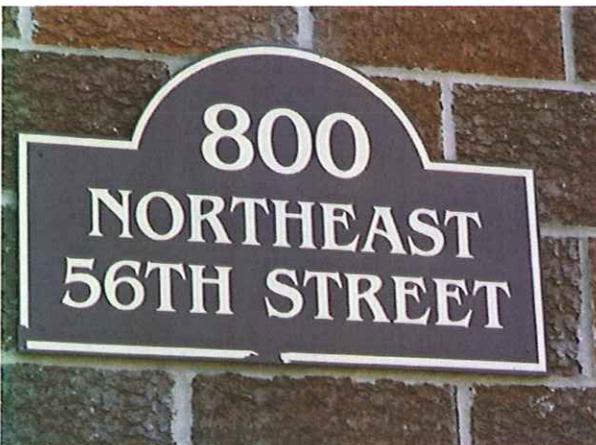
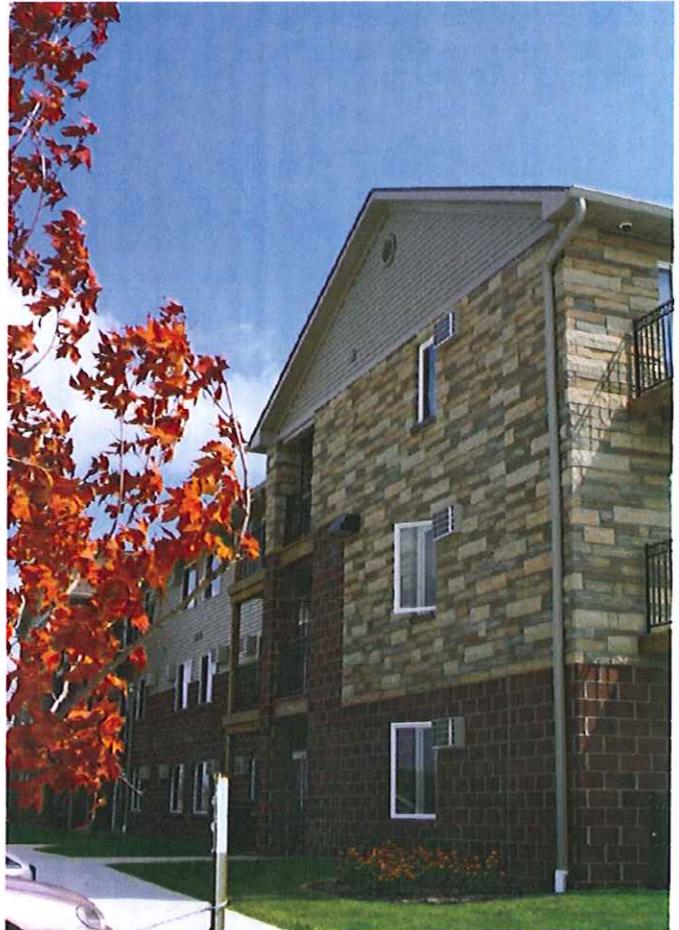




Canterbury Park III Apartments



Nomination: Canterbury Park III Apartments, 72 units of new construction family units in Pleasant Hill, IA

Category: Multi-Family Housing Development

Developer: Conlin Development Group, LLC., Des Moines, IA/ Barnes Realty, LLC, Des Moines, IA

Nominator: Kris Saddoris, Conlin Properties, Inc.

Home. Warmth. Pride. Laughter. Safety. And a place to keep my bike!

All the reasons our families tell us they love this development. And undoubtedly, all the reasons Conlin Development is still focused on affordable housing development, construction and management after seventeen years.

I am nominating the Canterbury Park III Apartments which was placed in service in March of 2008. The property was developed in Pleasant Hill, a Des Moines area suburb which has experienced a 40% growth rate in the last ten years. From its coal-mining roots, this city has grown to a current population in excess of 6000 residents. As a growing suburban area, this location was selected to address the tight supply of affordable housing in rapidly growing fringe areas as noted in the 2007 IFA Housing Study, Meeting New Challenges.

HOME. The property is the 23rd local development for the Conlin Development Group, and incorporates many of its successful endeavors from prior affordable housing developments located throughout the central Iowa area. The project's focus is once again *family housing* with a strong emphasis on *supportive services*. These two significant state housing needs are also raised in the above noted IFA study.

