

**MEMORANDUM**

DATE: April 5, 2006

TO: Frank Schnidman, Executive Director  
North Miami Community redevelopment Agency

FROM: Chuck Adams

RE: Ruck's Park Feasibility and Income Targeting Guidelines

At the March 28, 2006 meeting of the North Miami CRA Board, clear direction was provided on proceeding with the construction of the selected 144-unit town home over town home design intended for occupancy by qualified resident-income eligible applicants. While there was a considerable interchange of discussion on the design alternatives and the time line, there was insufficient time remaining to clearly discuss the question of affordability and overall project feasibility under income targeting criteria. You have asked for my additional analysis.

**BACKGROUND**

In most instances the presentation and summary on affordability made by representatives of North Miami Housing was consistent with guidelines mutually agreed to at our meeting with them held on March 20, 2006. The presentation they made on March 28, 2006 clearly identified:

- Ruck's Park is only affordable to very low and low-and-moderate income households when financing includes: 1) a first mortgage provided by a private institutional lender, 2) a second deferred payment mortgage provided under the Miami-Dade County affordable housing "surtax" program, and 3) a third deferred payment mortgage provided under the North Miami Community Redevelopment Agency affordable housing program.
- The overall project feasibility of Ruck's Park in making units available to those defined as low-and-moderate income households depends on the developer using residual cash flow from the more market driven, non-NMCRA subsidized sales to further reduce the amount of financing required by those households having low-and-moderate income.
- The current adopted Redevelopment Plan restricts NMCRA funding assistance to North Miami resident-income qualified, credit worthy households with family income ranging between 50% and 120% of the Area Median Income (AMI). The Miami-Dade affordable housing "surtax" program has recently been amended to include households at 140% AMI as eligible for Miami-Dade County funding assistance, and set the maximum sales price for affordable housing units at \$225,000.

Clarification is needed regarding the statement made by representatives of North Miami Housing that the project is financially feasible using a 1/3<sup>rd</sup> income targeting mix.

**RUCK’S PARK HOUSING AFFORDABILITY**

Provided as **Exhibit A** is the numerical study that I performed relying on: 1) the preliminary costs as of March 20, 2006; 2) the current 2006 income limits; and 3) the maximum average unit sales price not to exceed \$225,000. The objective of the study is to determine whether Ruck’s Park is both financially feasible and can yield 144-affordable housing units to North Miami resident-income qualified and credit worthy applicants. The numerical study contains several elements. The Table of Contents for **Exhibit A** is reproduced below and provided for ease of reference to the pages where elements of the study can be found.

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Included in the numerical study are a series of tables (**Exhibit A, Pages 3 to 7**) providing current 2006 income limits and computed income available for housing expense as set forth in the definitions and assumptions (**Exhibit A, Pages 1 to 2**). It should be noted that the 2006 median income for Miami-Dade County is \$55,900. For North Miami, the median income is approximately \$34,000. The North Miami median income therefore closely aligns with 2006 published income limits at 60% of the Area Median Income (AMI). The North Miami adopted Redevelopment Plan defines income qualified residents as those having gross adjusted income by family size equal to or above 50% AMI and not exceeding 120% AMI. It is our understanding that the upper cap was established based on the Miami-Dade Affordable Housing Guidelines in effect at the time. Subsequently, Miami-Dade County has increased the upper income strata eligible for funding assistance to those having household incomes by family size not exceeding 140%. It is my recommendation that the upper income threshold defined as eligible for North Miami CRA funding assistance be raised to be consistent with the Miami-Dade Affordable Housing Program, currently capped at 140% AMI.

The study limits feasibility testing to those households with income between 50% AMI to 120% AMI in order to be consistent with the adopted Redevelopment Plan. However, the actual results from the feasibility testing performed do not change by raising the cap to 140% AMI. Under the assumptions tested, households at the 120% and 140% of AMI do not require any financial assistance from the North Miami CRA, and the only policy issue is whether these households might be provided North Miami CRA down payment assistance. For simplicity, the study is performed using a typical household having a family size of four (4) (see again **Exhibit A, Page 6**). For each such household within the income range of 50% AMI to 120% AMI, a loan feasibility worksheet was prepared. The worksheet is similar to the form used by lenders participating in the Miami-Dade affordable housing “surtax” program. The worksheets are found in the Appendix (**Exhibit A, Pages 15 to 24**). For each income group, they show the amount of financing required that is affordable using private institutional funds, Miami-Dade surtax funds, and North Miami CRA funds. The study assumes that North Miami CRA funds can include down payment assistance as part of the funding assistance it provides under the current cap of \$50,000.

The result of each worksheet is summarized on **Exhibit A, Page 9** for each household within the income range of 50% AMI to 120% AMI. This summary also shows the amount of positive or negative cash flow generated by the sale of one affordable unit to the applicable income group. This is important because for Ruck’s Park to be financially feasible, positive net residual cash flow must result when all 144-unit sales are computed after distributing units in the numbers intended to be sold to each income group.

The sales plan is therefore based on the income targeting objectives for this affordable housing development that must be ratified by the North Miami CRA Board. Eight (8) tests (see **Exhibit A, Pages 10 to 14**) were performed in order to determine the supportable mix of targeted income groups that results in the greatest benefit to North Miami residents while maintaining overall project feasibility.

**CONCLUSION**

The results of the eight (8) tests performed and the conclusion to this analysis follows.

	<u>DESCRIPTION</u>	<u>RESULT</u>	<u>DEGREE</u>	<u>FEASIBILITY</u>
TEST 1	1/3 <sup>rd</sup> DISTRIBUTION	FAILED	SIGNIFICANT	NO NO-NOT REALISTIC
TEST 2	1/3 <sup>rd</sup> DISTRIBUTION ADJUSTED	PASSED	MARGINAL	POLICY DECISION
TEST 3	EQUAL DISTRIBUTION	FAILED	MARGINAL	POLICY DECISION
TEST 4	EQUAL DISTRIBUTION ADJUSTED	PASSED	SIGNIFICANT	POLICY DECISION
TEST 5	75% LOWER INCOME WEIGHTED DISTRIBUTION	FAILED	SIGNIFICANT	NO
TEST 6	75% LOWER INCOME WEIGHTED DISTRIBUTION ADJUSTED	FAILED	SIGNIFICANT	NO
TEST 7	51% LOW INCOME WEIGHTED DISTRIBUTION	PASSED	SIGNIFICANT	POLICY DECISION
TEST 8	60 % LOW INCOME WEIGHTED DISTRIBUTION	PASSED	MARGINAL	POLICY DECISION

The initial assumptions (**Tests 1 and 2**) assumed a distribution among the three income strata of “Very Low”, “Low” and “Moderate” income households. These assumptions either fail or pass marginally.

However, on re-consideration, neither is realistic as net sales proceeds is dependant on coming from only those at the top threshold for each income group (i.e. 50% AMI or 60% AMI, 80% AMI and 120% AMI) with no consideration given to households in between.

The assumption of an equal distribution of the units (**Tests 3 and 4**) among income qualifying households marginally fails when including very low income households but passes when the distribution excludes very low income households. For Test 3, this represents a 50% to 50% distribution of units between the very low and low income households compared to the moderate income households. For Test 4, the distribution (adjusted for rounding) is approximately 44% to 56%.

The assumption of providing significant weight (75%) to very low and low income households significantly fails among both assumptions tested (**Tests 5 and 6**). These assumption were tested because they representative the overall funding and income targeting goals of the Miami-Dade Affordable Housing Program.

