

Citywide Affordable Housing Loan Committee

San Francisco Mayor's Office of Housing and Community Development
Department of Homelessness and Supportive Housing
Office of Community Investment and Infrastructure
Controller's Office of Public Finance

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Loan Committee Date: June 3, 2022

Sponsor Name: 1064 Mission, L.P.
Project Name: 1064 Mission Street (adult supportive housing)
1066 Mission Street (senior supportive housing)
Project Address: 1064-66 Mission Street (between 6th and 7th Streets)
Number of Units/Beds: Adult Housing - 153 studios plus one manager unit
Senior Housing - 103 studios plus one manager unit
Amount of Funds Requested: up to \$3,595,648 Year 1 budget
up to \$72,538,203 for initial 15 years
up to \$201,722,774 for 30 years
Amount of Funds Recommended: up to \$201,722,774 for 30 years

1. SUMMARY

1.1. Request Summary

1064 Mission, L.P., a California limited partnership (the "LP"), requests up to \$201,722,774 in General Funds from the Local Operating Subsidy Program (LOSP) over a period of 30 years to subsidize operations of a total of 256 studio units of permanent supportive housing plus two 1-bedroom resident manager units for adjacent adult and senior supportive housing projects that were developed within one financing structure. 1064-66 Mission provides one development for adults experiencing homelessness (153 units plus one resident manager unit) and one development for seniors aged 55 plus experiencing homelessness (103 units for age 55 years + plus one resident manager unit) totaling 258 units. Episcopal Community Services (ECS) owns and will provide support services long term with Caritas Management Corporation as the on-site property management firm. The site has been developed by Mercy Housing California and ECS using modular construction. Mercy intends to exit the limited partnership at filing of the IRS Form 8609, and the investor has accepted ECS as the sole guarantor, serving as Managing General Partner. Construction started in March 2020 and is anticipated to be complete in August 2022, after an 11-month delay caused by COVID pandemic impacts, modular construction, the historic rainstorm event in Fall 2021 which caused damage, and delayed permanent power approvals.

1.2. Project Overview

1.2.1. Site

The 1.17 acre site was formerly a parking lot adjacent to the James R. Browning United States Court of Appeals on Mission at 7th Street and was owned by the federal government.

The City applied to acquire the parcel for \$1 through the *Title V Federal Property Assistance Program* (FPAP) to build approximately 250 units of permanent supportive housing, on a site that was valued at \$36 million. The federal program conditions that the site be used to support people experiencing homelessness for 30 years. This program allows underutilized federal sites to be transferred to local governments and nonprofits for homeless housing and services, and has a hard timeline project completion requirement. The project site was awarded to MOHCD in August 2017 and the site transferred to City ownership at construction loan closing.

On October 10, 2017, MOHCD issued a Request for Qualifications (RFQ) for the development of new supportive housing at the site. Three experienced teams submitted qualifications and the panel selected the joint development team of ECS and Mercy with architects HCLA and Lowney Architecture on February 9, 2018.

The Title V restrictions include a reverter clause that if the property fails to meet the homeless serving uses requirements during the first 30 years, the federal government can take back the property. Concern over the reverter clause limited the investor responses and ultimately only one investor made an equity proposal, with caveats to address this risk. One of the investor's requirements for managing this risk is a 30 year LOSP Contract.

Concurrently, the Real Estate Division (RED) and Department of Public Health (DPH) inquired about the possibility of co-locating the Tom Waddell Urgent Care Clinic, which must vacate its current site at 101 Grove Street due to seismic safety conditions, and thus far have been unsuccessful at finding a suitable new location. The selected developer team embraced this new housing plus health resource center concept as an integrated property serving people who have experienced homelessness. The Tom Waddell Urgent Care Clinic and associated City homeless services that include Street Medicine services, dental services, and the HSH-operated Homeless Outreach Team (SFHOT), all together called the "Homeless Services Center," were integrated into the health resource center component.

ECS pursued the possibility of bringing and expanding their successful CHEFS program to the site, which provides culinary training as a job development strategy to people who have experienced homelessness. Due to the mission of the job training program and property location, the CHEFS program is eligible as a "Community Facilities Program" under IRS code and the costs of the shell and tenant improvements are included in tax credit basis.