Canterbury Park III is a unique development that brings together new construction affordable housing units in partnership with market rate rehabilitation units. All are located in a single family residential area, with direct access to shopping, child care, and transportation, as well as an outstanding community school district which provides exceptional educational resources to our families. The development currently has a fourth and final affordable housing component under construction, which will bring our housing unit total to 270 homes upon January 2009 completion.

WARMTH. Ecstatically the property was designed by Simonson and Associates to incorporate many different exterior colors and textures, and incorporates both a stone and brick exterior, along with a maintenance free siding. The developer worked in partnership with Simonson (chosen not only for their design talents, but for their strong interest and background in giving back to the local community) to design a building that allowed increased privacy for the residents by integrating separate entrances to each apartment home. The common hallways more typical of older multi-family developments have given way to a new open stairwell. The development benefits from the elimination of the ongoing maintenance and utility costs of the hallways, which furthers our goal of a property that is financially strong for *long-term sustainability*, another state housing goal.

PRIDE. The interior design of the units is the result of the efforts of many of our rental families providing input into our design process. As each of our developments has begun to take form, we asked for feedback from residents in our existing communities so that the unit design incorporates only the best qualities for the families who will reside in the units. To that end, the units all now include an open kitchen, with a pass through area and high counter to encourage families to interact either during homework or meal preparation time. Units include lots of cabinets (a tenant favorite), extra closets, multiple baths, an extra living room window, and no more brass hardware. Our tenants wanted an apartment that instilled pride in their family about the home they chose, and in response, these units have nickel fixtures, and black countertops, reminiscent of new homes. Affordable design shouldn't mean institutional design, which automatically promotes coupling with bias in communities.

Each family pays their electric bill for their home. This is an intentional choice by the developer to allow the family to begin the journey to financial self-sufficiency. It allows them to understand the responsibilities of making payments,

and to allow them to build credit with a utility provider. It certainly would be easy for the developer to pay the bill, but wouldn't allow the gentle support to the family's future growth. But we have incorporated choices within the unit to allow them to regulate that cost. Instead of central air, which means you cool the entire home every time you turn it on, we elect to utilize separate AC units in each bedroom and living area. Our families only need cool the area currently being used. In addition, all living areas have a ceiling fan and lots of windows to help reduce the need to run the air conditioner at all (fresh air!).

LAUGHTER. Further, by partnering this property with its market rate sister property, we are able to offer our families access to garages units, additional playgrounds, and a swimming pool – without increasing their rental amounts to pay to install these amenities. It also allows access to a community room and a computer center in the adjacent Phase II property with computer training, job skill education and a great place for a birthday party with friends.

SAFETY. Without a doubt, we are most proud of the fact that these exceptional homes were delivered to our families at a per unit cost of \$79,312 – coming in 38% below the cost cap in place by IFA. Effectively utilizing these scarce affordable resources in this efficient manner allows all parties to benefit – most importantly the residents. Our developments have consistently been able to provide exceptional results at economical costs, while meeting our requirements of long-term durability, quality, sound financial economics and outstanding family amenities.

