

Don Johnson

11/3 (8)

From: Don Johnson
Sent: Thursday, October 30, 2003 1:23 PM
To: Board of Selectmen
Cc: Garry Rhodes; Stephen Anderson
Subject: FW: Franklin Place Pro Forma

Garry Rhodes advised me of the receipt of a revised report (and conclusion) on 520 Main Street from the ZBA's Pro Forma consultant. I asked him to forward it in order that I might send it to the Board for your consideration.

I have not reviewed these documents; however, I have taken the time to confirm what Garry indicated to me. Namely, the consultant ran his model again for the Board of Appeals, using revised assumptions, and has revised his conclusion to indicate that the project "*appears to be economically viable at a density of 22 units, of which six (6) units will be affordable units*".

If the Board (or members of the Board) wishes to comment on this new information, those comments will need to be submitted soon. It is my understanding that the ZBA will be meeting next Thursday, Nov. 6, to review draft decisions. They may close the meeting at that time. If further input from the Board of Selectmen is to find its way into the Decision, they will need those comments for consideration on or before next Thursday.

Regards,
Don

-----Original Message-----

From: Garry Rhodes
Sent: Thursday, October 30, 2003 10:40 AM
To: Board of Appeals
Cc: Board of Selectmen; Stephen Anderson
Subject: FW: Franklin Place Pro Forma

-----Original Message-----

From: Dick Heaton [mailto:rhheaton@rhheaton.com]
Sent: Wednesday, October 29, 2003 4:26 PM
To: Garry Rhodes
Subject: Fw: Franklin Place Pro Forma

Resend

-----Original Message-----

From: Dick Heaton
Date: Wednesday, October 29, 2003 2:56:37 PM
To: grhodes@town.acton.ma.us
Subject: Franklin Place Pro Forma

Gary,
Please send me back a note if you receive this ok.

10/31/2003

Dick





H & H Associates LLP

October 28, 2003

John Wagner
Zoning Board of Appeals
Town of Acton
472 Main Street
Acton, MA 01720

Subject: Update to Review of Franklin Place Application for Comprehensive Permit

Dear Mr. Wagner:

Per the request of the ZBA, I have updated the report I submitted on August 25, 2003 and modified the computer model to address a wider range of densities. In my original report, I made a set of assumptions and stated:

Per your request, I have conducted a financial review of the pro forma for Franklin Place Comprehensive Permit Application referred to as Exhibit 38. The goal of my review was to ascertain, based on foreseeable cost and conditions imposed by the ZBA, if the project under consideration will remain "economic" as per the comprehensive permit statute 40B of M.G.L., 760 CMR 30.01 - 14 and the Guidelines for Model Local Rules from DHCD.

Summary of Findings:

In my opinion, Franklin Place, which was originally planned at 32 units, appears from the information provided, to be economically viable at a density of 28 units, of which seven (7) units will be sold as affordable units. A detail profit and loss statement is attached in Addendum A and B. A copy of the Excel model developed for the project is also included.

The above conclusion is based upon several factors that should be reviewed and discussed in more detail with the Board and the Applicant. The results of this information may change the conclusion.

Based on the following information, in my opinion, Franklin Place, appears to be economically viable at a density of 22 units, of which six (6) units will be affordable units.

The model as originally created was not designed to be accurate below densities of 24 to 26 units. As requested by the Board, the model was redesigned to properly reflect costs over a range of densities from 10 to 32 units. Changes were made which resulted in minor changes to the pro forma increasing the profit as a percent of total development costs from 8% in the August 25th report to 10.4 % in this report. This number, which is above the 9% benchmark, although mathematically accurate, is outside the statistical accuracy of the costs in a preliminary pro forma. However, they are based on worst-case conservative estimates that can be substantiated if required.

If the Applicant appeals a decision of the Board to the HAC, the burden of proving a board made a project uneconomic rests with the Applicant. The Board may cross examine the Applicant and may offer de novo expert testimony to refute the Applicants contention. In my opinion, unless the Applicant changes the costs significantly, the Board would prevail and would be able to demonstrate they did not render the project uneconomic by reducing the density to 22 units.