In March 2020, construction closed on the mixed use permanent supportive housing project with a total development cost of \$157 million.

1.2.2. Financial Structure Background

Residential capital sources include tax exempt bonds and 4% low income housing tax credits, Federal Home Loan Bank Affordable Housing Program (AHP), MOHCD, and State No Place Like Home (NPLH) capital funding for nearly half of the units.

The CHEFs space is being financed through CHEF's tax credit equity as a community facility, ECS fundraising, and MOHCD financed warm shell.

DPH and HSH provided capital funds for the Homeless Services Center from City sources, and they have repaid to MOHCD a \$1.489 million bridge loan from MOHCD to the LP which covered a portion of the cost of the shell of the Homeless Services Center.

SOURCES AND USES BY BUILDING COMPONENT

Permanent Sources	Amount	Terms
RESIDENTIAL ONLY		
MOHCD	\$43,596,326	55 years @ 3% / residual receipts
MOHCD No Place Like Home	\$27,769,645	55 years @ 0%
AHP	\$1,500,000	55 years @ 0%
GP Equity	\$12,939,303	
Tax Credit Equity Residential	\$48,898,519	.940 equity pricing
SUBTOTAL RESI ONLY	\$134,703,793	\$522,107
RESI ONLY WITHOUT GP EQUITY	\$121,764,490	\$471,955
CHEFS ONLY		
CHEF's Tax Credit Equity	\$2,156,990	.940 equity pricing
CHEFS Fundraising	\$2,632,534	Donations / Grants
MOHCD CHEFS shell + fee	\$1,423,775	
CHEFS TOTAL	\$6,213,299	
RESIDENTIAL PLUS CHEFS	\$140,917,092	
HOMELESS SERVICES CENTER ONLY		
DPH / HSH Contribution for Clinic Shell	\$1,618,304	
DPH / HSH Sources (HSH Public Health & Safety GO Bonds; DPH COPs; DPH General Fund)	\$13,450,689	
Equity - Clinic Shell	\$1,078,870	
HOMELESS SERVICES CENTER	\$16,147,863	

GRAND TOTAL	\$157,064,955	
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1.2.3.Design

The project consists of 5 floors of Type IIIA construction over a concrete podium surrounding two ample resident courtyards in an E shape. The residential unit construction, residential circulation, and community use rooms on floors 2 through 6 are primarily built using off-site modular/factory-built construction from Factory OS. The project consists of 103 studio units for seniors and 153 studio units for adults as well as one resident manager 1-BR unit for each project for a total of 258 units. The 256 studios are sized at 347 SF utilizing the same modular unit type, and the two 1-BR manager units are sized at 757 SF. The building is built as one structure but the two projects have separate residential entries, community serving spaces, property management offices and social service spaces, and circulation. The adult and senior populations each have their own private open space in two courtyards of approximately 6,181 sf and 5,139 sf respectively, as well as ample community rooms that overlook their respective courtyards.

1.2.4. Target Population

Consistent with the Title V site requirements, the target populations are 1) adults who have experienced chronic homelessness and 2) seniors 55 years of age and older who have experienced chronic homelessness. Just under half of the units (76 adult units and 51 senior units) will be targeted to people with serious mental illness under the definition of the No Place Like Home Program (NPLH) with appropriate services, as the first permanent supportive housing site where San Francisco has invested these State funds. NPLH units must be leased to households with at least one member who qualifies as a member of the target population, including adults or older adults with a serious mental disorder who are homeless, chronically homeless, or at-risk of chronic homelessness. This includes persons with co-occurring mental and physical disabilities or co-occurring mental and substance use disorders outlined in the Mental Health Services Act Program and the target population for the MHSA Program.

Total household income at the time of move-in for the NPLH units shall not exceed 30% AMI, and the remaining studios are restricted at 50% AMI.