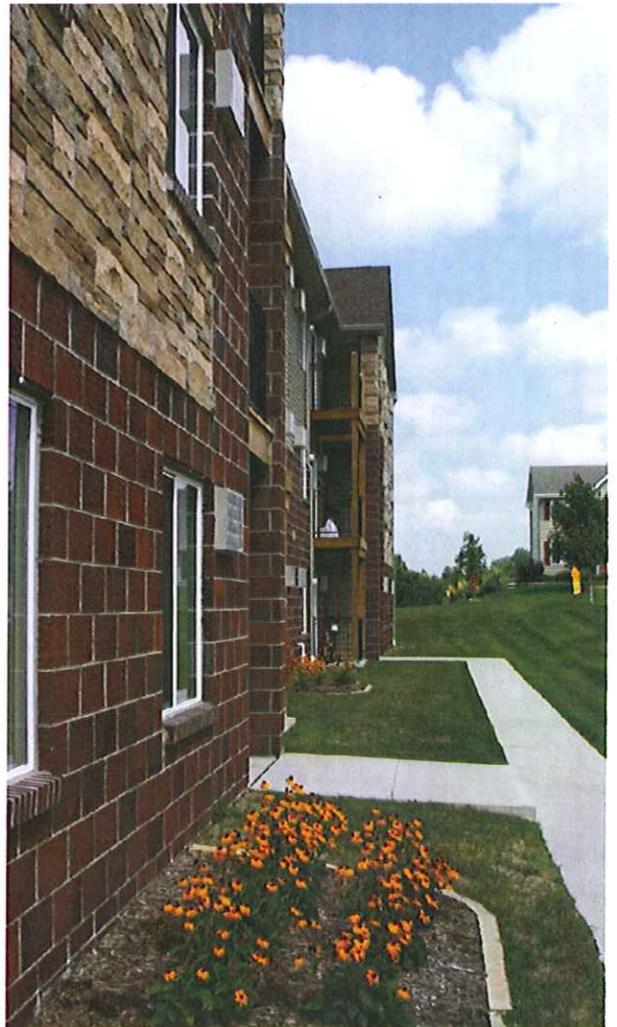
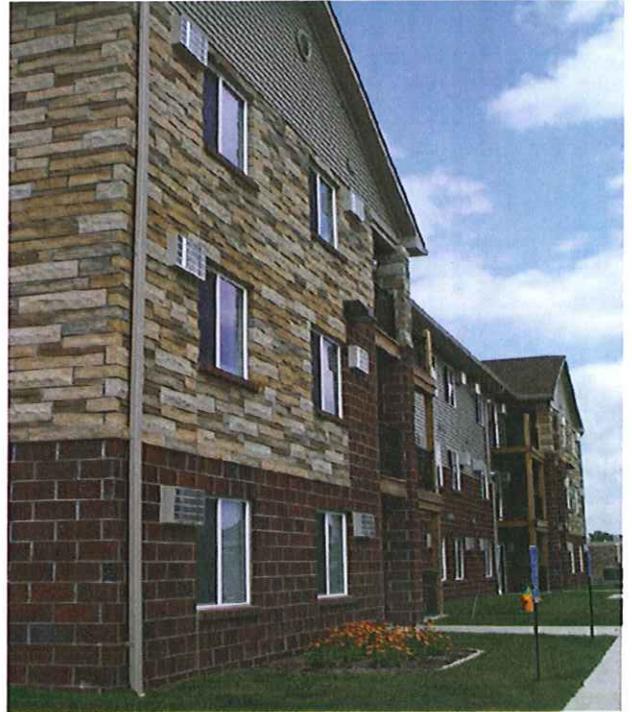
Our development is certainly replicable across the state of Iowa. Obviously, it is currently being replicated throughout Central Iowa, and does not require anything unique other than a keen sense of community choice. We are pleased to be warmly welcomed in this neighborhood and city. We spent many hours in educational work to insure that our public partners embraced this development and understood how multi-family development pays for itself as demonstrated in the NAHB model. We could not be more appreciative of Pleasant Hill leadership and city staff members and their willingness to forge a partnership with us – another goal of the IFA study.