Several other changes are included:

1. A Return on Equity measurement was added as a benchmark. This is a better measurement of earnings as a percent of cash invested at lower densities. The return on the Applicants cash invested in this project will be 104% at a density of 22 units vs 96% at a density of 32 units. This compares with a 6.1% return on T Bills and a 10.8% return on the stock market over a 40 year period.
2. The ZBA has the option to examine the actual profits earned on a 40B project and recover from the developer profits that are in excess of 20% of the Total Development Costs earned by a limited dividend corporation. These funds maybe returned to the Town of Acton for use in building or obtaining additional affordable housing. An analysis of Franklin Place indicates that if this project is built at 32 units with an average selling price of \$247/sq ft (3% over the proposed \$240/sq ft and 14% over those proposed by the applicant), there is a possibility that the project will produce a total profit in excess of \$1.2 million. A project at 22 units is not expected to produce excess profits (assuming all costs were to remain constant). The ZBA should include appropriate conditions in the decision to maintain their rights to monitor the performance of the limited dividend corporation.
3. At the Boards request, I have refined the computer model of the project and expanded the range of options. This information is contained in the Excel file titled Acton Franklin Place –Final October 28, 2003.xls. Attached is a discussion of each of the points in the model.

As with any 40B case, the most appropriate use of financial information is in tandem with information on public safety, public health or the environment. The HAC appears to be receptive to cases were densities have been reduced as a result of issues effecting public health, safety or the environment that do not render the project uneconomic. It is not clear how the HAC would rule on a case, funded by MassHousing where density was reduced based solely on the pro forma.

Sincerely,



Richard Heaton
Partner

CC: Gary Rhodes, Town of Acton

Discussion of Key Points in the Model of Pro Forma for Franklin Place October 28, 2003

Summary: As requested by the Board, the model was expanded to reflect costs over a wider range of densities. All entries in the pro forma were examined over a range of 10 to 32 units and appropriate modifications were made. Due to the mix of 22 units, total income increased marginally by \$85K from the estimate completed in August for 22 units. Also for 22 units Total Development Costs decreased marginally by \$60K resulting in an increase in net profit of \$145K. These minor changes resulted in an increase of Profit as a Percent of Total Development Costs from 8% to 10.4% for 22 units as calculated in August and compared to the October calculations. This is above the benchmark of 9%.

1. Pricing for Market Rate Homes

Barnett and Company conducted a market survey in May of 2003. This survey included sales from new and old condominiums in the Acton area. The survey concluded that the average price of condominiums ranging in size from 1193 to 1750 sq ft was between \$280K and \$330K. The Applicant set an average price of \$310K for the market-based units.

This survey did not give adequate consideration of the following points::

- It did not consider the size of the condominium in establishing an average price, but instead determined the price of an average unit of undetermined size. This makes it difficult to track changes in the market and verify the conclusions.
- The survey assumed that the age a condominium was not significant. Prices for new condominiums were equivalent to condominiums built over the last 20 years. Actual data does not support this conclusion. Condominiums build since 2002 with modern amenities and construction materials demand a 10% to 30% premium over units built in the 1980's.
- The analysis did not take into account that prices for condominiums less than 1000 sq ft are priced significantly higher on sq ft basis than condominiums over 1700 sq ft.

It is more appropriate to use selling per square foot in comparing market data for different sized units.

A survey was conducted in

August of 2003 and again in October of 2003 of the selling prices per square foot. In August prices for real estate listings were used, where as in October actual sales prices and listing prices were used. This improved the credibility of the recommendation.

Condominium Market Summary — Info Updated October 16, 2003								
Town	Price	MLS	Bedroom	Full Bath	GLA	Garage		\$/sq ft
Units Sold								
Acton- Gdn	\$ 259,000	27 Hartland #109	2	2	929	NO		\$278.79
Acton-Gdn	\$ 309,500	27 Hartland #208	2	2	1,009	NO		\$306.74
Acton - TH	\$ 283,900	10 Beth Circle	2	2	1,153	NO		\$246.23
Acton-TH	\$ 399,000	107 Audubon Dr	2	2	1,762	NO		\$226.45
Average								\$257.86
Units Pending Sale								
Acton- Gdn	\$ 309,000	30744416	2	2	939	NO		\$329.07
Acton- Gdn	\$ 359,000	30744382	2	2	1,234	NO		\$290.92
Acton- Gdn	\$ 369,900	30739660	2	2	1,404	NO		\$263.46
Acton-TH	\$ 439,900	30762711	2	2	1,950	NO		\$225.59
Average								\$267.38
Benchmark								\$240.00

Note: Listings built from 2002 to 2003

In my opinion, based on actual sales data in 2003, new condominiums in Acton should be priced no lower than \$240 per square foot or an average of \$342K for all market based units at Franklin Place. It is suggested the Board conduct an appraisal by a certified appraiser.

