



Jonathan Rose Companies

NORWALK  DEVELOPMENT AGENCY

Presentation
to One Region
Funders'
Group
South Norwalk
Market Study &
Renovation
Program

June 25, 2014

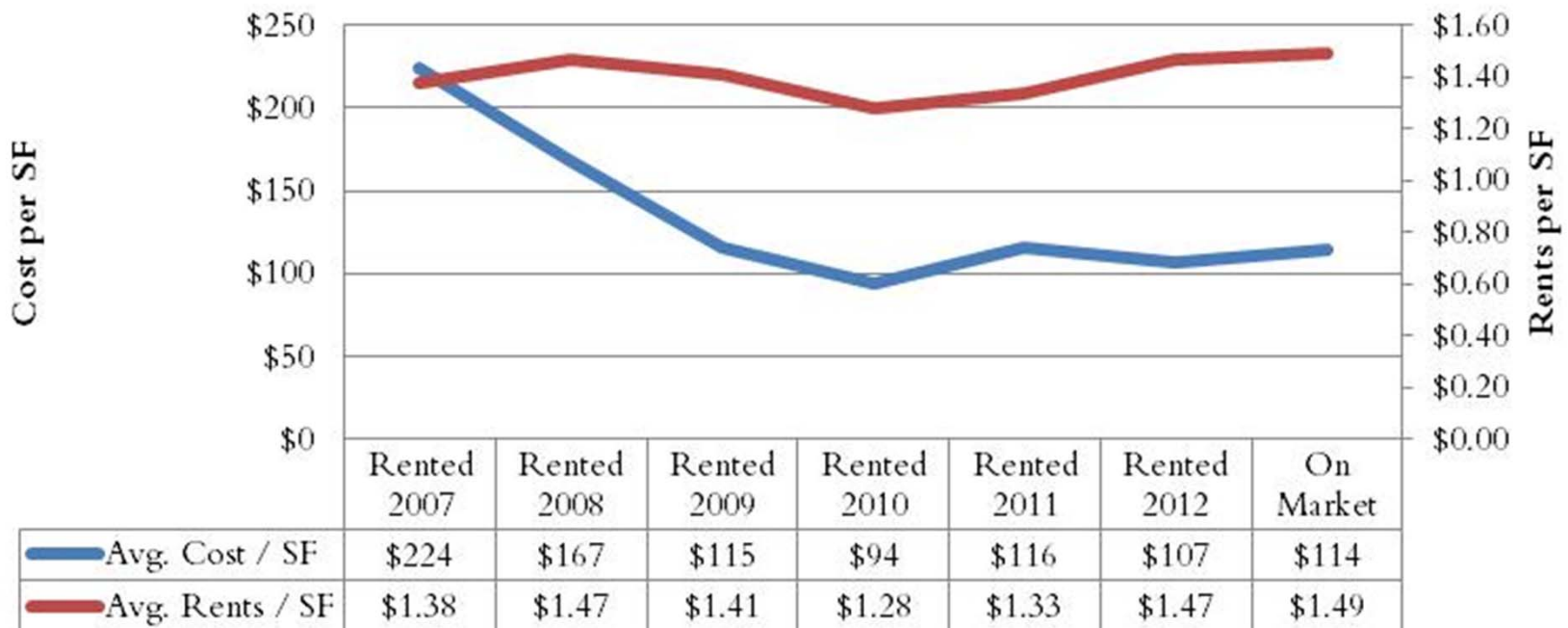


Program Participants

- Jonathan Rose Companies
- Norwalk Redevelopment Agency (North Walke Housing Corporation)
- One Region Funders' Group
- Connecticut Housing Finance Authority
- Housing Development Fund

