

Go Big
Draft Version November 5, 20102

Go - Big Scenario - \$18M-\$56M ("7%-32% Impact")				
Expense	YEAR 1	YEAR 2	YEAR 3	ASSUMPTIONS
Executive Director	\$ 175,000	\$ 178,500	\$ 182,070	
CFO	\$ 170,000	\$ 173,400	\$ 176,868	Higher pay; larger agency
General Counsel	\$ 165,000	\$ 168,300	\$ 171,666	Needed given size of portfolio
Staff Attorneys (2 @ \$110,000)	\$ 220,000	\$ 224,400	\$ 228,888	Added to support increased units
Portfolio Managers (3 @ \$100,000)	\$ 300,000	\$ 306,000	\$ 312,120	Includes Sr. Port. Mngr
Acquisition Specialists (4 @ \$100,000)	\$ 400,000	\$ 408,000	\$ 416,160	2 FTEs added to support addl units
Demolition Specialists (10 @ \$80,000)	\$ 800,000	\$ 816,000	\$ 832,320	8 FTEs added to support addl units
Administration Assistant (3 @ \$50,000)	\$ 150,000	\$ 153,000	\$ 156,060	2 FTEs added to support addl units
Fringe (Total FTE's: 25)	\$ 714,000	\$ 728,280	\$ 742,846	
Total Salary/Fringe	\$ 3,094,000	\$ 3,155,880	\$ 3,218,998	COLA projected at 2% per annum
Training and Education	\$ 50,000	\$ 50,000	\$ 50,000	
Furniture	\$ 40,000	\$ 10,000	\$ 10,000	
Supplies	\$ 20,000	\$ 30,000	\$ 35,000	
Rent	\$ 110,250	\$ 113,558	\$ 116,964	
Legal	\$ 300,000	\$ 600,000	\$ 1,200,000	Y2 and Y3 up 100%
Contractual	\$ 250,000	\$ 500,000	\$ 750,000	Y2 up 100% & Y3 up 50%
Insurance	\$ 200,000	\$ 400,000	\$ 600,000	Y2 up 100% & Y3 up 50%
Acquisition	\$ 3,500,000	\$ 7,000,000	\$ 21,000,000	
Advertising & Web design	\$ 50,000	\$ 50,000	\$ 50,000	
Environmental	\$ 1,000,000	\$ 2,000,000	\$ 3,000,000	Incr by \$800K due to addl units
Professional Services (Audit, Appraisal, Planning, CAD)	\$ 400,000	\$ 800,000	\$ 1,600,000	Up 100% each Yr
Maintenance	\$ 800,000	\$ 1,550,000	\$ 3,550,000	Incr in each Yr based on formula
Rehabilitation	\$ 1,750,000	\$ 1,750,000	\$ 1,750,000	Incr in each Yr based on formula
Demolition/Deconstruction	\$ 4,800,000	\$ 9,600,000	\$ 19,200,000	Y2 & Y3 up 100% due to addl units
Predevelopment Expenses	\$ 1,200,000	\$ 1,200,000	\$ -	No funds in Y3
Other Inventory Management Software	\$ 87,000	\$ 87,000	\$ 87,000	
Total Operating Expenses	\$ 14,557,250	\$ 25,740,558	\$ 52,998,964	
Total Expense	\$ 17,651,250	\$ 28,896,438	\$ 56,217,962	
Revenue				
Initial Appropriation	\$7,000,000	\$7,000,000	\$11,000,000	\$25M over 3 yrs AG, FNDs, CTY
Sales	\$400,000	\$800,000	\$2,224,000	Y2 up 100%; Y3 up 178%
Rental Income	\$250,000	\$500,000	\$1,000,000	Y2 and Y3 up 100%
Transaction Fees	\$400,000	\$800,000	\$2,000,000	Y2 up 100%; Y3 up 150%
Property donation fee	\$10,000,000	\$20,000,000	\$40,000,000	Y2 and Y3 up 100%
Total Revenue	\$18,050,000	\$29,100,000	\$56,224,000	
Gap/Surplus	\$398,750	\$203,563	\$6,038	

Assumptions	YR 1	YR 2	YR 3
Total Properties Donated*	1,000	2,000	4,000
Total Properties Acquired	500	1,000	3,000
Total Inventory	1,500	3,000	7,000
Properties Demolished	300	600	1,200
Demolition per unit	\$ 16,000	\$ 16,000	\$ 16,000
Maintenance (complex site)	\$ 1,500	\$ 1,500	\$ 1,500
Maintenance (Simple site)	\$ 500	\$ 500	\$ 500
Property Donation Fee per unit	\$ 10,000	\$ 10,000	\$ 10,000
Acquisition per unit	\$ 7,000	\$ 7,000	\$ 7,000

Total Number of Properties in 3 Years	
Total Properties Donated	7,000
Total Properties Acquired	9,000
Total Properties in 3 Years	16,000

Other Relevant Notes:

There were 22,365 foreclosure filings, 10,821 auctions and 9,985 REOs in the first half of 2012 per the Woodstock Institute.