CH North Calcs 3-16-2007(1).xls
Payment-in-lieu Methodology
Annual Subsidy Cost for 15% AH
Net Present Value Calculation over 30 years.

4/5/2007
Calculated by Crosland
for Council SubCommittee

Market Rate

		1BD	2BD
CH North	18	$ 980	$ 1,250
Icomes		$ 39,200	$ 50,000
% of Median		55%	70%

<80%

		1BD	2BD	
CH North		$ 980	$ 1,250	
CH North (<80%)		$ 819	$ 978	
		Discount	Discount	
# of 1BDs	12	$ 161		$ 23,184
# of 2BDs	6		$ 272	$ 19,584
				$ 42,768
Incomes		$ 32,760	$ 39,120	
% of Median		46%	55%	

<65%

		1BD	2BD	
CH North		$ 980	$ 1,250	
CH North (<65%)		$ 630	$ 765	
		Discount	Discount	
# of 1BDs	6	$ 350		$ 25,200
# of 2BDs	3		$ 485	$ 17,460
				$ 42,660
Incomes		$ 25,200	$ 30,600	
% of Median		35%	43%	

Payments

$ 42,768	$ 42,768	$ 42,768	$ 42,768	$ 42,768	$ 42,768	$ 42,768	$ 42,768	$ 42,768	$ 42,768	$ 42,768	$ 42,768	$ 42,768	$ 42,768	$ 42,768	$ 42,768
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16

NPV **$ 403,170** payment in lieu

$ 22,398 per affordable unit

Value

Repl Cost Apt	$ 120,000	
Value (20%)	$ 144,000	profit margin
Profit	$ 24,000	per unit

Payment **$ 432,000**

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ATTACHMENT 1