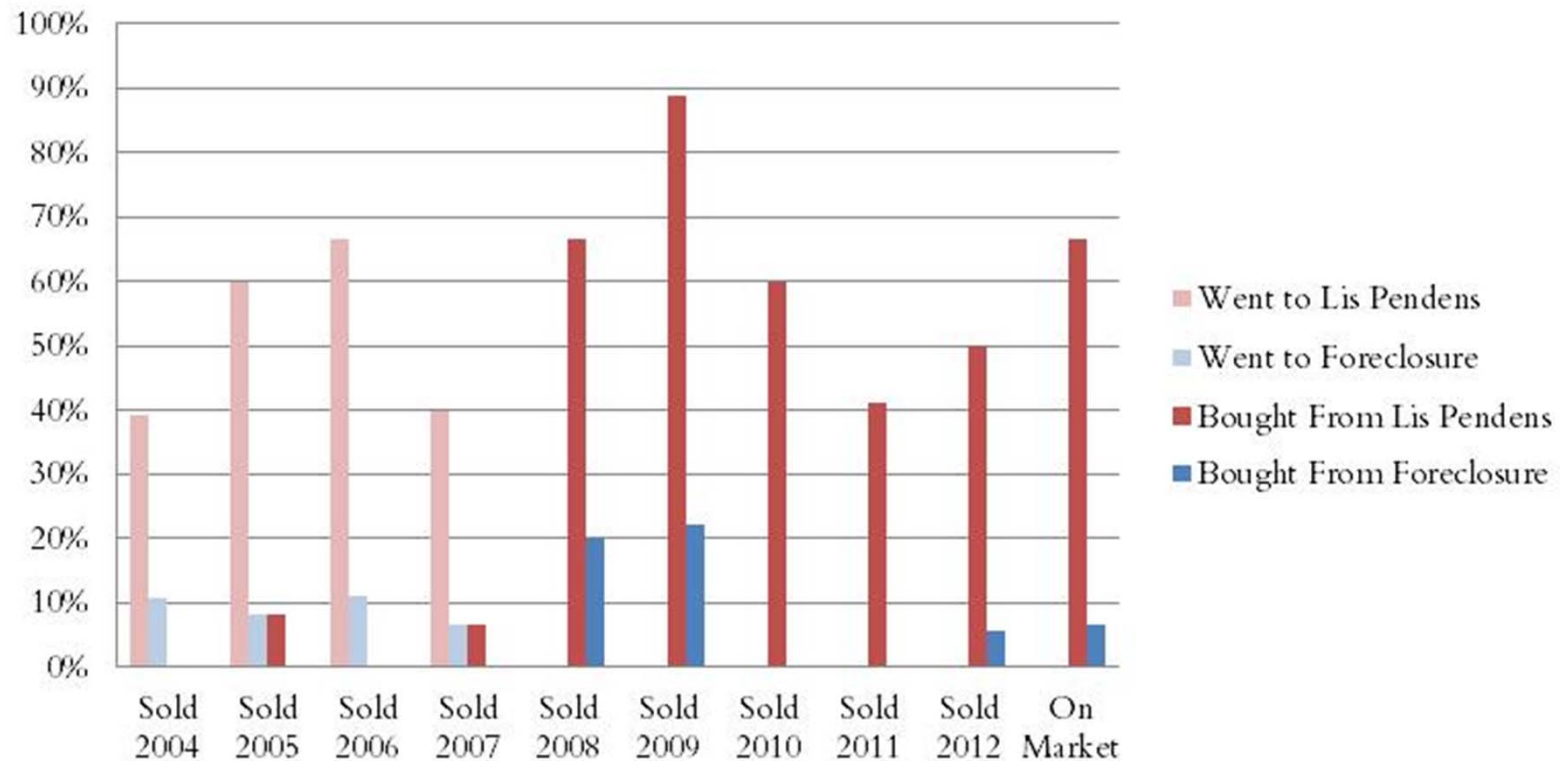
Phase I: Market Study (Completed Q1 2014)

Average Cost per Square Foot Compared to Rent per Square Foot: Greater South Norwalk 2- to 4-Family Houses, 2007 - 2012