Additional information is found on the attached model.

2. Prices of Affordable Units

The Selling price of affordable units is determined by a formula that utilizes the average monthly income for Acton, interest rates, Acton tax rate, mortgage insurance and condominium fees. The actual model residents are eligible for affordable units if there is income is 80% of the average income for the area. The sum of their mortgage payment plus taxes, insurance and condominium fees is not to exceed 30% of their income. The problem that this creates is that the number of people that qualify under the 80% of the AMI is very small. Their income has to be exactly 80% of the AMI. Any larger and they do not qualify and any lower and they fail the 30% test. Most housing authorities request the Board of Appeals establish a minimum level of entry for the affordable units and request the board write this in as a condition of the comprehensive permit that affordable units will not sell any more than a figure that is usually 70% or lower of the AMI.

These figures vary over time as these factors change. The average price is most sensitive to the assumption made for interest rates. As interest rates go up, the amount a family earning 80% of the AMI can afford on housing, (30%) goes down so the selling price must also go down. Present interest rates are at 5.98% for a 30yr fixed mortgage, which would indicate a maximum selling price of \$186.8K for the affordable units according to the formula used. If interest rates climb to 9%, the price of an affordable unit will decrease to \$146.7K.

Franklin Place 2003	
Interest	80% of AMI
6.000%	\$186,750
6.500%	\$179,000
7.000%	\$171,750
8.000%	\$158,500
9.000%	\$146,750

The pro forma submitted by the applicant, estimates the price of an affordable unit is equal to \$155K. The assumption is based on 30% of 70% of the monthly income for Boston for a three person, or an income of \$49.3K Interest at 6%, local tax rate of \$13.55, mortgage insurance of .078% per year and condominium fees of \$75 per month. Details of this calculation are found in the attached model.

It is up to the Board of Appeals to set the price they would like to establish for the affordable units. Any price maybe stipulated in the conditions of the comprehensive permit as long as the project is not made uneconomic.

The advice of the local Housing Authority should be considered in this determination. Attention should also be paid to the group that will be charged with running the lottery and monitoring the deed restrictions on the affordable units.

In my opinion, the price of the affordable units should be set at a rate that floats with the AMI at 70%. This is the MassHousing policy. If there is a reason to set the price of the affordable units at a lower rate, the computer model will enable the Board to determine if they make the project uneconomic. It is not unusual for Towns that want to create affordable housing that is available to a much larger population to establish prices that are in

the \$100K to \$150K area. This can be accomplished by setting the price of the affordable units at 40% to 60% of the AMI. A rate of \$155,000 was used in this analysis.

3. Value of the Land

The applicant signed a P&S agreement for \$1.6 million for a 40 unit 40B. The actual price varies with the number of units approved for development. At 32 units, the price is \$1.28 million. The property currently is assessed by the Town at \$304K as of July 27, 2003.

In an appraisal dated July 25, 2003, Avery Associates determined the value of the property on the “highest and best use of the property based on existing zoning and by right uses” was \$1.160 million.

MassHousing is the subsidizing agency for this project through the Housing Starts Program and issued the site approval letter. They have not appraised the property and probably will not until an application for a loan is filed. Initial indications from MassHousing per Mr. O’Hagan are that they will approve a value up to \$1.6 million.

MassHousing has an Acquisition Valuation Policy for Comprehensive Permits, which states:

“The maximum permissible acquisition value which can be included in the Development Budget for a Housing Starts Construction Loan application will be limited to the lesser of: the "as is" appraised market value of the land and improvements, as estimated by the MassHousing Home Ownership Division at the time of loan commitment, and subject to confirmation by a MassHousing commissioned independent appraisal prior to loan closing; or, the purchase price of the land and improvements in the last arm's length transaction, if any, within the last three years, plus (i) reasonable and verifiable costs of property improvements made subsequent to the above acquisition and/or (ii) reasonable and verifiable carrying costs related to the land and improvements, such as interest, taxes and insurance.”

This question of the definition of the “as is” value of the property was discussed with Mr. O’Hagan and Mr. Avery. It is his opinion that the “as is” value on the property is based on the assumption that it is reasonable to believe the planning board will approve a subdivision of seven lots. The Planning Board sent a memo to Mr. O’Hagan, dated May 6, 2003 indicating a seven-lot subdivision is “reasonable”.

