

## Delowe Village Redevelopment Project Financing

### SOURCES AND USES

Source	Amount
Federal LIHTC Equity	\$23,307,993
Community Foundation	\$2,000,000
Reinvestment Income	\$2,959,000
Required Deferment of Developer Fee	\$369,524
Permanent Loan Advance	<u>\$10,150,000</u>
<b>TOTAL</b>	<b>\$38,786,517</b>

Uses of Funds	Amount
Total Land Costs	\$672,000
Total Soft Costs	\$5,756,291
Total Hard Costs (Construction)	\$26,584,438
Net Financing expenses	<u>\$5,773,788</u>
<b>TOTAL USES</b>	<b>\$38,786,517</b>

#### Definitions:

**LIHTC** - Low-income tax credit housing is a federal program that provides developers with tax credits to build or renovate rental housing for lower-income households. In exchange for these credits, developers must set aside a portion of the units for rent-restricted tenants who earn up to a certain percentage of the Area Median Income (AMI), making them affordable to residents. The credits allow developers to sell them to investors for equity financing, which reduces construction costs and makes it financially feasible to offer more affordable rents.