

EXHIBIT E. AFFORDABLE HOUSING

August 11, 2017

Mr. Francisco Astorga, Senior Planner
Park City Municipal Planning Department
445 Marsac Avenue
PO Box 1450
Park City, UT 84060

RE: King's Crown Affordable Housing Proposal

Dear Francisco,

In response to Commissioner Thimm's question and the comments of others, we are submitting this proposal for the affordable housing obligation we are considering for the King's Crown project. As you are aware, we are proposing 15 units total, which is over twice what is obligated under the Land Management Code. The primary questions are what are the sizes of the units, the unit mix as well as the targeted AMI for the project. Attached to this document is a series of work sheets that were prepared by Rhoda Stauffer, Park City's Affordable Housing Director. When we met with Ms. Stauffer as well as Anne Laurent last week, they suggested that the units that the proposed King's Crown project be obligated to construct under the MPD requirements be targeted towards the lower AMI's of 60% and 70% and that they voluntary units be targeted towards the higher AMI's of 90% and 100%.

According to the Staff, both AMI's are in need to housing and both would be well-served by this development. We are open to suggestions regarding the AMI target from the Commission. We are pleased to provide the additional affordable housing and intend to construct this building in the first phase to ensure that it gets built and the housing is available as soon as possible. CRH remains committed to this obligation. The following table summarizes the attached sheets which were the work product and conclusions/suggestions from Ms. Stauffer regarding this proposal.

Table 1. Type of Unit/AMI Target/Proposed Price

Unit Type	AMI Target	Proposed Price
Three bedroom	60%	\$240,250
Two bedroom	60%	\$216,225
Two bedroom	60%	\$216,225
One bedroom	60%	\$192,153
Two bedroom	70%	\$252,262
Two bedroom	70%	\$252,262
Two bedroom	70%	\$252,262
Two bedroom	70%	\$252,262



Three bedroom	90%	\$360,375
Three bedroom	90%	\$360,375
Three bedroom	100%	\$400,416
Two bedroom	100%	\$324,337
Two bedroom	100%	\$324,337
Two bedroom	100%	\$324,337
Two bedroom	100%	\$324,337

Thank you for the opportunity to present his proposal. We look forward to the Staff and the Commission's suggestions and comments.

Sincerely,

Rory Murphy

Hans Fuegi

Chuck Heath



Estimating Assumptions

Mortgage Assumptions
 Shelter Cost % of gross income 30%
 Down Payment (% of purchase price) 3.50%
 Mortgage Rate (annual) 4.490%
 Mortgage Term (years) 30.00
 Property Insurance (annual) \$ 500.00
 Mortgage Insurance (% of mortgage amount) 0.70%
 Real Estate Taxes (annual - % of purchase price) 0.75%
 HOA calculated at .6% of sale price divided by 12 0.60%

March First Home rate of 3.99% Plus 50 bps
<http://www.utahhousingcorp.org/index2b.html>