The assumptions of providing majority weight (51% or 60%) to low income households while excluding very low income households both pass (**Tests 7 and 8**). However, Test 8 results in the highest inclusionary number of low income occupants consistent with the Miami-Dade County “surtax” program goals.

On the assumption that Ruck’s Park will not include very low income households, the following tests best achieve customary income targeting objectives. However, it is Test 8 that produces results most consistent with the Miami-Dade Affordable Housing Program while providing the greatest benefit to income groups most inclusive of the North Miami population based on median income.

	<b>BENEFITING HOUSEHOLDS</b>			
	<b>LOW INCOME</b>		<b>MODERATE INCOME</b>	
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>
TEST 4	63	44%	81	56%
TEST 7	73	51%	71	49%
TEST 8	87	60%	57	40%

**RECOMMENDATION**

Two recommendations result from this study and analysis.

1. Amend the text in the adopted Redevelopment Plan to include as resident-income qualifying households, those having income equal to 140% AMI, or the maximum cap set forth in the Miami Dade-County Affordable Housing Program, as amended from time to time.
2. Proceed with ratification of the income-targeting objective for Ruck’s Park assuming a maximum unit sales price of \$225,000.

It is also recommended that before formal ratification of the recommendations is requested that North Miami CRA staff meet with a representative group of participating lenders in the Miami-Dade surtax program, and with Miami-Dade Housing Agency staff to make sure that we have not overlooked and program requirements that may alter the conclusion and recommendation resulting from this study.

caa  
Attachment: a/s/a

**NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY**

**RUCKS PARK AFFORDABILITY STUDY**

April 5, 2006

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**DEFINITIONS AND ASSUMPTIONS**

**DEFINITIONS:**

**Income Limits.** The definition of the terms “very Low”, “low”, and “moderate” income households.

<b>LOW AND MODERATE INCOME HOUSEHOLD INCOME LIMITS</b>			
Very Low	0%	50%	AMI
Low	51%	80%	AMI
Moderate	81%	140%	AMI

There is some conflict when reviewing these definitions between federal, state and local housing affordability programs, particularly as relates to the definition of “moderate” income households. The definition provided above is consistent with its meaning under Florida Statutes and the Miami-Dade Affordable Housing Program. In the affordable housing field, “work force” housing is often used, but it is an undefined term as relates to household income definitions. It is often more commonly associated with households having income equal to or exceeding median income and not exceeding the income cap established under the public assistance program created to address the affordable housing need.

**Income Targeting.** Income targeting is the technique employed in public- assisted programs to assure that there is an equitable distribution of program benefits granted to various defined segments within the range of eligible and intended beneficiaries of the program.

**Housing Affordability.** The definition of housing expense is universally accepted as the monthly cost for a mortgage (principle and interest) and the related cost for property tax and lender-required insurance. This is also referred to as PITI. In developments where there are association fees for management and maintenance, the monthly cost for those fees is included. The standards for determining housing affordability and a households initial eligibility to support the housing costs for a loan are based on a review of the housing expense to gross income ratio (front-end ratio) and the total debt to gross income ratio (back-end ratio). Standards vary among both public programs and private institutional lenders. The current standards from the Federal CDBG and HOME programs, the State SHIP program and the Miami-Dade Surtax program are:

	<b>FEDERAL CDBG</b>	<b>HOME</b>	<b>STATE SHIP</b>	<b>COUNTY SURTAX</b>
Housing Expense-To-Income Ratio	30%	33%	35%	35%
Total Debt-To-Income Ratio	NA	38%	45%	45%

**DEFINITIONS AND ASSUMPTIONS**

The North Miami adopted Redevelopment Plan incorporates only the Federal CDBG income to housing expense ratio of 30%, which is used only to determine whether or not a North Miami subordinated loan is granted on as deferred payment loan or a payable loan on terms to be determined on a case-by-case review. The numerical analysis which follows, therefore, assumes that income qualified applicants will be qualified on the higher ratios established by the Miami-Dade Affordable Housing Program.

**STUDY ASSUMPTIONS:**

- “Housing Expense” consistent with current industry practice defined as principle, interest, taxes and insurance (PITI) for a mortgage(s) plus condominium association fee.
- “Affordable Loan Ratios”. This analysis strives to result in combined income to housing expense ratios of 33% for households at or below 80% AMI and 35% for households between 81% to 120% of AMI. The study assumes that the credit worth qualified applicant will not have total monthly debt exceeding the income to debt ratio of 45%.
- NMCRA Down Payment Assistance. The Miami Dade surtax program requires a 3% down payment from borrowers, but provides that only 1% needs to be the earnest money of the borrower based on prior approval. This analysis assumes that Miami-Dade would approve a request from the NMCRA to be able to provide up to 2% Down Payment Assistance within its current funding cap of up to \$50,000 per eligible family. Without this approval, the practicality is brought into question of finding credit worthy North Miami residents within the 50% to 120% AMI income strata that have sufficient savings to fund a 3% down payment.
- NMCRA Subsidy. The current adopted Redevelopment Plan plans caps the subsidy to eligible income beneficiaries to \$50,000. This analysis assumes that total funding assistance can be comprised of Purchase Assistance, Down Payment Assistance or a combination of both.
- Closing costs have not been factored into this analysis and are assumed financeable within the cushion remaining in the housing expense ratio by income group not to exceed 35%.

**INCOME LIMITS  
AND  
AFFORDABLE HOUSING EXPENSE**

**RUCKS PARK AFFORDABILITY**

**2006 INCOME LIMITS  
VERY LOW, LOW, AND MODERATE INCOME HOUSEHOLDS**

<b>2006 Annual Gross Income By Family Size</b>										
<b>Family Size</b>	<b>30%</b>	<b>50%</b>	<b>60%</b>	<b>70%</b>	<b>80%</b>	<b>90%</b>	<b>100%</b>	<b>110%</b>	<b>120%</b>	<b>140%</b>
1	\$ 11,750	\$ 19,550	\$ 23,500	\$ 27,400	\$ 31,300	\$ 35,200	\$ 39,100	\$ 54,800	\$ 46,956	\$ 54,782
2	\$ 13,400	\$ 22,350	\$ 26,800	\$ 31,300	\$ 35,750	\$ 40,200	\$ 44,700	\$ 62,600	\$ 53,664	\$ 62,608
3	\$ 15,100	\$ 25,150	\$ 30,200	\$ 35,200	\$ 40,250	\$ 45,300	\$ 50,300	\$ 70,400	\$ 60,372	\$ 70,434
4	\$ 16,750	\$ 27,950	\$ 33,540	\$ 39,100	\$ 44,700	\$ 50,300	\$ 55,900	\$ 61,500	\$ 67,080	\$ 78,260
5	\$ 18,100	\$ 30,200	\$ 36,200	\$ 42,200	\$ 48,300	\$ 54,300	\$ 60,400	\$ 84,500	\$ 72,446	\$ 84,521
6	\$ 19,450	\$ 32,400	\$ 38,900	\$ 45,400	\$ 51,850	\$ 58,300	\$ 64,800	\$ 90,800	\$ 77,813	\$ 90,782
7	\$ 20,750	\$ 34,650	\$ 41,600	\$ 48,500	\$ 55,450	\$ 62,400	\$ 69,300	\$ 97,000	\$ 83,179	\$ 97,042
8	\$ 22,100	\$ 36,900	\$ 44,300	\$ 51,600	\$ 59,000	\$ 66,400	\$ 73,800	\$ 103,300	\$ 88,546	\$ 103,303
<sup>1</sup> 2006 Miami-Dade County Median Family Income										\$ 55,900
<sup>2</sup> 2005 North Miami Median Family Income										\$ 34,000

