

[ADDRESS OF PROPERTY], MA

Analysis

Rehabilitate/new construction v. As Is Sale

Comparative Market Analysis

Sell As Is                \$160,000 less 4.5% broker commission = 152,800 net +/- (RE tx \$92,000.00)

Sell rehab/new construction \$450,000 less 4.5% broker commission = \$429,750 net +/-

Projected Construction Budget

\$250,000	new construction cost including demo/site
95,000	real estate taxes
22,425	financing costs (interest @13%/yr. x 6 months)
11,900	plus insurance/fees (\$5,000.00)/points (2-\$6,900)
4,000	additional receivership fees/costs/utilities (estimate)
383,325	Total Project Cost = Total Investment ("TI")

Projected Comparative Gain

1. Sell as is at \$160,000	\$152,800 (\$92,000)	\$60,800 gain +/-
2. Sell rehabilitated/new construction @ \$450,000	\$429,750 less TI	\$46,425 gain +/-

Conclusion.

Based on the foregoing estimates and assumptions, which are the most optimistic, it is clear that the sale price of a renovated/new construction property would not produce a gain equal to or greater than selling the property in its as is condition. The additional factors set forth in paragraph 8. of the Motion For Authorization To List Property For Sale militate against the Receiver assuming the risk of new construction.