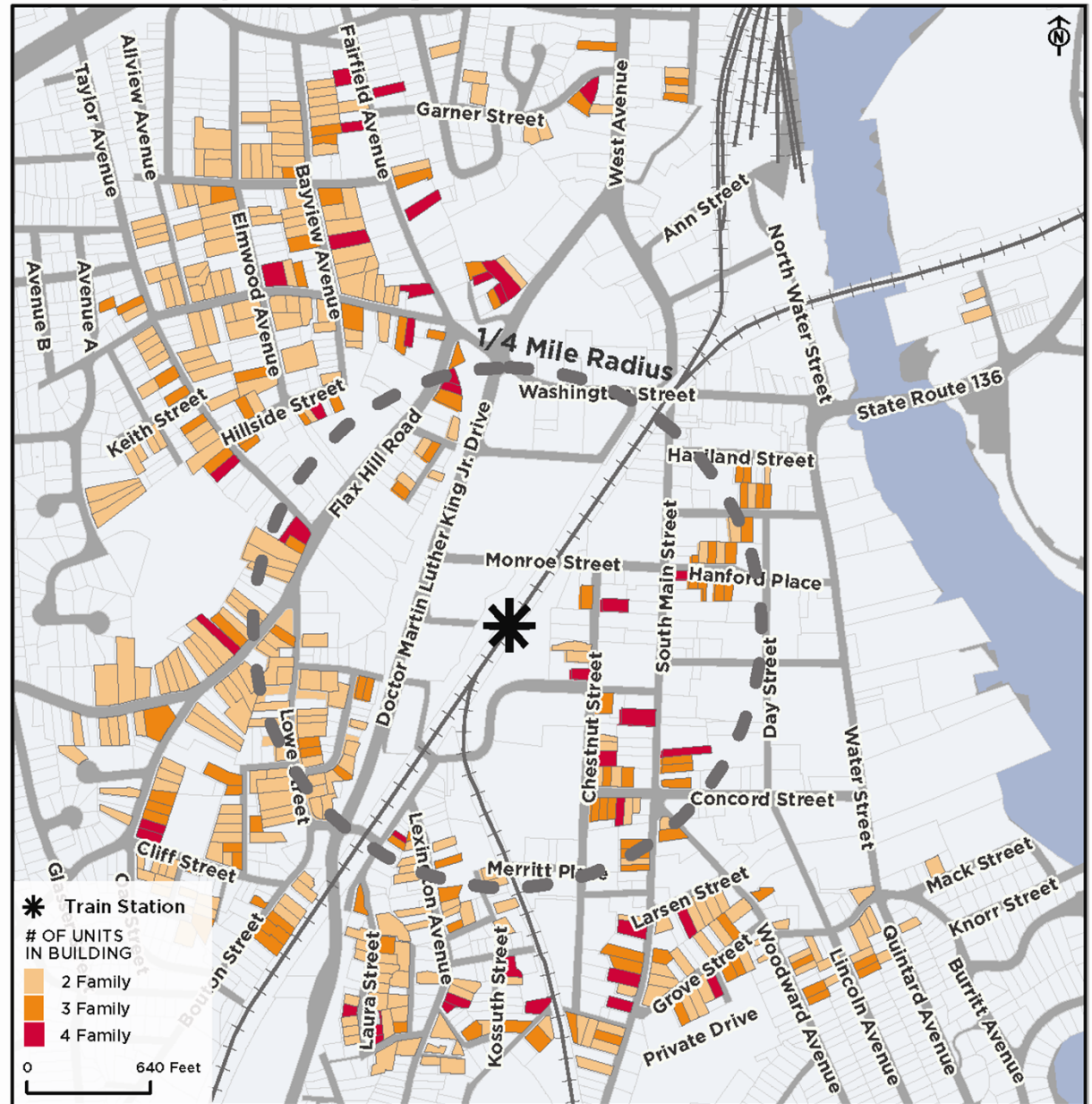
Phase I: Market Study (Completed Q1 2014)

Greater South Norwalk 2- to 4-Family Housing Market Trends: Lis Penden / Foreclosure Activity



Pilot Program Overview

- Identify and purchase and rehabilitate 2- to 4-family house around the South Norwalk train station.
- Create template/ replicable model for Norwalk and greater CT
- Increase homeownership and investment in 2- to 4-family housing in the TOD area.
- Promote revitalization
- Preserve affordability



Phase II: Implementation

Conceptual Construction Sources / Uses

Sources of Construction Financing	
DOH Funding: Acquisition	\$260,000
Agency Financing: Subordinate Loan	\$129,500
Agency Financing: Pilot	\$35,000
Historic Tax Credits	\$0
CHFA Financing (Bridge)	\$244,250
Total Sources	\$668,750
Uses of Construction Financing	
Acquisition	\$260,000
Carrying Costs	\$0
Financing Costs	\$0
Renovation	\$300,000
Renovation/ Construction Oversight: Pilot	\$30,000
Architectural Fees/ Design: Pilot	\$20,000
JRCo Project Management	\$20,000
Cost Contingency	\$30,000
Sales-Related Expenses	\$8,750
Total Uses	\$668,750