<b>2006 Annual Monthly Income By Family Size</b>										
<b>Family Size</b>	<b>30%</b>	<b>50%</b>	<b>60%</b>	<b>70%</b>	<b>80%</b>	<b>90%</b>	<b>100%</b>	<b>110%</b>	<b>120%</b>	<b>140%</b>
1	\$ 979	\$ 1,629	\$ 1,958	\$ 2,283	\$ 2,608	\$ 2,933	\$ 3,258	\$ 4,567	\$ 3,913	\$ 4,565
2	\$ 1,117	\$ 1,863	\$ 2,233	\$ 2,608	\$ 2,979	\$ 3,350	\$ 3,725	\$ 5,217	\$ 4,472	\$ 5,217
3	\$ 1,258	\$ 2,096	\$ 2,517	\$ 2,933	\$ 3,354	\$ 3,775	\$ 4,192	\$ 5,867	\$ 5,031	\$ 5,870
4	\$ 1,396	\$ 2,329	\$ 2,795	\$ 3,258	\$ 3,725	\$ 4,192	\$ 4,658	\$ 5,125	\$ 5,590	\$ 6,522
5	\$ 1,508	\$ 2,517	\$ 3,017	\$ 3,517	\$ 4,025	\$ 4,525	\$ 5,033	\$ 7,042	\$ 6,037	\$ 7,043
6	\$ 1,621	\$ 2,700	\$ 3,242	\$ 3,783	\$ 4,321	\$ 4,858	\$ 5,400	\$ 7,567	\$ 6,484	\$ 7,565
7	\$ 1,729	\$ 2,888	\$ 3,467	\$ 4,042	\$ 4,621	\$ 5,200	\$ 5,775	\$ 8,083	\$ 6,932	\$ 8,087
8	\$ 1,842	\$ 3,075	\$ 3,692	\$ 4,300	\$ 4,917	\$ 5,533	\$ 6,150	\$ 8,608	\$ 7,379	\$ 8,609

**RUCKS PARK AFFORDABILITY**

**HOUSING EXPENSES RATIOS  
VERY LOW, LOW, AND MODERATE INCOME HOUSEHOLDS**

<b>30%</b>									
<b>Monthly Income Available for PITI and Association/Maintenance Fee By Family Size</b>									
<b>Family Size</b>	<b>50%</b>	<b>60%</b>	<b>70%</b>	<b>80%</b>	<b>90%</b>	<b>100%</b>	<b>110%</b>	<b>120%</b>	<b>140%</b>
1	489	588	685	783	880	978	1,370	1,174	1,370
2	559	670	783	894	1,005	1,118	1,565	1,342	1,565
3	629	755	880	1,006	1,133	1,258	1,760	1,509	1,761
4	699	839	978	1,118	1,258	1,398	1,538	1,677	1,957
5	755	905	1,055	1,208	1,358	1,510	2,112	1,811	2,113
6	810	973	1,135	1,296	1,458	1,620	2,270	1,945	2,270
7	866	1,040	1,213	1,386	1,560	1,733	2,425	2,079	2,426
8	923	1,107	1,290	1,475	1,660	1,845	2,583	2,214	2,583

<b>33%</b>									
<b>Monthly Income Available for PITI and Association/Maintenance Fee By Family Size</b>									
<b>Family Size</b>	<b>50%</b>	<b>60%</b>	<b>70%</b>	<b>80%</b>	<b>90%</b>	<b>100%</b>	<b>110%</b>	<b>120%</b>	<b>140%</b>
1	538	646	754	861	968	1,075	1,507	1,291	1,507
2	615	737	861	983	1,106	1,229	1,722	1,476	1,722
3	692	831	968	1,107	1,246	1,383	1,936	1,660	1,937
4	769	922	1,075	1,229	1,383	1,537	1,691	1,845	2,152
5	831	996	1,161	1,328	1,493	1,661	2,324	1,992	2,324
6	891	1,070	1,249	1,426	1,603	1,782	2,497	2,140	2,496
7	953	1,144	1,334	1,525	1,716	1,906	2,668	2,287	2,669
8	1,015	1,218	1,419	1,623	1,826	2,030	2,841	2,435	2,841

<b>35%</b>									
<b>Monthly Income Available for PITI and Association/Maintenance Fee By Family Size</b>									
<b>Family Size</b>	<b>50%</b>	<b>60%</b>	<b>70%</b>	<b>80%</b>	<b>90%</b>	<b>100%</b>	<b>110%</b>	<b>120%</b>	<b>140%</b>
1	570	685	799	913	1,027	1,140	1,598	1,370	1,598
2	652	782	913	1,043	1,173	1,304	1,826	1,565	1,826
3	734	881	1,027	1,174	1,321	1,467	2,053	1,761	2,054
4	815	978	1,140	1,304	1,467	1,630	1,794	1,957	2,283
5	881	1,056	1,231	1,409	1,584	1,762	2,465	2,113	2,465
6	945	1,135	1,324	1,512	1,700	1,890	2,648	2,270	2,648
7	1,011	1,213	1,415	1,617	1,820	2,021	2,829	2,426	2,830
8	1,076	1,292	1,505	1,721	1,937	2,153	3,013	2,583	3,013

<sup>1</sup> Excludes Very Low Income Households At Or Below 30% AMI.

**RUCKS PARK AFFORDABILITY**

**2006 INCOME LIMITS  
VERY LOW, LOW, AND MODERATE INCOME HOUSEHOLDS**

<b>2006 Annual Gross Income For A Family Of 4</b>									
<b>Family Size</b>	<b>50%</b>	<b>60%</b>	<b>70%</b>	<b>80%</b>	<b>90%</b>	<b>100%</b>	<b>110%</b>	<b>120%</b>	<b>140%</b>
4	\$ 27,950	\$ 33,540	\$ 39,100	\$ 44,700	\$ 50,300	\$ 55,900	\$ 61,500	\$ 67,080	\$ 78,260

<sup>1</sup> 2006 Miami-Dade County Median Family Income \$ 55,900

<sup>2</sup> 2005 North Miami Median Family Income \$ 34,000

<sup>3</sup> Excludes Very Low Income Households At Or Below 30% AMI.

<b>2006 Annual Monthly Income For A Family Of 4</b>									
<b>Family Size</b>	<b>50%</b>	<b>60%</b>	<b>70%</b>	<b>80%</b>	<b>90%</b>	<b>100%</b>	<b>110%</b>	<b>120%</b>	<b>140%</b>
4	\$ 2,329	\$ 2,795	\$ 3,258	\$ 3,725	\$ 4,192	\$ 4,658	\$ 5,125	\$ 5,590	\$ 6,522

**30%**

**Monthly Income Available for PITI and Association/Maintenance Fee For A Family Of 4**

<b>Family Size</b>	<b>50%</b>	<b>60%</b>	<b>70%</b>	<b>80%</b>	<b>90%</b>	<b>100%</b>	<b>110%</b>	<b>120%</b>	<b>140%</b>
4	\$ 699	\$ 839	\$ 978	\$ 1,118	\$ 1,258	\$ 1,398	\$ 1,538	\$ 1,677	\$ 1,957