Without this approval from the Planning Board for a seven-lot sub division, it appears the existing property would support three lots if submitted to the Planning Board as an ANR (Approval Not Required) Application. As three lots in Acton, this property will most likely be valued of \$650K to \$750K. Before using this estimate, a certified appraisal should be hired by the Board to appraise this property as three lots.

It is important to note that if the applicant submitted a plan to the Acton Planning Board, that action would have delayed the ability of the applicant to submit a request for a Comprehensive Permit by at least twelve months. CMR 31.07(1) h states the Board may deny the request for a Comprehensive Permit if 12 months has not elapsed between the date of the application of the Comprehensive Permit and any action to approve deny or withdrawal of a subdivision request that included no low or moderate-income housing. Since time is a critical factor in this analysis, it can be argued that delaying the application of

a comprehensive permit by at least 12 months is significant and precludes the definition of the “as is” value to be based on an event that may occur more than 12 months in the future.

The four criteria of the highest and best use are— legally permissible, physically possible, financially feasible and maximum profitability. For purposes of establishing value for a Comprehensive Permit, the valuation of this property as the highest and best use meets three of the four tests, but does not meet the test of legally permissible. The valuation of a seven-lot subdivision is not legally permissible until an application is approved by the Planning Board and twelve months has elapsed as defined by CMR 31.07(1) h.

If the letter from the Acton Planning Board is accurate, there is a high probability that an application for a seven-lot subdivision would be approved if submitted. This is particularly true if there is a history of granting previous applications of a similar nature. I suggest the Planning Board review the letter sent to Mr. O’Hagan on May 6, 2002 and verify that the approval of a seven-lot subdivision on this property does not require any additional approvals and that it is likely to occur.

It is not clear how the Housing and Appeals Committee would view this situation. I am not aware of any cases on this topic that would establish a precedent. HAC traditionally has looked to the subsidizing agency, MassHousing, to interpret these issues. Based on the appraisal of Avery Associates, the predisposition of MassHousing to value this property up to \$1.6 million, and the letter from the Acton Planning Board indicating a seven-lot subdivision is “reasonable” I suspect MassHousing would agree with the appraisal of Avery Associates that the land be valued at \$1.16 million. I suggest the Board formally ask MassHousing to give an opinion on this issue.

In my opinion, the value of the property is based on two assumptions; 1) a seven-lot subdivision will be approved by the Acton Planning Board and 2) MassHousing will not apply the strict interpretation to CMR 31.07(1) h. If both these statements are true, the value of the property at \$1.16 million is a reasonable estimate.

If either one of the assumptions is not true, the “as is” value of the property, as defined in the MassHousing Land Acquisition Policy should be based on dividing the present one lot into three lots through an ANR request. As a three-lot parcel, the property should be appraised by a certified appraiser. I estimate the results of this appraisal will be in the \$650K to \$750K range. Furthermore, according to the minimum twelve month waiting period defined in CMR 31.07(1) h. If the applicant intends to base the value of the property on a seven-lot subdivision, which is not likely to be approved by the Acton Planning Board or MassHousing, the request for a comprehensive permit should be withdrawn by the applicant or denied by the board. At that point, the applicant should obtain approval from the Planning Board for a seven-lot subdivision and wait the twelve months as defined by CMR 31.07(1) h., and resubmit the application for a comprehensive permit.

4. Residential Construction and Site Preparation Costs

Cost of residential construction accounts for 47% of the total development cost of the project and is the largest single line item in the proforma. Construction cost of the project were estimated using the R.S. Means database and concluded, in my opinion, the construction cost is \$3.7 million or \$84 per square foot for 32 units with a total size of

44,700 sq ft. Included in this cost is a 12% profit or \$447K to the subcontractor. Cost vary based on the cost per sq foot from RS Means as driven by total construction costs and cost to construct each module.

Site Preparation costs were identified as either fixed, variable relative to number of units or variable relative to length of road. Details may be found in the model assumption page.

5. Determining the number of Units

Determining the number of units is a function of reviewing the layout for the units and determining the sequence that the units can be eliminated based on the exact configuration. As an example, it makes no sense to eliminate a unit on the second floor without eliminating the unit on the first floor. Although it is possible, from a cost point of view it is not logical hence, the program identifies this as an illegal configuration.