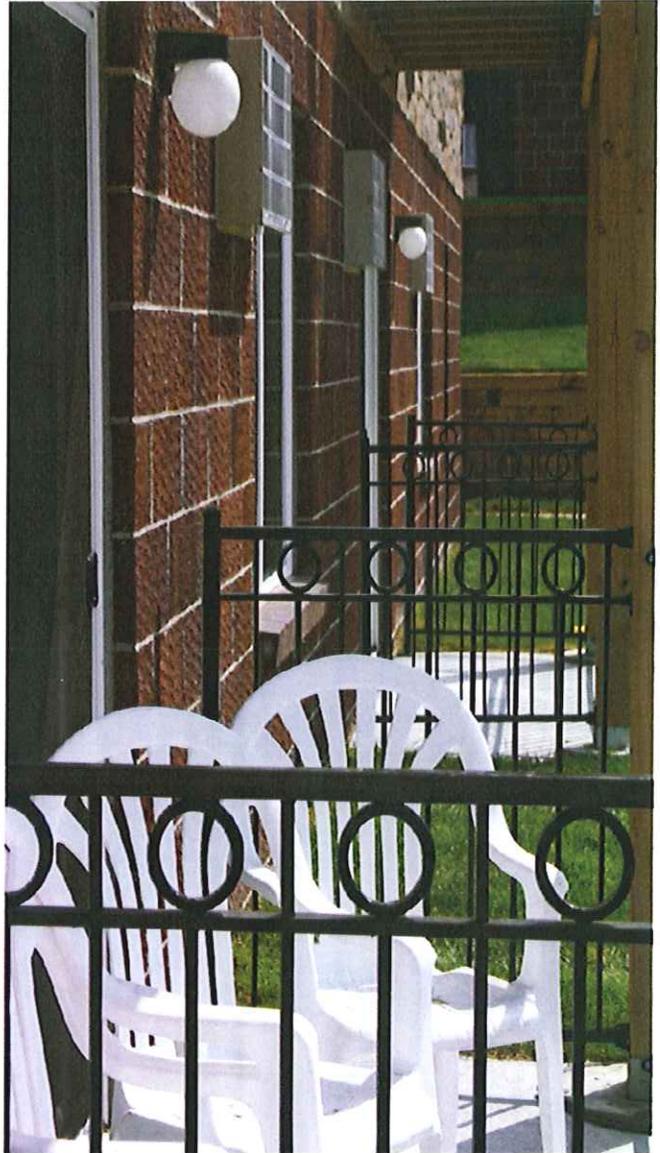
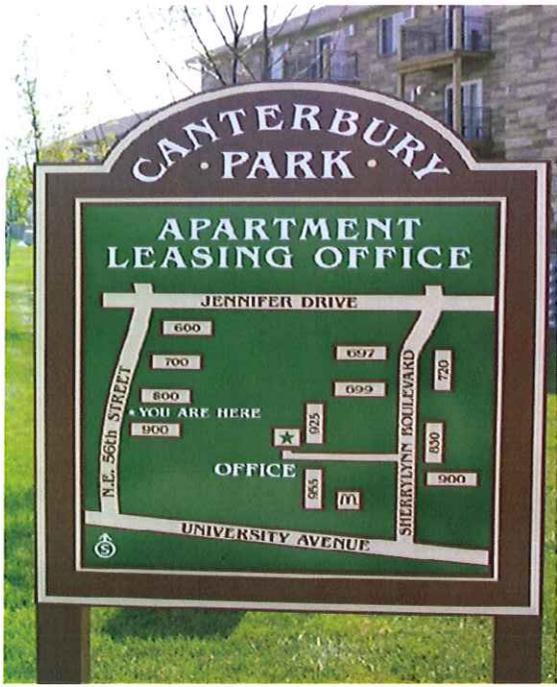
Canterbury Park III's supportive service package is as uniquely designed as the bricks and sticks in which it resides. As a long-time affordable developer, we clearly understand the critical importance of supportive services to our families, also noted as an integral part of Iowa's housing strategies. We have partnered with many successful central Iowa non-profit service providers over the years, and as our growth outpaced the ability of a single agency to manage the developments, we have moved to an in-house service coordinator that works with our families at the development via an intake form with insure that we assist them in reaching all opportunities available to them and their unique needs. In addition, the general partners (James Conlin and Michael Barnes) are highly supportive of the children in the development and have personally provided a full day at Adventureland in July and campership scholarships to Wildwood Ranch each summer.