**33%**

**Monthly Income Available for PITI and Association/Maintenance Fee For A Family Of 4**

<b>Family Size</b>	<b>50%</b>	<b>60%</b>	<b>70%</b>	<b>80%</b>	<b>90%</b>	<b>100%</b>	<b>110%</b>	<b>120%</b>	<b>140%</b>
4	\$ 769	\$ 922	\$ 1,075	\$ 1,229	\$ 1,383	\$ 1,537	\$ 1,691	\$ 1,845	\$ 2,152

**35%**

**Monthly Income Available for PITI and Association/Maintenance Fee For A Family Of 4**

<b>Family Size</b>	<b>50%</b>	<b>60%</b>	<b>70%</b>	<b>80%</b>	<b>90%</b>	<b>100%</b>	<b>110%</b>	<b>120%</b>	<b>140%</b>
4	\$ 815	\$ 978	\$ 1,140	\$ 1,304	\$ 1,467	\$ 1,630	\$ 1,794	\$ 1,957	\$ 2,283

**RUCK'S PARK MAXIMUM HOUSING EXPENSE**

**Housing Expense Index - \$225,000 Average Unit Market Value**

<b>Financed Amount</b>	<b>Tax</b>	<b>Insurance</b>	<b>Mortgage</b>	<b>Total PITI</b>	<b>COA Fee</b>	<b>Total Housing Expense</b>
\$ 225,000	381	328	1,385	\$ 2,094	327	\$ 2,421
\$ 220,000	381	321	1,355	\$ 2,056	327	\$ 2,383
\$ 215,000	381	314	1,324	\$ 2,018	327	\$ 2,345
\$ 225,000	381	328	1,385	\$ 2,094	327	\$ 2,421
\$ 210,000	381	306	1,293	\$ 1,980	327	\$ 2,307
\$ 205,000	381	299	1,262	\$ 1,942	327	\$ 2,269
\$ 200,000	381	292	1,231	\$ 1,904	327	\$ 2,231
\$ 195,000	381	284	1,201	\$ 1,866	327	\$ 2,193
\$ 190,000	381	277	1,170	\$ 1,828	327	\$ 2,155
\$ 185,000	381	270	1,139	\$ 1,790	327	\$ 2,117
\$ 181,000	381	264	1,114	\$ 1,759	327	\$ 2,086
\$ 180,000	381	263	1,108	\$ 1,752	327	\$ 2,079
\$ 175,000	381	255	1,078	\$ 1,713	327	\$ 2,040
\$ 170,000	381	248	1,047	\$ 1,675	327	\$ 2,002
\$ 165,000	381	241	1,016	\$ 1,637	327	\$ 1,964
\$ 160,000	381	233	985	\$ 1,599	327	\$ 1,926
\$ 155,000	381	226	954	\$ 1,561	327	\$ 1,888
\$ 150,000	381	219	924	\$ 1,523	327	\$ 1,850
\$ 145,000	381	211	893	\$ 1,485	327	\$ 1,812
\$ 140,000	381	204	862	\$ 1,447	327	\$ 1,774
\$ 135,000	381	197	831	\$ 1,409	327	\$ 1,736
\$ 130,000	381	190	800	\$ 1,371	327	\$ 1,698
\$ 125,000	381	182	770	\$ 1,333	327	\$ 1,660
\$ 120,000	381	175	739	\$ 1,295	327	\$ 1,622
\$ 115,000	381	168	708	\$ 1,257	327	\$ 1,584
\$ 110,000	381	160	677	\$ 1,218	327	\$ 1,545
\$ 105,000	381	153	647	\$ 1,180	327	\$ 1,507
\$ 100,000	381	146	616	\$ 1,142	327	\$ 1,469
\$ 95,000	381	139	585	\$ 1,104	327	\$ 1,431
\$ 90,000	381	131	554	\$ 1,066	327	\$ 1,393
\$ 85,000	381	124	523	\$ 1,028	327	\$ 1,355
\$ 80,000	381	117	493	\$ 990	327	\$ 1,317
\$ 75,000	381	109	462	\$ 952	327	\$ 1,279
\$ 70,000	381	102	431	\$ 914	327	\$ 1,241
\$ 65,000	381	95	400	\$ 876	327	\$ 1,203
\$ 60,000	381	88	369	\$ 838	327	\$ 1,165
\$ 55,000	381	80	339	\$ 800	327	\$ 1,127
\$ 50,000	381	73	308	\$ 762	327	\$ 1,089
\$ 45,000	381	66	277	\$ 723	327	\$ 1,050
\$ 40,000	381	58	246	\$ 685	327	\$ 1,012
\$ 35,000	381	51	216	\$ 647	327	\$ 974
\$ 30,000	381	44	185	\$ 609	327	\$ 936
\$ 25,000	381	36	154	\$ 571	327	\$ 898

NOTES:

<sup>1</sup> Property Tax calculated based on "market value" of \$225,000 and adjusted to estimated "just value".

<sup>2</sup> Insurance calculated based on 1st mortgage financed amount.

<sup>3</sup> Mortgage assumes 30-year fixed at 6.25% API.

<sup>4</sup> COA "condominium association fee" based on comparable projects researched by North Miami Housing.

**HOUSING INCOME COMPARED TO HOUSING EXPENSE  
SUMMARY**

**RUCKS PARK AFFORDABILITY**

**HOUSEHOLD INCOME COMPARED TO HOUSING EXPENSE**

	<b>50%</b>	<b>60%</b>	<b>70%</b>	<b>80%</b>	<b>90%</b>	<b>100%</b>	<b>110%</b>	<b>120%</b>
<b>HOUSING AFFORDABILITY:</b>								
Sales Price (County Maximum)	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000
Less Development Discount	-34,248	-34,248	-34,248	-32,500	-19,100	-10,100	-3,100	0
Less Development Contribution	-55,752	-35,752	-15,752	0	0	0	0	0
Purchase Price	135,000	155,000	175,000	192,500	205,900	214,900	221,900	225,000
Less NMCRA Down Payment	-2,700	-3,100	-3,500	-3,850	-4,118	-4,298	-4,438	-4,500
Less Borrowers Down Payment	-1,350	-1,550	-1,750	-1,925	-2,059	-2,149	-2,219	-2,250
Required Financing	130,950	150,350	169,750	186,725	199,723	208,453	215,243	218,250
Lender's 1 <sup>st</sup> Mortgage	23,650	43,450	63,250	90,575	113,841	135,200	157,900	188,250
County's 2 <sup>nd</sup> Mortgage	60,000	60,000	60,000	50,000	40,000	40,000	30,000	30,000
NMCRA Purchase Assistance	47,300	46,900	46,500	46,150	45,882	33,253	27,343	0
Amount Financed	130,950	150,350	169,750	186,725	199,723	208,453	215,243	218,250
<b>NMCRA Subsidy:</b>								
Down Pmt Assistance	2,700	3,100	3,500	3,850	4,118	4,298	4,438	4,500
Purchase Assistance	47,300	46,900	46,500	46,150	45,882	33,253	27,343	0
Total	50,000	50,000	50,000	50,000	50,000	37,551	31,781	4,500
<b>Borrower's:</b>								
Gross Monthly Income	2,329	2,795	3,258	3,725	4,192	4,658	5,125	5,590
Monthly Housing Cost:								
1 <sup>st</sup> Mortgage (PITI) + COA	745	895	1,045	1,238	1,400	1,544	1,694	1,885
Inc. to Hsg. Ratio Before Subsidy	31.97%	32.01%	32.07%	33.23%	33.40%	33.15%	33.06%	33.73%
1 <sup>st</sup> & 2 <sup>nd</sup> Mortgage (PITI) + COA	795	945	1,095	1,288	1,450	1,594	1,744	1,935
Inc. to Hsg. Ratio After Subsidy	34.11%	33.80%	33.61%	34.58%	34.60%	34.23%	34.03%	34.62%
<b>RESIDUAL CASH FLOW:</b>								
Purchase Price	135,000	155,000	175,000	192,500	205,900	214,900	221,900	225,000
Less Project Cost	-190,752	-190,752	-190,752	-190,752	-190,752	-190,752	-190,752	-190,752
Residual Cash Flow/(Deficiency)	-55,752	-35,752	-15,752	1,748	15,148	24,148	31,148	34,248