	60.00	65.00	70.00	75.00	80.00	85.00	90.00	95.00	100.00
Household Income & Affordable Shelter Cost									
Total Household Income (annual)	\$ 43,418.00	\$ 47,035.95	\$ 50,654.10	\$ 54,272.25	\$ 57,890.00	\$ 61,508.55	\$ 65,126.70	\$ 68,744.85	\$ 72,363.00
Shelter Cost % of gross income	30%	30%	30%	30%	30%	30%	30%	30%	30%
Maximum Monthly Housing Payment	\$ 1,085.45	\$ 1,175.90	\$ 1,266.35	\$ 1,356.81	\$ 1,447.25	\$ 1,537.71	\$ 1,628.17	\$ 1,718.62	\$ 1,809.08
One Person Households (Studios)									
Maximum Purchase Price	\$ 1,085.45	\$ 1,175.90	\$ 1,266.35	\$ 1,356.81	\$ 1,447.25	\$ 1,537.71	\$ 1,628.17	\$ 1,718.62	\$ 1,809.08
Condo fees	(\$84.07)	(\$91.07)	(\$98.08)	(\$105.08)	(\$112.09)	(\$119.10)	(\$126.10)	(\$133.11)	(\$140.11)
Mortgage Insurance	(\$99.83)	(\$108.15)	(\$116.47)	(\$124.79)	(\$133.11)	(\$141.43)	(\$149.75)	(\$158.06)	(\$166.38)
Real Estate Tax	(\$93.18)	(\$100.94)	(\$108.70)	(\$116.47)	(\$124.23)	(\$132.00)	(\$139.76)	(\$147.53)	(\$155.29)
Max. Mortgage Payment	\$ 808.38	\$ 875.74	\$ 943.10	\$ 1,010.47	\$ 1,077.82	\$ 1,145.19	\$ 1,212.56	\$ 1,279.92	\$ 1,347.29
Mortgage Amount	\$ 159,729.24	\$ 173,039.22	\$ 186,349.92	\$ 199,660.63	\$ 212,969.87	\$ 226,282.05	\$ 239,592.76	\$ 252,903.47	\$ 266,214.18
Down Payment	\$ 8,406.80	\$ 9,107.33	\$ 9,807.89	\$ 10,508.45	\$ 11,208.94	\$ 11,909.58	\$ 12,610.15	\$ 13,310.71	\$ 14,011.27
Purchase Price	\$ 168,136.04	\$ 182,146.54	\$ 196,157.82	\$ 210,169.09	\$ 224,178.81	\$ 238,191.63	\$ 252,202.91	\$ 266,214.18	\$ 280,225.45
Two Person Households (One Bedroom units)									
Total Household Income (annual)	\$ 49,620.00	\$ 53,755.00	\$ 57,890.00	\$ 62,025.00	\$ 66,160.00	\$ 70,295.00	\$ 74,430.00	\$ 78,565.00	\$ 82,700.00
Shelter Cost % of gross income	30%	30%	30%	30%	30%	30%	30%	30%	30%
Maximum Monthly Housing Payment	\$ 1,240.50	\$ 1,343.88	\$ 1,447.25	\$ 1,550.63	\$ 1,654.00	\$ 1,757.38	\$ 1,860.75	\$ 1,964.13	\$ 2,067.50
Three Person Households (Two Bedroom units)									
Maximum Purchase Price	\$ 1,240.50	\$ 1,343.88	\$ 1,447.25	\$ 1,550.63	\$ 1,654.00	\$ 1,757.38	\$ 1,860.75	\$ 1,964.13	\$ 2,067.50
Condo fees	(\$96.08)	(\$104.08)	(\$112.09)	(\$120.10)	(\$128.10)	(\$136.11)	(\$144.11)	(\$152.12)	(\$160.13)
Mortgage Insurance	(\$114.09)	(\$123.60)	(\$133.11)	(\$142.61)	(\$152.12)	(\$161.63)	(\$171.14)	(\$180.64)	(\$190.15)
Real Estate Tax	(\$106.48)	(\$115.36)	(\$124.23)	(\$133.11)	(\$141.98)	(\$150.85)	(\$159.73)	(\$168.60)	(\$177.47)
Max. Mortgage Payment	\$ 923.85	\$ 1,000.83	\$ 1,077.82	\$ 1,154.81	\$ 1,231.80	\$ 1,308.78	\$ 1,385.77	\$ 1,462.76	\$ 1,539.75
Mortgage Amount	\$ 182,545.60	\$ 197,757.74	\$ 212,969.87	\$ 228,182.00	\$ 243,394.14	\$ 258,606.27	\$ 273,818.41	\$ 289,030.54	\$ 304,242.67
Down Payment	\$ 9,607.66	\$ 10,408.30	\$ 11,208.94	\$ 12,009.58	\$ 12,810.22	\$ 13,610.86	\$ 14,411.50	\$ 15,212.13	\$ 16,012.77
Purchase Price	\$ 192,153.27	\$ 208,166.04	\$ 224,178.81	\$ 240,191.58	\$ 256,204.36	\$ 272,217.13	\$ 288,229.90	\$ 304,242.67	\$ 320,255.44

	60.00	65.00	70.00	75.00	80.00	85.00	90.00	95.00	100.00
Household Income & Affordable Shelter Cost									
Total Household Income (annual)	\$ 55,836.00	\$ 60,489.00	\$ 65,142.00	\$ 69,795.00	\$ 74,448.00	\$ 79,101.00	\$ 83,754.00	\$ 88,407.00	\$ 93,060.00
Shelter Cost % of gross income	30%	30%	30%	30%	30%	30%	30%	30%	30%
Maximum Monthly Housing Payment	\$ 1,395.90	\$ 1,512.23	\$ 1,628.55	\$ 1,744.88	\$ 1,861.20	\$ 1,977.53	\$ 2,093.85	\$ 2,210.18	\$ 2,326.50
Four Person Households (Three Bedroom units)									
Maximum Purchase Price	\$ 1,395.90	\$ 1,512.23	\$ 1,628.55	\$ 1,744.88	\$ 1,861.20	\$ 1,977.53	\$ 2,093.85	\$ 2,210.18	\$ 2,326.50
Condo fees	(\$108.11)	(\$117.12)	(\$126.13)	(\$135.14)	(\$144.15)	(\$153.16)	(\$162.17)	(\$171.18)	(\$180.19)
Mortgage Insurance	(\$128.38)	(\$139.08)	(\$149.78)	(\$160.48)	(\$171.18)	(\$181.88)	(\$192.58)	(\$203.27)	(\$213.97)
Real Estate Tax	(\$119.82)	(\$129.81)	(\$139.80)	(\$149.78)	(\$159.77)	(\$169.75)	(\$179.74)	(\$189.72)	(\$199.71)
Max. Mortgage Payment	\$ 1,039.58	\$ 1,126.21	\$ 1,212.84	\$ 1,299.47	\$ 1,386.11	\$ 1,472.74	\$ 1,559.37	\$ 1,646.00	\$ 1,732.63
Mortgage Amount	\$ 205,413.47	\$ 222,531.26	\$ 239,649.05	\$ 256,766.84	\$ 273,884.63	\$ 291,002.41	\$ 308,120.20	\$ 325,237.99	\$ 342,355.78
Down Payment	\$ 10,811.24	\$ 11,712.17	\$ 12,613.11	\$ 13,514.04	\$ 14,414.98	\$ 15,315.92	\$ 16,216.85	\$ 17,117.79	\$ 18,018.73
Purchase Price	\$ 216,224.70	\$ 234,243.43	\$ 252,262.15	\$ 270,280.88	\$ 288,299.61	\$ 306,318.33	\$ 324,337.06	\$ 342,355.78	\$ 360,374.51