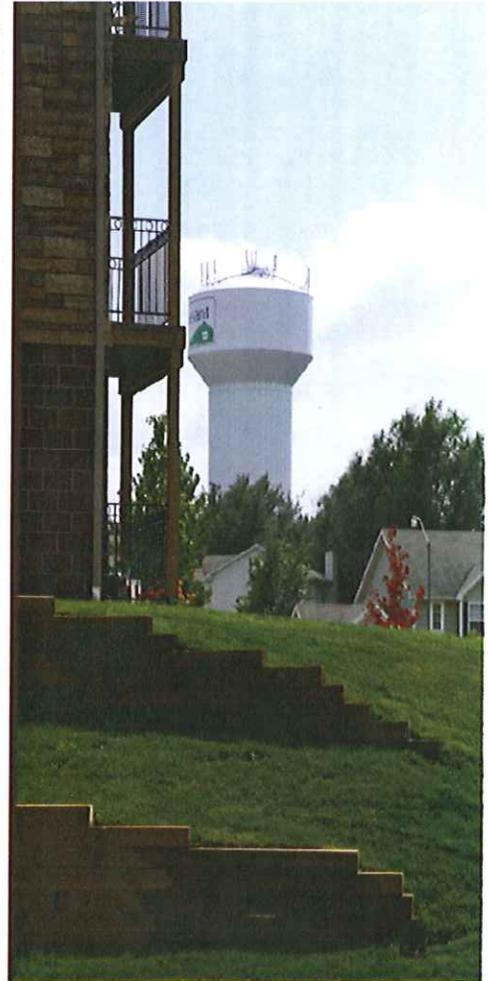
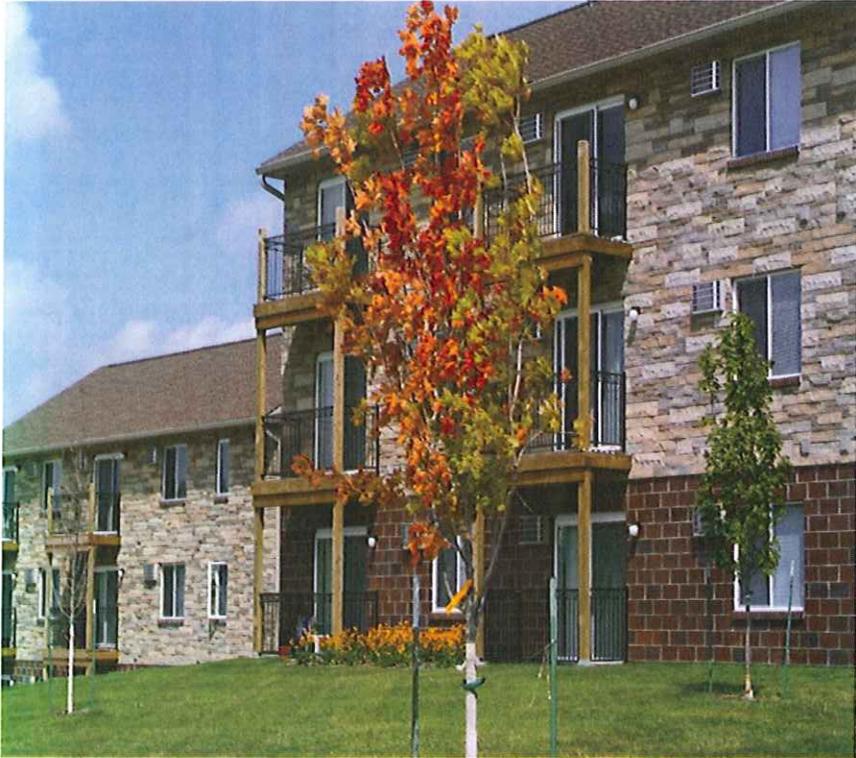
As in our other local developments, Canterbury Park III Apartments have been actively embraced by affordable families. The first building opened up on March 31st and a third of the building was occupied within the month. As of the later part of August, 89% of the 72 units are occupied, and we fully expect the property to be completed leased before the Labor Day Holiday. This is certainly the best indication of the positive benefits to our customers and its measurable results.

In summary, we believe the Canterbury Park III Apartments in Pleasant Hill represents one of the best-of-the-best affordable multi-family housing developments in the state of Iowa. It succeeds at providing quality homes in a superb location, at economical costs, while putting together a development that will be achieve *long-term economical operating success*.

It is only with this one final critical piece, that we can safely assure our families of a home maintained to a level that they deserve . . . and finally, a place to keep her bike.







