net Operating Income	\$288,796	\$4,068	Administration	3.0%
Debt Service	\$228,197	\$3,214	Operating	3.0%

Maintenance	3.0%
Utilities	3.0%
Taxes & Insurance	4.0%
Reserves	3.0%

**Debt & Cash Flow Over Time**

			Annual	Per Unit
Year 1 DCR	1.27	Year 1 Net Cash Flow	\$60,600	\$854
Year 5 DCR	1.27	Year 5 Net Cash Flow	\$61,948	\$873
Year 10 DCR	1.26	Year 10 Net Cash Flow	\$59,340	\$836
Year 15 DCR	1.22	Year 15 Net Cash Flow	\$50,667	\$714
Year 20 DCR	1.15	Year 20 Net Cash Flow	\$34,255	\$482
	<u>Total</u>	<u>Per Unit</u>	<u>After Cash Flow Payments:</u>	
Cumulative Cash Flow Over 10 Yrs	\$611,258	\$8,609	\$0	
Cumulative Cash Flow Over 15 Yrs	\$884,676	\$12,460	\$41,681	
Cumulative Cash Flow Over 20 Yrs	\$1,092,251	\$15,384	\$207,899	

**Developer Notes**

Date Entered


**Du Page County Subsidy Layering and Underwriting Summary**

<b>1. General Justification for Funding:</b>	
a. How does project fit in with Con Plan, housing strategies, etc?	
<b>2. Why is the project needed?</b>	
<b>3. Examine the sources &amp; uses and operating pro forma.</b>	
a. Explain whether or not costs are reasonable in terms of:	
1. Costs of comparable projects	
2. Qualifications of the costs estimators	
3. Costs published by recognized industry cost index	
b. What is the status of other funding sources? Has adequate funding been secured?	
c. Is the amount of funding requested reasonable and necessary? Please Explain.	
d. Describe the evidence that the project can operate sustainably through the compliance period.	
e. Is the developer/owner/team receiving undue enrichment based on the amount of developer fee, cash flow, etc.? <i>If there are identities of interest among team members, include contractor profit in this assessment.</i>	
f. Concerns/Other info:	
<b>4. Assess neighborhood market conditions:</b>	
a. What supports proposed rents?	
b. What supports lease up within 18 months?	
c. Concerns/Other info:	

**5. Assess the capacity of the developer/development team.**

- a. Completed similar projects successfully?
- b. Any problem projects current or past?
- c. Describe evidence developer is financially stable.
- d. Describe evidence dev staff is sufficient, qualified.
- e. Concerns/Other info:


**6. Assess the capacity of the ongoing management**

- a. Is there evidence they are managing similar properties successfully?
- b. Any problem projects current or past?
- c. Concerns/Other info:


**7. Examine the Capital Needs Assessment (CNA)**

- a. Can the project cover capital improvements throughout the Period of Affordability?
- b. Is an additional Capital Reserve needed? How will it be funded?
- c. Concerns/Other info:


**8. What contingencies should be placed on funding?**

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**9. CURRENT RECOMMENDATION FOR FUNDING:**

--

**Underwriting performed by:**

--	--	--

*Name*

*Title*

*Date*

**Du Page County Underwriting Notes**

Date Entered


**DU PAGE COUNTY  
Capital Needs Assessment**

**Development Name** Tower Court Residences  
**Owner** Gorman & Company, LLC  
**Date Prepared**

Cost Category	Description/Notes	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
Landscaping/Irrigation/Drainage													
Concrete Walks/Retaining Walls													
Parking Areas	Asphalt Reseal/Restripe						\$9,676					\$9,676	
Garages/Carports													
Roofing													
Eavestrough/Downspouts/Flashing													
Balconies/Patios/Steps													
Exterior Siding	Mortar Tuck-Pointing Maintenance						\$1,500					\$1,500	
Doors/Windows	Caulking/Sealing											\$1,500	
Lobbies/Halls/Stairs													
Laundry													
Community Space	Carpet Replace											\$7,613	\$7,613
HVAC	AC Condenser (1.5 Tons) Replace AC Condenser (2.0 Tons) Replace												
Plumbing/Domestic Hot Water													
Fire Safety	Residential Smoke Detector Replace Carbon Monoxide Detector Replace											\$10,740	
Electrical	Building-Mounted Light Fixture Replacement											\$1,360	
Boilers/Pumps													
Elevator													
Unit Flooring/Carpeting													
Unit Appliances	Dishwasher Replace Refrigerator/Freezer Replace												
Unit Kitchen Cabinet/Countertop													
Common Area Appliances	Dishwasher Replace Refrigerator/Freezer Replace												
Unit Appliances	Clothes Dryer Replace												
Unit Appliances	Clothes Washer Replace												