**RUCKS PARK FEASIBILITY  
AND  
INCOME TARGETING TESTED ASSUMPTIONS**

**RUCK'S PARK FINANCIAL FEASIBILITY AND INCOME TARGETING ASSUMPTIONS**

**TEST 1**

**Income Target:**

**33% at 50% AMI (Very Low Income)**

**33% at 80% AMI (Low Income)**

**33% at 120% AMI (Moderate Income)**

<b>Income Limit</b>	<b>144 Assisted Units</b>	<b>Net Unit Cash Flow</b>	<b>Total Needed Cash Flow</b>
50%	48	-55,752	-2,676,096
60%	0	-35,752	0
70%	0	-15,752	0
80%	48	1,748	83,904
90%	0	15,148	0
100%	0	24,148	0
110%	0	31,148	0
120%	48	34,248	1,643,904
<b>Net Residual Cash Flow/(Deficiency):</b>			<b>-948,288</b>
<b>Feasible (Yes/No)?</b>			<b>NO</b>

**TEST 2**

**Income Target:**

**33% at 60% AMI (Very Low Income)**

**33% at 80% AMI (Low Income)**

**33% at 120% AMI (Moderate Income)**

<b>Income Limit</b>	<b>144 Assisted Units</b>	<b>Net Unit Cash Flow</b>	<b>Total Needed Cash Flow</b>
50%	0	-55,752	0
60%	48	-35,752	-1,716,096
70%	0	-15,752	0
80%	48	1,748	83,904
90%	0	15,148	0
100%	0	24,148	0
110%	0	31,148	0
120%	48	34,248	1,643,904
<b>Net Residual Cash Flow/(Deficiency):</b>			<b>11,712</b>
<b>Feasible (Yes/No)?</b>			<b>YES</b>

**RUCK'S PARK FINANCIAL FEASIBILITY AND INCOME TARGETING ASSUMPTIONS**

**TEST 3**

**Income Target:**

**Equal Distribution - 8 Income Groups**

<b>Income Limit</b>	<b>144 Assisted Units</b>	<b>Net Unit Cash Flow</b>	<b>Total Needed Cash Flow</b>
50%	18	-55,752	-1,003,536
60%	18	-35,752	-643,536
70%	18	-15,752	-283,536
80%	18	1,748	31,464
90%	18	15,148	272,664
100%	18	24,148	434,664
110%	18	31,148	560,664
120%	18	34,248	616,464

**Residual Cash Flow/(Deficiency):** -14,688  
**Feasible (Yes/No)?** **NO/YES**

**TEST 4**

**Income Target:**

**0% at 50% AMI (Very Low Income)**

**Equal Distribution - 7 Income Groups**

<b>Income Limit</b>	<b>144 Assisted Units</b>	<b>Net Unit Cash Flow</b>	<b>Total Needed Cash Flow</b>
50%	0	-55,752	0
60%	21	-35,752	-750,792
70%	21	-15,752	-330,792
80%	21	1,748	36,708
90%	20	15,148	302,960
100%	20	24,148	482,960
110%	20	31,148	622,960
120%	21	34,248	719,208

**Net Residual Cash Flow/(Deficiency):** 1,083,212  
**Feasible (Yes/No)?** **NO**

**RUCK'S PARK FINANCIAL FEASIBILITY AND INCOME TARGETING ASSUMPTIONS**

**TEST 5**

**Income Target:**

**30% Very Low Income  
45% Low Income  
25% Moderate Income**

<b>Income Limit</b>	<b>144 Assisted Units</b>	<b>Net Unit Cash Flow</b>	<b>Total Needed Cash Flow</b>
50%	42	-55,752	-2,341,584
60%	22	-35,752	-786,544
70%	22	-15,752	-346,544
80%	22	1,748	38,456
90%	9	15,148	136,332
100%	9	24,148	217,332
110%	9	31,148	280,332
120%	9	34,248	308,232
<b>Net Residual Cash Flow/(Deficiency):</b>			<b>-2,493,988</b>
<b>Feasible (Yes/No)?</b>			<b>NO</b>

**TEST 6**

**Income Target:**

**0% Very Low Income  
75% Low Income  
25% Moderate Income**

<b>Income Limit</b>	<b>144 Assisted Units</b>	<b>Net Unit Cash Flow</b>	<b>Total Needed Cash Flow</b>
50%	0	-55,752	0
60%	36	-35,752	-1,287,072
70%	36	-15,752	-567,072
80%	36	1,748	62,928
90%	9	15,148	136,332
100%	9	24,148	217,332
110%	9	31,148	280,332
120%	9	34,248	308,232
<b>Net Residual Cash Flow/(Deficiency):</b>			<b>-848,988</b>
<b>Feasible (Yes/No)?</b>			<b>NO</b>

**RUCK'S PARK FINANCIAL FEASIBILITY AND INCOME TARGETING ASSUMPTIONS**

**TEST 7**

**Income Target:**

- 0% Very Low Income**
- 51% Low Income**
- 49% Moderate Income**

<b>Income Limit</b>	<b>144 Assisted Units</b>	<b>Net Unit Cash Flow</b>	<b>Total Needed Cash Flow</b>
50%	0	-55,752	0
60%	24	-35,752	-858,048
70%	24	-15,752	-378,048
80%	25	1,748	43,700
90%	17	15,148	257,516
100%	18	24,148	434,664
110%	18	31,148	560,664
120%	18	34,248	616,464
<b>Net Residual Cash Flow/(Deficiency):</b>			<b>676,912</b>
<b>Feasible (Yes/No)?</b>			<b>YES</b>

**TEST 8**

**Income Target:**

- 0% Very Low Income**
- 60% Low Income**
- 40% Moderate Income**

<b>Income Limit</b>	<b>144 Assisted Units</b>	<b>Net Unit Cash Flow</b>	<b>Total Needed Cash Flow</b>
50%	0	-55,752	0
60%	29	-35,752	-1,036,808
70%	29	-15,752	-456,808
80%	29	1,748	50,692
90%	14	15,148	212,072
100%	14	24,148	338,072
110%	14	31,148	436,072
120%	15	34,248	513,720
<b>Net Residual Cash Flow/(Deficiency):</b>			<b>57,012</b>
<b>Feasible (Yes/No)?</b>			<b>YES</b>

**MORTGAGE AFFORDABILITY BY HOUSEHOLD INCOME GROUP**

**APPENDIX**

**AFFORDABILITY STUDY**

**EXHIBIT A**

COMPLETED FOR: North Miami Community Redevelopment Agency (NMCRA)

SOURCE: Adams Advisory Services, LLC

FAMILY SIZE: 4 LEVEL: 50% AMI

PREPARED BY: Chuck Adams

DATE: 03/28/2006

ANNUAL INCOME: \$ 27,950

MONTHLY GROSS: \$2,329

50.00% OF MEDIAN

MAX COUNTY SUBSIDY \$60,000

NO. OF BEDROOMS: \_\_\_\_\_

MEDIAN INCOME: \$55,900

PURCHASE PRICE: \$135,000

2% NMCRA DOWN PMT ASST: \$2,700 \*

1% BORROWERS DOWN PMT: \$1,350

NMCRA Down Payment Plus  
Purchase Assistance Subsidy  
Is Equal to or Less Than: \$50,000