**IFA EXHIBIT 4h
15-YEAR CASH FLOW PROFORMA**

Project Name: (Sec 2.05)

Canterbury Park III Apartments

Canterbury Park III Apartment

Escalating Factors:	Vacancy	5.00%	Real Estate Tax	3.00%	Income	2.50%
			Expenses	3.00%	Mgmt. Fee	6.00%
			Reserve Replacement Fund	3.00%	PMI %	3.00%

Income:	(Explain, if necessary)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
Gross Rental Income		550,464	564,226	578,332	592,790	607,610	622,800	638,370	654,329	670,687	687,454	704,640	722,256	740,312
Laundry Income		23,000	23,575	24,164	24,768	25,387	26,022	26,673	27,340	28,024	28,725	29,443	30,179	30,933
Other Income (Specify)	Late fees, etc	6,300	6,458	6,619	6,784	6,954	7,128	7,306	7,489	7,676	7,868	8,065	8,267	8,474
Other Income (Specify)		0	0	0	0	0	0	0	0	0	0	0	0	0
Less Vacancy		(28,988)	(29,713)	(30,456)	(31,217)	(31,998)	(32,798)	(33,617)	(34,458)	(35,319)	(36,202)	(37,107)	(38,035)	(38,986)
Net Rental Income		550,776	564,546	578,659	593,125	607,953	623,152	638,732	654,700	671,068	687,845	705,041	722,667	740,733
Operating Expenses:														
	Base Op. Expenses													
Accounting and Auditing		7,020	7,231	7,448	7,671	7,901	8,138	8,382	8,633	8,892	9,159	9,434	9,717	10,009
Office Expenses/														
On-site Manager Salaries		26,300	27,089	27,902	28,739	29,601	30,489	31,404	32,346	33,316	34,315	35,344	36,404	37,496
Property Mgmt fee		33,047	33,873	34,720	35,588	36,477	37,389	38,324	39,282	40,264	41,271	42,302	43,360	44,444
Electric and Gas		34,000	35,020	36,071	37,153	38,268	39,416	40,598	41,816	43,070	44,362	45,693	47,064	48,476
Water and Sewer		31,120	32,054	33,016	34,006	35,026	36,077	37,159	38,274	39,422	40,605	41,823	43,078	44,370
Waste Removal		7,000	7,210	7,426	7,649	7,878	8,114	8,357	8,608	8,866	9,132	9,406	9,688	9,979
Advertising		10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439	13,842	14,257
Maintenance payroll		0	0	0	0	0	0	0	0	0	0	0	0	0
Repairs and Maintenance		36,000	37,060	38,192	39,338	40,518	41,734	42,986	44,276	45,604	46,972	48,381	49,832	51,327
Decorating		10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439	13,842	14,257
Elevator Maintenance		0	0	0	0	0	0	0	0	0	0	0	0	0
Grounds Maintenance		7,500	7,725	7,957	8,196	8,442	8,695	8,956	9,225	9,502	9,787	10,081	10,383	10,694
Snow Removal		7,000	7,210	7,426	7,649	7,878	8,114	8,357	8,608	8,866	9,132	9,406	9,688	9,979
Real Estate Taxes		45,000	74,000	76,220	78,507	80,862	83,288	85,787	88,361	91,012	93,742	96,554	99,451	102,435
Insurance		20,000	20,600	21,218	21,855	22,511	23,186	23,882	24,598	25,336	26,096	26,879	27,685	28,516
Supportive Services		7,200	7,416	7,638	7,867	8,103	8,346	8,596	8,854	9,120	9,394	9,676	9,966	10,265
Other (Specify)	Legal	5,000	5,150	5,305	5,464	5,628	5,797	5,971	6,150	6,335	6,525	6,721	6,923	7,131
Other (Specify)	Asset Mgmt	3,500	3,605	3,713	3,824	3,939	4,057	4,179	4,304	4,433	4,566	4,703	4,844	4,989
Adjustments														
(e tax abatements):	Tax Abatement	(25,050)	(42,120)	(33,925)	(25,090)	(15,584)	(5,377)	0	0	0	0	0	0	0
Total Operating Expenses		264,637	283,743	301,545	320,270	339,958	360,649	376,820	387,933	399,374	411,154	423,281	435,767	448,624
Net Operating Income		286,139	280,803	277,114	272,855	267,995	262,503	261,912	266,767	271,694	276,691	281,760	286,900	292,109
Operating Expense Ratio		48%	50%	52%	54%	56%	58%	59%	59%	60%	60%	60%	60%	61%
Reserve replacement funds		21,600	22,248	22,915	23,602	24,310	25,039	25,790	26,564	27,361	28,182	29,027	29,898	30,795
Mortgage Ins. Prem. (MIP)		0	0	0	0	0	0	0	0	0	0	0	0	0
Adjusted N.O.I.		264,539	258,555	254,199	249,253	243,685	237,464	236,122	240,203	244,333	248,509	252,733	257,002	261,314
1st Mortgage Debt Service		202,060	202,060	202,060	202,060	202,060	202,060	202,060	202,060	202,060	202,060	202,060	202,060	202,060
HOME Debt Service														
Other Subordinate Loans														
Deferred Developer Fee		0	0	0	0	0	0	0	0	0	0	0	0	0
Other Subordinate Loans		0	0	0	0	0	0	0	0	0	0	0	0	0
Total Debt		202,060	202,060	202,060	202,060	202,060	202,060	202,060	202,060	202,060	202,060	202,060	202,060	202,060
Net cash flow		62,479	56,495	52,139	47,193	41,625	35,404	34,062	38,143	42,273	46,449	50,673	54,942	59,254
Debt Service Ratio:(1st Mort.)		1.31	1.28	1.26	1.23	1.21	1.18	1.17	1.19	1.21	1.23	1.25	1.27	1.29
Debt Service Ratio: Total		1.31	1.28	1.26	1.23	1.21	1.18	1.17	1.19	1.21	1.23	1.25	1.27	1.29

