MODEL TO ESTIMATE EXTERNAL DEPRECIATION IN SUBSIDIZED HOUSING PROJECTS

County: _____
Parcel ID: _____
Appraiser: _____
Date: _____

Data

1	Building Size (Square Feet)		*
2	Actual Income Received by Project		**
3	Replacement Cost New Less Phys/Func Depr.		*
4	Land Value		*
5	Total RCNLD and Land Value		
6	Operating Expenses		**

Market Financing

7	Term of Loan (Years)		***
8	Loan Rate (enter as decimal)		***
9	Loan Ratio (enter as decimal)		***
10	Equity Ratio		
11	Equity Rate (enter as decimal)		***
12	Loan Constant		

Analysis

13	Total RCNLD and Land Value (Line 5)	
14	Loan Ratio (Line 9)	
15	Loan Constant (Line 12)	
16	Income Required to Satisfy Debt (Line 13 X Line 14 X Line 15)	
17	Total RCNLD and Land Value (Line 5)	
18	Equity Ratio (Line 10)	
19	Equity Rate (Line 11)	
20	Income required to satisfy equity (Line 17 X Line 18 X Line 19)	
21	Operating Expenses (Line 6)	
22	Minimum Income required (Line 16 + Line 20 + Line 21)	
23	Actual Income received (Line 2)	
24	Income Difference (Line 22 - Line 23)	
25	Loan Ratio (Line 9)	
26	Loan Constant (Line 12)	
27	Weighted Debt Requirement (Line 25 X Line 26)	
28	Equity Ratio (Line 10)	
29	Equity Rate (Line 11)	
30	Weighted Equity Requirement (Line 28 X Line 29)	
31	Overall Capitalization Rate (Line 27 + Line 30)	
32	External Depreciation (Line 24/Line 31/Line 3)	
33	**Economic Factor to be used**	

***** Obtained from KsCAMA Valuation Summary Printout
****** Obtained from Property Manager
*** Obtained from County Cap Rate Study

Note: Hand calculations may be slightly different due to rounding.