Reviewing the proposed plans, it is noted there are three buildings—one of 12 units and two of 10 units each. Each of the units are broken into modules as shown:

12 unit building	10 Unit Building
2 modules of 4 units	2 modules of 5 units
2 modules of 2 units	

Therefore, the actual reduction of units is achieved by reducing the number of modules. A reduction of an odd number of units that does not equate to a complete module is designated as an illegal configuration by the computer model. Legal configurations are assumed to be 32,27,22,20,18,14,10 and 5 units. Although there are other configurations that maybe possible, they have not been programmed.

6. Sale of Garages

The proforma identifies 23 garages that will be sold to the residents of Franklin Place. The method used to sell these to both residents of the market rate home and affordable homes was discussed. Buyers will pay an additional \$25k for each garage. At 22 units there are 15 garages planned.

7. Community Building

The application contains plans for a community building on site at a cost of \$100k to construct. This is usually viewed as an optional 40B expense. In my experience, it is of value to residents of large complexes over 100 units, but is rarely used for smaller complexes. If the Board determines the density of the complex should decrease below 27 units, in my opinion, the cost of the community building should be removed from the pro forma. The model has been modified to include this option.

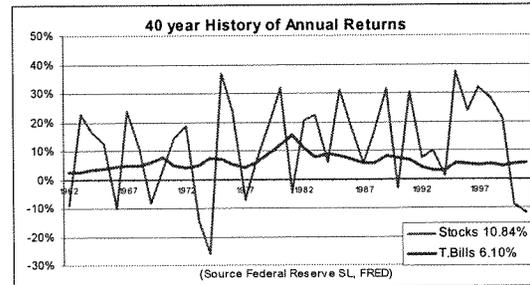
8. Septic System

The septic system is estimated to cost \$450K in the pro forma. This is based on processing 7.0k gallons of wastewater per day (64 bedrooms at 110 gallons per day plus from the community building) and includes two Bioclere filters in serial. This system is designed to meet Title 5 requirements and although not required for a comprehensive permit, will meet the requirements of the Acton Board of Health. In my opinion, the use of this system is

worth the investment to protect the environment and I have not changed the costs based on lower discharge of wastewater.

9. Return on Equity invested by the Applicant

To reflect the return on equity or return on cash invested in the project at different densities. The cash required to be invested is defined by MassHousing as part of the Housing Starts Program at either 10% of Total Development Costs or 25% of Revenue. Although this is not a measurement in the 40B process it is a better measurement on earnings as a percent of cash invested at different densities and can be compared to earnings from other investments. As an example, the average 40 year return from treasure bills is 6.1% and the from the stock market is 10.8%. As proposed, this project will earn 96% on the cash invested by the applicant. At 32 units the project MassHousing will require \$844K of cash and will earn \$809K of cash or 96%. At 22 units the project will earn 104% return on cash invested.



10. Profits that may be Returned to the Town

40B allows a developer that receives approval of a comprehensive permit to earn a maximum of 20% profit of the Total Development Cost. The formula for determining this figure is Total Revenue minus Total Development Costs divided by Total Development Cost must not exceed 20%. 20% has been determined as a profit that is a reasonable risk for developers of affordable housing in Massachusetts. It compares to average profits of 6% to 12% for other builders in other areas or in other states. The pro forma is an estimate of the cost of the total project. Actual costs will most likely be different. Factors such as interest rates, inflation, building capacity and the weather will determine the final cost and profitability for the project. It is important for a Town approving a Comprehensive Permit provide for the option to monitor the profitability of the project. Monitoring includes examining the income statement for the project to determine if the project exceeds the requirements of a limited dividend corporation and determine if any excess profits should be returned to the Town as provided by the statute. If any funds are returned to the Town, they are to be used for providing additional affordable housing.

The present pro forma is an indication as to whether or not a project may generate excess profits over 20%. These profits generally come from either:

- costs which are lower than expected
- revenue that is higher than expected
- reserves such as contingencies that are set up and are not needed
- profits that are bundled in other areas of the pro forma

Examining the pro forma for a 32 unit Franklin Place, there is the potential that this project could earn over \$1.2 million in excess profits that might be returned to the Town for use in Affordable Housing. These areas include sales prices that could be \$247 per square foot vs. the \$217/sq ft presently planned by the developer, thereby increasing revenue to \$10.3 million. Decreased construction costs that could be \$84/sq ft vs. the \$89 presently planned,

visibility to 12% of the Residential Construction costs that is presently carried as developer overhead and profit, and \$184K in hard cost contingency and \$69K in soft cost contingency that will not be needed.