Escalating Factors:

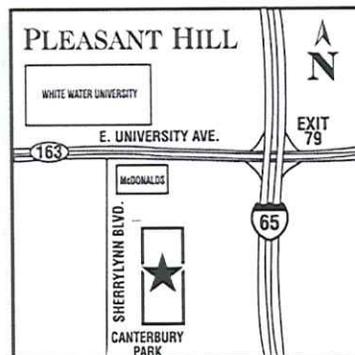
Income:	Year 14	Year 15
Gross Rental Income	758,820	777,791
Laundry Income	31,706	32,499
Other Income (Specify)	8,686	8,903
Other Income (Specify)	0	0
Less Vacancy	(39,961)	(40,960)
Net Rental Income	759,251	778,233
Operating Expenses:		
<i>Accounting and Auditing</i>	10,309	10,618
<i>Office Expenses/</i>		
<i>On-site Manager Salaries</i>	38,621	39,780
<i>Property Mgmt fee</i>	45,555	46,694
Electric and Gas	49,930	51,428
Water and Sewer	45,701	47,072
Waste Removal	10,278	10,586
Advertising	14,685	15,126
<u>Maintenance payroll</u>	0	0
<u>Repairs and Maintenance</u>	52,867	54,453
<u>Decorating</u>	14,685	15,126
<u>Elevator Maintenance</u>	0	0
<u>Grounds Maintenance</u>	11,015	11,345
<u>Snow Removal</u>	10,278	10,586
Real Estate Taxes	105,508	108,673
Insurance	29,371	30,252
Supportive Services	10,573	10,890
Other (Specify)	7,345	7,565
Other (Specify)	5,139	5,293
Adjustments (ie tax abatements):	0	0
Total Operating Expenses	461,860	475,487
Net Operating Income	297,391	302,746
Operating Expense Ratio	61%	61%
Reserve replacement funds	31,719	32,671
Mortgage Ins. Prem. (MIP)	0	0
Adjusted N.O.I.	265,672	270,075
1st Mortgage Debt Service	202,060	202,060
HOME Debt Service		
Other Subordinate Loans		
Deferred Developer Fee		
Other Subordinate Loans	0	0
Total Debt	202,060	202,060
Net cash flow	63,612	68,015
Debt Service Ratio:(1st Mort.)	1.31	1.34
Debt Service Ratio: Total	1.31	1.34

ATTRACTIONS Include

- Garages
- Basketball Court
- Easy access to I-235, I-80 & HWY 65
- HEAT PAID
- Window treatments
- New Swimming Pool w/3000 sq. ft. sundeck
- Ultimate Playground & Picnic Areas
- Bike & Jogging Trail (4 Mile Greenway)
- Southeast Polk School District
 - Four Miles Elementary 3.5 miles
 - Southeast Polk Junior High 5.8 miles
- School Bus Stops at Complex
 - Southeast Polk Senior High 5.8 miles
- New Mercy Medical Center .5 miles
 - Mercy East Family Practice, Pediatrics & Urgent Care 7AM - 9 PM
- Prairie Meadows Race Track & Casino
- Iowa State Fairgrounds
- Close Proximity to 6 Parks
- HyVee Grocery Store - 2 blocks
- Close to Copper Creek Shopping Center & Copper Creek Movie Plex
- Lakeside Fitness & Tanning Center
- Five minutes to Walmart, Lowes, Super Target, Medicap Pharmacy, Shining Star & Tinder Care Day Care - 2 blocks
- Computer room

GREAT Location!