GROSS REQUIRED FINANCING: \$130,950

1ST MTG REQUIRED: \$23,650

MAX 2ND MORTGAGE: \$60,000

NMCRA PURCHASE ASSISTANCE: \$47,300

			MONTHLY PAYMENTS	* *	MONTHLY RATIOS
<u>\$23,650</u> 1ST MTG P&I AT	<u>6.25</u> %	<u>30</u> YRS	<u>\$146</u>	*	
				*	
<u>\$4,569</u> APPROX TAXES			<u>\$381</u>	*	
<u>\$2,292</u> APPROX INSURANCE HAZ/FLD.			<u>\$191</u>	*	
<u>\$327</u> APPROX MAINT.			<u>\$27</u>	*	
				*	
1ST MTG TOTAL DEBT TO INCOME RATIO			<u>\$745</u>	*	<u>31.97%</u> %
				*	
<u>\$60,000</u> 2ND MTG AT	<u>0</u> %	<u>30</u> YRS	<u>\$50</u>	*	
				*	
3RD MTG AT	<u>0%</u> /	<u>YRS</u>		*	
TOTAL 1ST, 2ND, AND 3RD MTG PAYMENT			<u>\$795</u>	*	<u>34.11%</u> %
				*	
OTHER DEBTS			<u>\$0</u>	*	
TOTAL PMT MTG & DEBTS			<u>\$795</u>	*	<u>34.11%</u> %

REPAYMENT SCHEDULE FOR SECOND MORTGAGE

YEARS		MONTHLY PAYMENT
1 - 3	\$ _____	\$ _____
4 - 6	\$ _____	\$ _____
7 - 10	\$ _____	\$ _____
11 - 30	\$ _____	\$ _____

COMMENTS:

**AFFORDABILITY STUDY**

**EXHIBIT A**

COMPLETED FOR: North Miami Community Redevelopment Agency (NMCRA)

SOURCE: Adams Advisory Services, LLC

FAMILY SIZE: 4 LEVEL: 60% AMI

PREPARED BY: Chuck Adams

DATE: 03/28/2006

ANNUAL INCOME: \$ 33,540

MONTHLY GROSS: \$2,795

60.00% OF MEDIAN

MAX COUNTY SUBSIDY: \$60,000

NO. OF BEDROOMS: \_\_\_\_\_

MEDIAN INCOME: \$55,900

PURCHASE PRICE: \$155,000

2% NMCRA DOWN PMT ASST: \$3,100 \*

1% BORROWERS DOWN PMT: \$1,550

NMCRA Down Payment Plus  
Purchase Assistance Subsidy  
Is Equal to or Less Than: \$50,000

GROSS REQUIRED FINANCING: \$150,350

1ST MTG REQUIRED: \$43,450

MAX 2ND MORTGAGE: \$60,000

NMCRA PURCHASE ASSISTANCE: \$46,900

		MONTHLY PAYMENTS	* MONTHLY RATIOS
<u>\$43,450</u> 1ST MTG P&I AT	<u>6.25</u> % <u>30</u> YRS	<u>\$268</u>	*
<u>\$4,569</u> APPROX TAXES		<u>\$381</u>	*
<u>\$2,631</u> APPROX INSURANCE HAZ/FLD.		<u>\$219</u>	*
<u>\$327</u> APPROX MAINT.		<u>\$27</u>	*
1ST MTG TOTAL DEBT TO INCOME RATIO		<u>\$895</u>	* <u>32.01%</u> %
<u>\$60,000</u> 2ND MTG AT	<u>0</u> % <u>30</u> YRS	<u>\$50</u>	*
3RD MTG AT	<u>0%</u> / <u>YRS</u>		*
TOTAL 1ST, 2ND, AND 3RD MTG PAYMENT		<u>\$945</u>	* <u>33.80%</u> %
OTHER DEBTS		<u>\$0</u>	*
TOTAL PMT MTG & DEBTS		<u>\$945</u>	* <u>33.80%</u> %

REPAYMENT SCHEDULE FOR SECOND MORTGAGE

YEARS		MONTHLY PAYMENT
1 - 3	\$ _____	\$ _____
4 - 6	\$ _____	\$ _____
7 - 10	\$ _____	\$ _____
11 - 30	\$ _____	\$ _____

COMMENTS:

**AFFORDABILITY STUDY**

**EXHIBIT A**

COMPLETED FOR: North Miami Community Redevelopment Agency (NMCRA)

SOURCE: Adams Advisory Services, LLC

FAMILY SIZE: 4 LEVEL: 70% AMI

PREPARED BY: Chuck Adams

DATE: 03/28/2006

ANNUAL INCOME: \$ 39,100

MONTHLY GROSS: \$3,258

69.95% OF MEDIAN

MAX COUNTY SUBSIDY \$60,000

NO. OF BEDROOMS: \_\_\_\_\_

MEDIAN INCOME: \$55,900

PURCHASE PRICE: \$175,000

2% NMCRA DOWN PMT ASST: \$3,500 \*

1% BORROWERS DOWN PMT: \$1,750

NMCRA Down Payment Plus  
Purchase Assistance Subsidy  
Is Equal to or Less Than: \$50,000

GROSS REQUIRED FINANCING: \$169,750

1ST MTG REQUIRED: \$63,250

MAX 2ND MORTGAGE: \$60,000

NMCRA PURCHASE ASSISTANCE: \$46,500

		MONTHLY PAYMENTS	* MONTHLY RATIOS
<u>\$63,250</u> 1ST MTG P&I AT	<u>6.25</u> % <u>30</u> YRS	<u>\$389</u>	*
<u>\$4,569</u> APPROX TAXES		<u>\$381</u>	*
<u>\$2,971</u> APPROX INSURANCE HAZ/FLD.		<u>\$248</u>	*
<u>\$327</u> APPROX MAINT.		<u>\$27</u>	*
1ST MTG TOTAL DEBT TO INCOME RATIO		<u>\$1,045</u>	* <u>32.07%</u> %
<u>\$60,000</u> 2ND MTG AT	<u>0</u> % <u>30</u> YRS	<u>\$50</u>	*
3RD MTG AT	<u>0%</u> / <u>YRS</u>		*
TOTAL 1ST, 2ND, AND 3RD MTG PAYMENT		<u>\$1,095</u>	* <u>33.61%</u> %
OTHER DEBTS		<u>\$0</u>	*
TOTAL PMT MTG & DEBTS		<u>\$1,095</u>	* <u>33.61%</u> %

REPAYMENT SCHEDULE FOR SECOND MORTGAGE

YEARS	MONTHLY PAYMENT
1 - 3	\$ _____
4 - 6	\$ _____
7 - 10	\$ _____
11 - 30	\$ _____

COMMENTS:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**AFFORDABILITY STUDY**

**EXHIBIT A**

COMPLETED FOR: North Miami Community Redevelopment Agency (NMCRA)