If a combination of these events and or other events that are not projected at this point in time, the profit generated from Franklin Place would exceed the profit limitation of a limited dividend corporation under 40B by \$1.2 million.

Excess Profits which maybe Returned to the Town			
		As Submitted 17-Jul-03	Scenario #1 28-Oct-03
Excess Profits	Units	32	32
Revenue		9,255,000	10,289,510
Costs			
Burried Profit			
Residential Construction			
ContractorsOH & Profit (RS Means)	12%	\$ 476,004	\$ 447,485
Hard Cost Contingency		\$ 193,200	\$ 184,812
Soft Cost Contingency		\$ 64,400	\$ 69,486
Profits from Limited Divident Corporation		\$ 809,400	\$ 2,105,143
Total Potential Profits		\$ 1,543,004	\$ 2,806,926
Profits Allowed			
Total Development Costs		\$ 8,445,600	\$ 8,184,368
Profits Due to Limited Divident Corporation	20%	\$ 1,689,120	\$ 1,636,874
Excess Profits which maybe Returned		\$ -	\$ 1,170,052

Through the monitoring and regulatory agreement, the Board should ensure they have the option to monitor this project.

11. Conditions imposed by the Board of Appeals

Many Board of Appeals impose conditions on the project that requires the Applicant to pay for the future services required to administer the Comprehensive Permit if it is approved by the Board. These involve the following:

- Engineering Review fee to review the final plans of the project and verify that it is consistent with the decision of the Board and other Rules and Regulations of the Town. This depends on the size and complexity of the project, but typically is \$30K for a project similar to Franklin Place.
- Construction Monitoring Fee that is used to used to monitor construction on the site and includes monitoring the building as well as any site improvements or concerns of the conservation commission. Costs run in the area of \$2K per unit.
- Auditing Fee to monitor the financials of the project and ensure the requirements of a limited dividend corporation are met. Costs are in the area of the \$25K.
- Lottery fees paid to local Housing Authorities to conduct the lottery for the affordable units. These could be tied to other items, but can run from \$2k per unit up to as much as 3% to 5% of the selling prices for the affordable units.
- Monitoring the future sale of affordable units and providing a report to the Board to ensure the units stay within the Towns inventory of affordable units.

The applicant currently has \$150K included in the pro forma; the model assumes total conditions imposed on the project may add an additional \$50,000.

Franklin Place

28-Oct-03

Input to Model:	Submitted 4-Apr-03	Submitted 17-Jul-03	10 pts =	Scenario #1 28-Oct-03	Benchmark
Market Rate Units	24	24		16	
Affordable Rate Units	8	8		6	27.3%
Total	32	32		22	Building #2 Removed
Value of Land	\$1,280,000	\$1,280,000	1.4%	\$1,160,000	-9%
Price of Market Rate Units/sq ft	\$217.02	\$217.02	7.5%	\$240.00	11%
Price of Affordable Units	\$145,000	\$155,000	1.2%	\$155,000	0%
Construction Cost \$/sq ft	\$89.35	\$89.35	3.2%	\$84.00	-6%
Community Building	\$0	\$100,000		no	Yes, No
Conditions Imposed by ZBA				\$50,000	\$50,000

Note: Cells in Red maybe changed, cells in black are calculated and should not be changed

Output from Model:	Submitted 4-Apr-03	Submitted 17-Jul-03	Scenario #1 28-Oct-03	Benchmark
Calculations Based on Unit Default			22	
Total Revenue	\$8,600,000	\$9,255,000	\$6,790,920	
Land Acquisition	\$1,280,000	\$1,280,000	\$1,160,000	
Hard Costs	\$5,092,500	\$5,813,200	\$3,881,858	
Soft Costs	\$1,300,890	\$1,352,400	\$1,109,373	
Total Cost of Development	\$7,673,390	\$8,445,600	\$6,151,232	
Net Profit	\$926,610	\$809,400	\$639,688	
PBT (% of Revenue)	10.8%	8.7%	9.4%	9.0%
PBT (% of Total Develop Cost)	12.1%	9.6%	10.4%	10.0%
Return on Equity	121%	96%	104%	96%
Excess Profits which maybe Returned		\$ -	\$ -	