Canterbury Park Apartments is located in the quiet suburb of Pleasant Hill. Situated at the intersection of Iowa 163 and US Highway 65, we are only 10 minutes away from Downtown Des Moines and the Iowa State Capitol, and 15 minutes from the Des Moines International Airport. Our central location puts us minutes away from Altoona, Ankeny, and Bondurant. Pleasant Hill provides an anchor for entertainment on the East side of Des Moines, with multiplex movie theater, Copper Creek Shopping area, and the hub of the Four Mile Greenway Trail.



Canterbury Park APARTMENTS

935 Sherrylynn Blvd.
Pleasant Hill, Iowa 50327
Phone 515.262.7670
canterburypark@conlinproperties.com

Canterbury Park APARTMENTS

Pleasant Hill, Iowa



Canterbury Park Apartments is an ideal setting for quiet living located in the community of Pleasant Hill. We offer 1, 2 & 3 bedrooms, a brand new outdoor swimming pool, and landscaped grounds for picnics and playground.

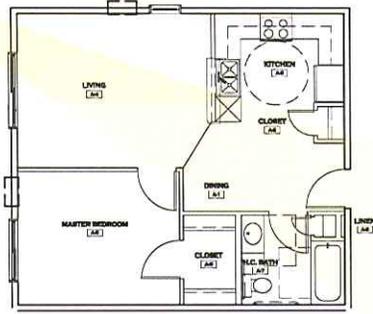
Located in Pleasant Hill

www.canterburyapartments.com

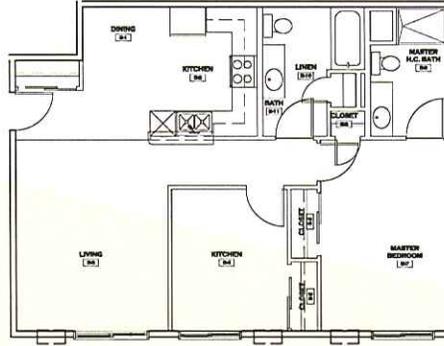
Include

All Models Include: a Full-Size Dishwasher, Linen Closet, Stove, Refrigerator, Garbage Disposal, Microwave and Window Air Conditioner in Each Room.

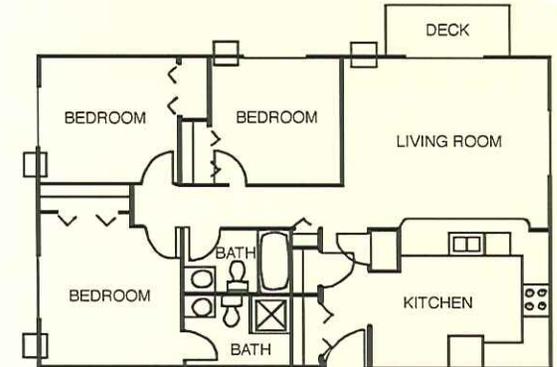
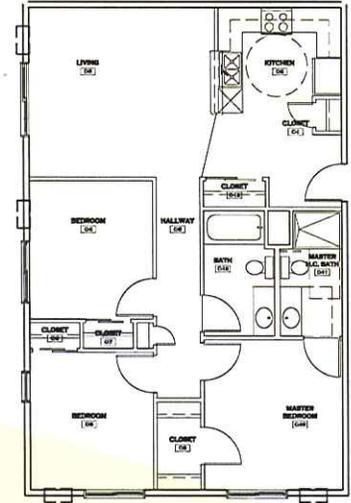
1 BEDROOM



2 BEDROOM



3 BEDROOM



APARTMENT MODELS