		Subtotal	\$0	\$0	\$0	\$0	\$0	\$11,176	\$0	\$0	\$0	\$0	\$32,389	\$7,613
<b>Annual Inflation Factor</b>	<b>3.00%</b>	Inflation Factor	100.00%	103.00%	106.09%	109.27%	112.55%	115.93%	119.41%	122.99%	126.68%	130.48%	134.39%	138.42%
<b>Total Units</b>	71	Estimated Total Annual RR Needs	\$0	\$0	\$0	\$0	\$0	\$12,956	\$0	\$0	\$0	\$0	\$43,528	\$10,538
<b>Initial PUPY RR</b>	\$350	<b>Starting Balance</b>	\$0	\$24,850	\$49,700	\$74,550	\$99,400	\$124,250	\$136,144	\$160,994	\$185,844	\$210,694	\$235,544	\$216,866
Initial Annual RR Deposit	24850	RR Needs	\$0	\$0	\$0	\$0	\$0	\$12,956	\$0	\$0	\$0	\$0	\$43,528	\$10,538
<b>RR Deposit Annual Increase</b>	\$24,850	Contribution	\$24,850	\$24,850	\$24,850	\$24,850	\$24,850	\$24,850	\$24,850	\$24,850	\$24,850	\$24,850	\$24,850	\$24,850
<b>Interest on Reserve</b>	<b>0.00%</b>	Net Annual Change	\$24,850	\$24,850	\$24,850	\$24,850	\$24,850	\$11,894	\$24,850	\$24,850	\$24,850	\$24,850	\$24,850	(\$18,678)
		Interest Earned	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		<b>Ending Reserve Balance</b>	<b>\$24,850</b>	<b>\$49,700</b>	<b>\$74,550</b>	<b>\$99,400</b>	<b>\$124,250</b>	<b>\$136,144</b>	<b>\$160,994</b>	<b>\$185,844</b>	<b>\$210,694</b>	<b>\$235,544</b>	<b>\$216,866</b>	<b>\$231,178</b>

Initial Deposit Needed to Sustain Project
10 years: (\$235,544)
15 years: (\$283,693)
20 years: \$114,552

**DU PAGE Ct  
Capital Needs A**

**Development Name** Tower Court  
**Owner** Gorman &  
**Date Prepared**

<b>Cost Category</b>	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Landscaping/Irrigation/Drainage								
Concrete Walks/Retaining Walls								
Parking Areas				\$9,676				
Garages/Carports								
Roofing								
Eavestrough/Downspouts/Flashing								
Balconies/Patios/Steps								
Exterior Siding				\$1,500				
Doors/Windows								
Lobbies/Halls/Stairs								
Laundry								
Community Space	\$7,613	\$7,613						
HVAC				\$47,100	\$47,100	\$47,100	\$47,100	
Plumbing/Domestic Hot Water								
Fire Safety								
Electrical								
Boilers/Pumps								
Elevator								
Unit Flooring/Carpeting								
Unit Appliances				\$16,863	\$16,863	\$16,863	\$16,863	
Unit Kitchen Cabinet/Countertop								
Common Area Appliances				\$900				
Unit Appliances				\$7,100	\$7,100	\$7,100	\$7,100	
Unit Appliances				\$6,213	\$6,213	\$6,213	\$6,213	
<b>Annual Inflation Factor</b> 3.00%	\$7,613	\$7,613	\$0	\$89,352	\$77,276	\$77,276	\$77,276	\$0
	142.58%	146.85%	151.26%	155.80%	160.47%	165.28%	170.24%	175.35%
<b>Total Units</b> 71	\$10,854	\$11,180	\$0	\$139,208	\$124,005	\$127,725	\$131,557	\$0
<b>Initial PUPY RR</b> \$350								
Initial Annual RR Deposit 24850	\$231,178	\$245,173	\$258,843	\$283,693	\$169,336	\$70,181	(\$32,695)	(\$139,402)
<b>RR Deposit Annual Increase</b> \$24,850	\$10,854	\$11,180	\$0	\$139,208	\$124,005	\$127,725	\$131,557	\$0
<b>Interest on Reserve</b> 0.00%	\$24,850	\$24,850	\$24,850	\$24,850	\$24,850	\$24,850	\$24,850	\$24,850
	\$13,996	\$13,670	\$24,850	(\$114,358)	(\$99,155)	(\$102,875)	(\$106,707)	\$24,850
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>\$245,173</b>	<b>\$258,843</b>	<b>\$283,693</b>	<b>\$169,336</b>	<b>\$70,181</b>	<b>(\$32,695)</b>	<b>(\$139,402)</b>	<b>(\$114,552)</b>

Initial Dep  
 10 years:  
 15 years:  
 20 years: