

Development Entity
Development Name
SCHEDULE OF CHAPTER 40B MAXIMUM ALLOWABLE PROFIT FROM SALES
Date

This Schedule covers the period from _____ to _____.

Affordable Unit Fraction _____%

SALES REVENUE

	<u>Total Number of Units</u>	<u>Total Dollars</u>
Market Unit Sales	_____	\$ _____
*Market Unit Sales to Related Parties	_____	\$ _____
Affordable Unit Sales	_____	\$ _____
Total Sales Revenue		\$ _____ (A)
Total Project Costs (taken from Schedule of Total Chapter 40B Costs)		\$ _____ (B)
Computed Profit from Sales		\$ _____ (C) = (A) - (B)
**Maximum Allowable Profit – 20% of Total Project Costs		\$ _____ (D) = (B) x 20%
Excess Profit		\$ _____ (C) - (D)
Percent Profit		_____ % (C) / (B)

*Market Unit Sales to Related Parties – use the higher of X or Y:

<u>Unit #</u>	<u>Buyer</u>	<u>Actual Sale Price(X)</u>	<u>Average Sale Price of Highest 3 Arm's Length Sales of Comparable Units (Y)</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**Maximum Allowable Profit from Sales is limited to the lesser of 20% of Total Project Costs or the amount as directed in the Regulatory Agreement.

Development Entity
Development Name
SCHEDULE OF TOTAL CHAPTER 40B COSTS
Date

<u>DEVELOPMENT ITEM</u>	<u>TOTAL COST</u>	<u>PER UNIT COST</u>
SITE ACQUISITION	\$ _____	\$ _____
HARD COSTS		
Site Development Costs	_____	_____
Roads (including utilities in roads)	_____	_____
On-site Septic System	_____	_____
On-site Water System	_____	_____
Blasting	_____	_____
Rough Grading/Site Prep.	_____	_____
Landscaping	_____	_____
Utility Connections	_____	_____
Residential Construction*	_____	_____
Related Party Details**	_____	_____
Builder's Profit	_____	_____
Builder's Overhead	_____	_____
General Requirements	_____	_____
TOTAL HARD COSTS	\$ _____	\$ _____
SOFT COSTS		
Permits/Surveys	_____	_____
Architectural	_____	_____
Engineering	_____	_____
Legal	_____	_____
Insurance	_____	_____
Security	_____	_____
Construction Manager	_____	_____
Property Taxes	_____	_____
Construction Loan Interest	_____	_____
Application/Financing Fees	_____	_____
Appraisal	_____	_____
Utilities	_____	_____
Accounting	_____	_____

Closing Costs	_____	_____
Lottery	_____	_____
Commissions/Advertising-Affordable	_____	_____
Commissions/Advertising-Market	_____	_____
Model Unit	_____	_____
Subsidizing/Monitoring Agent Fees	_____	_____
40B Consultant	_____	_____
Other Consultant	_____	_____
Developer's Overhead	_____	_____
TOTAL SOFT COSTS	\$ _____	\$ _____
TOTAL DEVELOPMENT COSTS	\$ _____	\$ _____

Per Square Foot Hard Costs

Market Type 1	\$ _____/sq. ft.
Market Type 2	\$ _____/sq. ft.
Affordable Unit	\$ _____/sq. ft.

* To be supported by RS Means data.

** To be completed when General Contractor is a Related Party. The costs listed here should not also be included in the other cost line items.

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NOTES TO SCHEDULES
Date

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization

[Development Entity Name], a Massachusetts limited liability company, was formed on [Date] to acquire, develop and sell [___] units of residential housing, including [___] units for qualifying income eligible individuals and households in [City/Town], Massachusetts. Substantial completion of the project occurred on [Date], when the last of the certificates of occupancy was obtained.

Basis of Presentation

The accompanying Schedules have been prepared utilizing the format prescribed by the Massachusetts Housing Finance Agency, as Subsidizing Agency for the Department of Housing and Community Development. The purpose of these Schedules is to facilitate the review and determination of the project's allowable profit from sales.

Basis of Accounting

The accompanying Schedules have been prepared in conformity with the accounting practices prescribed by the requirements of the Massachusetts Housing Finance Agency ("MassHousing"), MGL Chapter 40B, the Regulations at 760 CMR 56.00 and the associated guidelines issued by the Department of Housing and Community Development using the accrual basis of accounting.

Estimates

The presentation of the Schedules in conformity with the basis of accounting described above requires management to make estimates and assumptions that affect the reported amounts of sales and costs during the reporting period. Actual results could differ from those estimates.

Development Entity
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NOTES TO SCHEDULES (SAMPLES)
Date

NOTE 2 – CAPITAL CONTRIBUTIONS

The Members have made capital contributes of [\$_____]. As of [Date], a letter of credit for [\$_____] has been established. There have been no draws on the letter of credit.

NOTE 3 – FINANCING

Construction financing, in the amount of [\$_____], has been provided by a mortgage loan by [Name of Lender]. [Include financing terms, interest rate and payoff date.] Interest expense incurred for the period of these schedules and reported in TDC is [\$_____].

NOTE 4 – RELATED PARTY TRANSACTIONS

The General Contractor, [_____], is an affiliate of the Managing Member of the LLC. Builder's profit of [\$_____], builder's overhead of [\$_____] and general requirements of [\$_____] are reported in their associated line items in the schedules.

Other related party transactions:

Payments for Purchase of Land from a Related Party:

Name of Payee	Item(s) Purchased and Nature of Relationship to Developer	Amount Paid
_____	_____	_____
_____	_____	_____

Sales of Units to a Related Party:

Name of Party to Whom Unit Sold	Identification of Unit Sold and Nature of Relationship to Developer	Amount Paid
_____	_____	_____
_____	_____	_____

List of Contractors and Subcontractors that are a Related Party:

Name of Contractor/Sub-Contractor	Work Performed and Nature of Relationship to Developer	Amount Paid
_____	_____	_____
_____	_____	_____

Purchases of Materials and/or Supplies from a Related Party

Name of Payee	Item(s) Purchased and Nature of Relationship to Developer	Amount Paid
_____	_____	_____
_____	_____	_____

Purchases of Services from a Related Party

Name of Payee	Work Performed and Nature of Relationship to Developer	Amount Paid
_____	_____	_____
_____	_____	_____

Financing provided by a Related Party

Name of Source of Financing	Type of Financing and Nature of Relationship to Developer	Financing Amount and Terms
_____	_____	_____
_____	_____	_____

If there are any other transactions with a Related Party, please describe them below:

Please add other notes as appropriate