SOURCE: Adams Advisory Services, LLC

FAMILY SIZE: 4 LEVEL: 80% AMI

PREPARED BY: Chuck Adams

DATE: 03/28/2006

ANNUAL INCOME: \$ 44,700

MONTHLY GROSS: \$3,725

79.96% OF MEDIAN

MAX COUNTY SUBSIDY \$50,000

NO. OF BEDROOMS: \_\_\_\_\_

MEDIAN INCOME: \$55,900

PURCHASE PRICE: \$192,500

2% NMCRA DOWN PMT ASST: \$3,850 \*

1% BORROWERS DOWN PMT: \$1,925

NMCRA Down Payment Plus  
Purchase Assistance Subsidy  
Is Equal to or Less Than: \$50,000

GROSS REQUIRED FINANCING: \$186,725

1ST MTG REQUIRED: \$90,575

MAX 2ND MORTGAGE: \$50,000

NMCRA PURCHASE ASSISTANCE: \$46,150

		MONTHLY PAYMENTS	* MONTHLY RATIOS
<u>\$90,575</u> 1ST MTG P&I AT	<u>6.25</u> % <u>30</u> YRS	<u>\$558</u>	*
<u>\$4,569</u> APPROX TAXES		<u>\$381</u>	*
<u>\$3,268</u> APPROX INSURANCE HAZ/FLD.		<u>\$272</u>	*
<u>\$327</u> APPROX MAINT.		<u>\$27</u>	*
1ST MTG TOTAL DEBT TO INCOME RATIO		<u>\$1,238</u>	* <u>33.23%</u> %
<u>\$50,000</u> 2ND MTG AT	<u>0</u> % <u>30</u> YRS	<u>\$50</u>	*
3RD MTG AT	<u>0%</u> / <u>YRS</u>		*
TOTAL 1ST, 2ND, AND 3RD MTG PAYMENT		<u>\$1,288</u>	* <u>34.58%</u> %
OTHER DEBTS		<u>\$0</u>	*
TOTAL PMT MTG & DEBTS		<u>\$1,288</u>	* <u>34.58%</u> %

REPAYMENT SCHEDULE FOR SECOND MORTGAGE

YEARS		MONTHLY PAYMENT	
1 - 3	\$ _____	\$ _____	* PLEASE SEE ABOVE NOTE REGARDING 2ND MORTGAGE PMT.
4 - 6	\$ _____	\$ _____	
7 - 10	\$ _____	\$ _____	
11 - 30	\$ _____	\$ _____	

COMMENTS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**AFFORDABILITY STUDY**

**EXHIBIT A**

COMPLETED FOR: North Miami Community Redevelopment Agency (NMCRA)

SOURCE: Adams Advisory Services, LLC

FAMILY SIZE: 4 LEVEL: 90% AMI

PREPARED BY: Chuck Adams

DATE: 03/28/2006

ANNUAL INCOME: \$ 50,300

MONTHLY GROSS: \$4,192

89.98% OF MEDIAN

MAX COUNTY SUBSIDY \$40,000

NO. OF BEDROOMS: \_\_\_\_\_

MEDIAN INCOME: \$55,900

PURCHASE PRICE: \$205,900

2% NMCRA DOWN PMT ASST: \$4,118 \*

1% BORROWERS DOWN PMT: \$2,059

NMCRA Down Payment Plus  
Purchase Assistance Subsidy  
Is Equal to or Less Than: \$50,000

GROSS REQUIRED FINANCING: \$199,723

1ST MTG REQUIRED: \$113,841

MAX 2ND MORTGAGE: \$40,000

NMCRA PURCHASE ASSISTANCE: \$45,882

			MONTHLY PAYMENTS	*	MONTHLY RATIOS
<u>\$113,841</u> 1ST MTG P&I AT	<u>6.25</u> %	<u>30</u> YRS	<u>\$701</u>	*	
<u>\$4,569</u> APPROX TAXES			<u>\$381</u>	*	
<u>\$3,495</u> APPROX INSURANCE HAZ/FLD.			<u>\$291</u>	*	
<u>\$327</u> APPROX MAINT.			<u>\$27</u>	*	
1ST MTG TOTAL DEBT TO INCOME RATIO			<u>\$1,400</u>	*	<u>33.40%</u> %
<u>\$40,000</u> 2ND MTG AT	<u>0</u> %	<u>30</u> YRS	<u>\$50</u>	*	
3RD MTG AT	<u>0%</u> /	<u>YRS</u>		*	
TOTAL 1ST, 2ND, AND 3RD MTG PAYMENT			<u>\$1,450</u>	*	<u>34.60%</u> %
OTHER DEBTS			<u>\$0</u>	*	
TOTAL PMT MTG & DEBTS			<u>\$1,450</u>	*	<u>34.60%</u> %

REPAYMENT SCHEDULE FOR SECOND MORTGAGE

YEARS		MONTHLY PAYMENT
1 - 3	\$ _____	\$ _____
4 - 6	\$ _____	\$ _____
7 - 10	\$ _____	\$ _____
11 - 30	\$ _____	\$ _____

COMMENTS:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**AFFORDABILITY STUDY**

**EXHIBIT A**

COMPLETED FOR: North Miami Community Redevelopment Agency (NMCRA)

SOURCE: Adams Advisory Services, LLC

FAMILY SIZE: 4 LEVEL: 100% AMI

PREPARED BY: Chuck Adams

DATE: 03/28/2006

ANNUAL INCOME: \$ 55,900

MONTHLY GROSS: \$4,658

100.00% OF MEDIAN

MAX COUNTY SUBSIDY \$40,000

NO. OF BEDROOMS: \_\_\_\_\_

MEDIAN INCOME: \$55,900

PURCHASE PRICE: \$214,900

2% NMCRA DOWN PMT ASST: \$4,298 \*

1% BORROWERS DOWN PMT: \$2,149

NMCRA Down Payment Plus  
Purchase Assistance Subsidy  
Is Equal to or Less Than: \$50,000

GROSS REQUIRED FINANCING: \$208,453

1ST MTG REQUIRED: \$135,200

MAX 2ND MORTGAGE: \$40,000

NMCRA PURCHASE ASSISTANCE: \$33,253

			MONTHLY PAYMENTS	*	MONTHLY RATIOS
<u>\$135,200</u> 1ST MTG P&I AT	<u>6.25</u> %	<u>30</u> YRS	<u>\$832</u>	*	
<u>\$4,569</u> APPROX TAXES			<u>\$381</u>	*	
<u>\$3,648</u> APPROX INSURANCE HAZ/FLD.			<u>\$304</u>	*	
<u>\$327</u> APPROX MAINT.			<u>\$27</u>	*	
1ST MTG TOTAL DEBT TO INCOME RATIO			<u>\$1,544</u>	*	<u>33.15%</u> %
<u>\$40,000</u> 2ND MTG AT	<u>0</u> %	<u>30</u> YRS	<u>\$50</u>	*	
3RD MTG AT	<u>0%</u> /	<u>YRS</u>		*	
TOTAL 1ST, 2ND, AND 3RD MTG PAYMENT			<u>\$1,594</u>	*	<u>34.23%</u> %
OTHER DEBTS			<u>\$0</u>	*	
TOTAL PMT MTG & DEBTS			<u>\$1,594</u>	*	<u>34.23%</u> %

REPAYMENT SCHEDULE FOR SECOND MORTGAGE

YEARS		MONTHLY PAYMENT
1 - 3	\$ _____	\$ _____
4 - 6	\$ _____	\$ _____
7 - 10	\$ _____	\$ _____
11 - 30	\$ _____	\$ _____

COMMENTS:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**AFFORDABILITY STUDY**

**EXHIBIT A**

COMPLETED FOR: North Miami Community Redevelopment Agency (NMCRA)