46,530.00



Household Income & Affordable Shelter Cost													1.111				
Total Household Income (annual)		\$	62,040.00	\$	72,380.00	\$	77,550.00	\$	82,720.00	\$	87,890.00	\$	92,300.00	\$	103,400.00		
Shelter Cost % of gross income			30%		30%		30%		30%		30%		30%		30%		
Maximum Monthly Housing Payment			\$1,551.00		\$1,809.50		\$1,938.75		\$2,068.00		\$2,197.25		\$2,455.75		\$2,585.00		
Maximum Purchase Price																	
Maximum Monthly Housing Payment		\$	1,551.00	\$	1,809.50	\$	1,938.75	\$	2,068.00	\$	2,197.25	\$	2,455.75	\$	2,585.00		
Condo fees			(120.12)		(130.14)		(150.16)		(160.17)		(170.18)		(190.20)		(200.21)		
Mortgage Insurance			(142.65)		(154.54)		(178.31)		(190.20)		(202.09)		(225.86)		(237.75)		
Real Estate Tax			(133.14)		(144.23)		(166.42)		(177.52)		(188.61)		(210.80)		(221.90)		
Max. Mortgage Payment			1,155.09		1,251.35		1,347.60		1,540.12		1,636.38		1,732.63		1,828.89		
Mortgage Amount		\$	228,237.19	\$	247,256.95	\$	266,276.72	\$	304,316.25	\$	323,336.02	\$	342,355.78	\$	361,375.55		
Down Payment		\$	12,012.48	\$	13,013.52	\$	14,014.56	\$	16,016.64	\$	17,017.69	\$	18,018.73	\$	19,019.77		
Purchase Price		\$	240,249.67	\$	260,270.48	\$	280,291.28	\$	300,312.09	\$	340,353.70	\$	360,374.51	\$	380,395.31	\$	400,416.12

Six Person Household (Four bedroom units)

Household Income & Affordable Shelter Cost																	
Total Household Income (annual)		\$	71,894.40	\$	83,876.80	\$	89,868.00	\$	95,859.20	\$	101,850.40	\$	107,841.60	\$	113,832.80		
Shelter Cost % of gross income			30%		30%		30%		30%		30%		30%		30%		
Maximum Monthly Housing Payment			\$1,797.36		\$2,096.92		\$2,246.70		\$2,396.48		\$2,546.26		\$2,696.04		\$2,845.82		
Maximum Purchase Price																	
Maximum Monthly Housing Payment		\$	1,797.36	\$	2,096.92	\$	2,246.70	\$	2,396.48	\$	2,546.26	\$	2,696.04	\$	2,845.82		
Condo fees			(139.21)		(150.81)		(174.01)		(185.61)		(197.21)		(208.81)		(220.41)		
Mortgage Insurance			(165.31)		(179.08)		(206.63)		(220.41)		(234.18)		(247.96)		(261.74)		
Real Estate Tax			(154.29)		(167.14)		(192.86)		(205.71)		(218.57)		(231.43)		(244.29)		
Max. Mortgage Payment			1,338.56		1,450.11		1,561.66		1,784.75		1,896.30		2,007.84		2,119.39		
Mortgage Amount		\$	264,490.26	\$	286,531.11	\$	308,571.97	\$	352,653.68	\$	374,694.53	\$	396,735.39	\$	418,776.24		
Down Payment		\$	13,920.54	\$	15,080.58	\$	16,240.63	\$	18,560.72	\$	19,720.76	\$	20,880.81	\$	22,040.85		
Purchase Price		\$	278,410.80	\$	301,611.70	\$	324,812.60	\$	348,013.50	\$	394,415.30	\$	417,616.20	\$	440,817.10	\$	464,018.00



Sales prices per AMI

Unit size	#	60%	70%	80%	90%	100%
Three bedroom	4	\$240,250	\$280,291	\$320,333	\$360,375	\$400,416
Two bedroom	10	\$216,225	\$252,262	\$288,300	\$324,337	\$360,375
One bedroom	1	\$192,153	\$224,179	\$256,204	\$288,230	\$320,255

eight units in fulfillment of housing obligation						
Three bedroom	1	\$240,250				\$240,250
Two bedroom	2	\$432,449				\$432,449
One bedroom	1	\$192,153				\$192,153
Two bedroom	4		\$1,009,049			\$1,009,049
Balance of units						
Three bedroom	2			\$720,749		\$720,749
Two bedroom	4				\$1,441,498	\$1,441,498
total projected income						\$4,036,148

plus 1 Three bedroom @ 100% = \$400,416

\$ 400,416
~~\$4,436,554~~