Phase II: Implementation

Conceptual Take-Out Sources

Take-Out of Construction Financing	
Buyer Mortgage	\$280,000
HDF Smart Move Loan	\$43,000
HDF Downpayment Assistance	\$10,000
Buyer Equity	\$17,000
Total Take Out	\$350,000
Less: DOH Financing	-\$260,000
Remaining Take Out Funds	\$90,000
Less: Repayment of CHFA Financing (Bridge)	-\$90,000
Remaining CHFA Financing (Permanent)	\$154,250

Phase II: Implementation Project-Specific Underwriting



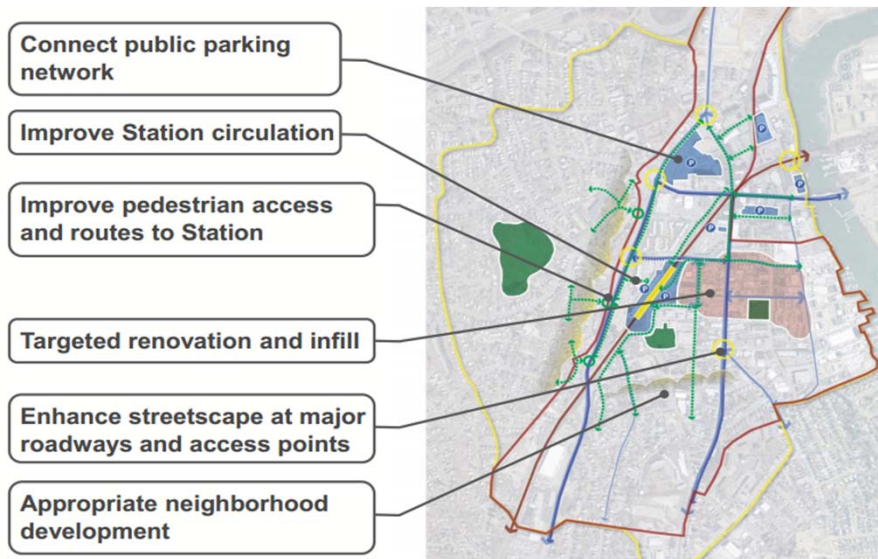
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Assumptions	Scenarios			
<i>Property Attributes</i>	A	B	C	D
Number of Units	2	3	2	3
<i>1st Floor Area (SF)</i>	1,179	1,179	1,179	1,179
<i>2nd Floor Area (SF)</i>	1,029	1,029	1,029	1,029
<i>Attic Area (SF)</i>	0	0	679	679
<i>Basement Area (SF)</i>	829	829	829	829
Total Living Area (SF)	3,037	3,037	3,716	3,716

Financial Summary	Scenarios			
<i>Acquisition & Renovation Costs</i>	A	B	C	D
Total Acquisition Cost	\$235,000	\$235,000	\$235,000	\$235,000
Renovation Cost (Total)	\$286,987	\$307,712	\$359,992	\$380,717
<i>1st Floor</i>	\$112,005	\$112,005	\$123,795	\$123,795
<i>2nd Floor</i>	\$97,755	\$97,755	\$108,045	\$108,045
<i>Attic Area</i>	\$0	\$0	\$50,925	\$50,925
<i>Basement</i>	\$52,227	\$72,952	\$52,227	\$72,952
Sales Expenses	\$7,348	\$8,723	\$8,848	\$9,848
Total Acquisition, Renovation, and Sales Costs	\$529,335	\$551,435	\$603,840	\$625,565
<i>Property Sale</i>				
Buyer Mortgage (80% LTV)	\$235,123	\$279,123	\$283,123	\$315,123
HDF Downpayment Assistance (10% LTV)	\$29,390	\$34,890	\$35,390	\$39,390
Buyer Equity (10% LTV)	\$29,390	\$34,890	\$35,390	\$39,390
Total Sales Price	\$293,904	\$348,904	\$353,904	\$393,904
Permanent CHFA Financing on Property	\$168,328	\$139,573	\$197,434	\$183,304

Program Leverages Other Norwalk Investments

- Norwalk Housing Authority was awarded a 2010 Choice Neighborhoods Initiative (CNI) Planning Grant for Washington Village/South Norwalk
- City of Norwalk created T.O.D. Master Plan for S. Norwalk Neighborhood





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