SOURCE: Adams Advisory Services, LLC

FAMILY SIZE: 4 LEVEL: 110% AMI

PREPARED BY: Chuck Adams

DATE: 03/28/2006

ANNUAL INCOME: \$ 61,500

MONTHLY GROSS: \$5,125

110.02% OF MEDIAN

MAX COUNTY SUBSIDY \$30,000

NO. OF BEDROOMS: \_\_\_\_\_

MEDIAN INCOME: \$55,900

PURCHASE PRICE: \$221,900

2% NMCRA DOWN PMT ASST: \$4,438 \*

1% BORROWERS DOWN PMT: \$2,219

NMCRA Down Payment Plus  
Purchase Assistance Subsidy  
Is Equal to or Less Than: \$50,000

GROSS REQUIRED FINANCING: \$215,243

1ST MTG REQUIRED: \$157,900

MAX 2ND MORTGAGE: \$30,000

NMCRA PURCHASE ASSISTANCE: \$27,343

		MONTHLY PAYMENTS	* MONTHLY RATIOS
<u>\$157,900</u> 1ST MTG P&I AT	<u>6.25</u> % <u>30 YRS</u>	<u>\$972</u>	*
<u>\$4,569</u> APPROX TAXES		<u>\$381</u>	*
<u>\$3,767</u> APPROX INSURANCE HAZ/FLD.		<u>\$314</u>	*
<u>\$327</u> APPROX MAINT.		<u>\$27</u>	*
1ST MTG TOTAL DEBT TO INCOME RATIO		<u>\$1,694</u>	* <u>33.06%</u> %
<u>\$30,000</u> 2ND MTG AT	<u>0</u> % <u>30 YRS</u>	<u>\$50</u>	*
3RD MTG AT	<u>0%</u> / <u>YRS</u>		*
TOTAL 1ST, 2ND, AND 3RD MTG PAYMENT		<u>\$1,744</u>	* <u>34.03%</u> %
OTHER DEBTS		<u>\$0</u>	*
TOTAL PMT MTG & DEBTS		<u>\$1,744</u>	* <u>34.03%</u> %

REPAYMENT SCHEDULE FOR SECOND MORTGAGE

YEARS		MONTHLY PAYMENT
1 - 3	\$ _____	\$ _____
4 - 6	\$ _____	\$ _____
7 - 10	\$ _____	\$ _____
11 - 30	\$ _____	\$ _____

COMMENTS:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**AFFORDABILITY STUDY**

**EXHIBIT A**

COMPLETED FOR: North Miami Community Redevelopment Agency (NMCRA)

SOURCE: Adams Advisory Services, LLC

FAMILY SIZE: 4 LEVEL: 120% AMI

PREPARED BY: Chuck Adams

DATE: 03/28/2006

ANNUAL INCOME: \$ 67,080

MONTHLY GROSS: \$5,590

120.00% OF MEDIAN

MAX COUNTY SUBSIDY \$30,000

NO. OF BEDROOMS: \_\_\_\_\_

MEDIAN INCOME: \$55,900

PURCHASE PRICE: \$225,000

2% NMCRA DOWN PMT ASST: \$4,500 \*

1% BORROWERS DOWN PMT: \$2,250

NMCRA Down Payment Plus  
Purchase Assistance Subsidy  
Is Equal to or Less Than: \$50,000

GROSS REQUIRED FINANCING: \$218,250

1ST MTG REQUIRED: \$188,250

MAX 2ND MORTGAGE: \$30,000

NMCRA PURCHASE ASSISTANCE: \$0

		MONTHLY PAYMENTS	* MONTHLY RATIOS
<u>\$188,250</u> 1ST MTG P&I AT	<u>6.25</u> % <u>30</u> YRS	<u>\$1,159</u>	*
<u>\$4,569</u> APPROX TAXES		<u>\$381</u>	*
<u>\$3,819</u> APPROX INSURANCE HAZ/FLD.		<u>\$318</u>	*
<u>\$327</u> APPROX MAINT.		<u>\$27</u>	*
1ST MTG TOTAL DEBT TO INCOME RATIO		<u>\$1,885</u>	* <u>33.73%</u> %
<u>\$30,000</u> 2ND MTG AT	<u>0</u> % <u>30</u> YRS	<u>\$50</u>	*
3RD MTG AT	<u>0%</u> / <u>YRS</u>		*
TOTAL 1ST, 2ND, AND 3RD MTG PAYMENT		<u>\$1,935</u>	* <u>34.62%</u> %
OTHER DEBTS		<u>\$0</u>	*
TOTAL PMT MTG & DEBTS		<u>\$1,935</u>	* <u>34.62%</u> %

REPAYMENT SCHEDULE FOR SECOND MORTGAGE

YEARS		MONTHLY PAYMENT
1 - 3	\$ _____	\$ _____
4 - 6	\$ _____	\$ _____
7 - 10	\$ _____	\$ _____
11 - 30	\$ _____	\$ _____

COMMENTS:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**AFFORDABILITY STUDY**

**EXHIBIT A**

COMPLETED FOR: North Miami Community Redevelopment Agency (NMCRA)

SOURCE: Adams Advisory Services, LLC

FAMILY SIZE: 4 LEVEL: 140% AMI

PREPARED BY: Chuck Adams

DATE: 04/05/2006

ANNUAL INCOME: \$ 78,260

MONTHLY GROSS: \$6,522

140.00% OF MEDIAN

MAX COUNTY SUBSIDY \$30,000

NO. OF BEDROOMS: \_\_\_\_\_

MEDIAN INCOME: \$55,900

PURCHASE PRICE: \$225,000

2% NMCRA DOWN PMT ASST: \$4,500 \*

1% BORROWERS DOWN PMT: \$2,250

NMCRA Down Payment Plus  
Purchase Assistance Subsidy  
Is Equal to or Less Than: \$50,000

GROSS REQUIRED FINANCING: \$218,250

1ST MTG REQUIRED: \$218,250

MAX 2ND MORTGAGE: \$0

NMCRA PURCHASE ASSISTANCE: \$0

		MONTHLY PAYMENTS	* MONTHLY RATIOS
<u>\$218,250</u> 1ST MTG P&I AT	<u>6.25</u> % <u>30</u> YRS	<u>\$1,344</u>	*
<u>\$4,569</u> APPROX TAXES		<u>\$381</u>	*
<u>\$3,819</u> APPROX INSURANCE HAZ/FLD.		<u>\$318</u>	*
<u>\$327</u> APPROX MAINT.		<u>\$27</u>	*
1ST MTG TOTAL DEBT TO INCOME RATIO		<u>\$2,070</u>	* <u>31.74%</u> %
<u>\$0</u> 2ND MTG AT	<u>0</u> % <u>30</u> YRS	<u>\$50</u>	*
3RD MTG AT	<u>0%</u> / <u>YRS</u>		*
TOTAL 1ST, 2ND, AND 3RD MTG PAYMENT		<u>\$2,120</u>	* <u>32.51%</u> %
OTHER DEBTS		<u>\$0</u>	*
TOTAL PMT MTG & DEBTS		<u>\$2,120</u>	* <u>32.51%</u> %

REPAYMENT SCHEDULE FOR SECOND MORTGAGE

YEARS		MONTHLY PAYMENT
1 - 3	\$ _____	\$ _____
4 - 6	\$ _____	\$ _____
7 - 10	\$ _____	\$ _____
11 - 30	\$ _____	\$ _____

COMMENTS:

\_\_\_\_\_  
 \_\_\_\_\_  
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