Adult

Unit Type	# of Units	Square Ft.	Max AMI	Operating subsidy and rent payment standard
Studio	77	347	50%	LOSP - 30% of income
Studio - NPLH	76	347	30%	LOSP - 30% of income
1BR	1	757		Resident manager
TOTAL:	154			

Senior

Unit Type	# of Units	Square Ft.	Max AMI	Operating subsidy and rent payment standard
Studio	52	347	50%	LOSP - 30% of income
Studio - NPLH	51	347	30%	LOSP - 30% of income
1BR	1	757		Resident Manager
TOTAL:	104			

Grand total:	258
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1.2.5. Mixed Use Commercial Spaces

ECS CHEFS Program on Mission Street will provide job training to people who are experiencing or have experienced homelessness, including residents, and will activate Mission Street. ECS is expanding the CHEFS program, which has been operated at ECS' Canon Kip Community House for the last 15+ years. The CHEFS program is a professional-level, culinary training program that provides instruction in hard and soft skills necessary for entry into the food service industry. Students are provided with classroom instruction, in-kitchen hands-on training and an internship at a local restaurant or institutional kitchen setting. There is no cost to the students for the training. ECS for the last several years has offered catering services with meals prepared by CHEFS through

its social enterprise, CHEFS Kitchen. The 5,391 sf CHEFS space at 1064 Mission is designed to allow for the catering aspect of the CHEFS program to expand to provide CHEFS students and graduates with transitional employment, helping students develop job skills. The focus of the catering program will be the job skills development of the graduates and is not profit generating. ECS has the goal of creating a “front of house” window on Mission Street where trainees can learn how to sell culinary goods to the public. The CHEFS Program will be operated independently of the residential projects, and no LOSP funds will support the operation of the job training program.

Maria X Martinez Health Resource Center - the site incorporates a 20,000 sf Homeless Services Center (HSC) facing Stevenson Street on the ground floor to be co-operated and co-owned by the Department of Public Health (DPH) and the Department of Homelessness and Supportive Housing (HSH). The HSC is now named the *Maria X Martinez Health Resource Center*, in recognition of a longtime DPH employee who was pivotal in the creation of the health center as the Director of Whole Person Care. It includes an Urgent Care Clinic, dentistry, Street Medicine team and the San Francisco Homeless Outreach Team (SF HOT). Mercy has served as the developer of the Maria X Martinez Health Resource Center and has worked closely with DPH and HSH staff.

The CHEFS and the Maria X Martinez Health Resource Center spaces will be operated under separate budgets by their respective owners and both spaces will contribute to cover their insurance, maintenance and Common Area Maintenance (CAM) costs. The cost reimbursement for joint use and maintenance is outlined in the recorded Reciprocal Easement Agreement (REA). These commercial space costs, totaling \$60,500 in Year 1, were not included in the residential budget for comparison purposes to the earlier approved budget, because they have no impact on the residential budget.

2. OPERATING BUDGET SUMMARY

2.1. Annual Operating Budget Overview Summary

While the two permanent supportive housing projects were financed as one with one Limited Partnership structure, the Adult and Senior buildings will be operated as two separate projects with separate staffing structures to manage operations at a standard scale. This proposed LOSP budget combines the operating costs of the two properties for simplicity, and they will be reported as one project on the Annual Monitoring Report with one audit. The updated budget was created by using actuals from comparable projects owned by ECS with similar unit counts, populations, and building characteristics.

Proposed operating expenses are around 10% higher than operating costs proposed at the gap financing request in September 2019. The increase from \$14,400 PUPA to \$15,900 PUPA before reserves and fees reflects increases in administration expenses, staffing, utilities, maintenance & repairs and insurance.

Total operating expenses are budgeted at \$4,106,587, or \$15,917 PUPA before reserves and fees. Please see Attachment B for a first-year operating budget. These expenses are within the higher end of the standard range when compared to large supportive housing projects in MOHCD’s portfolio; see Section 3 for an analysis of these expenses against similar LOSP-supported properties.

2.2. Residential Income

Tenant Rents: Tenant rents are assumed at \$225 / unit / month, and tenants will pay 30% of their income in rent per LOSP policy. The units in the project are income-restricted by MOHCD at 30% AMI for No Place Like Home units and 50% AMI for the remainder of units:

LOSP Subsidy: The LOSP subsidy in the Year 1 Operating Budget is proposed at \$3,595,648 (\$14,936 PUPA and \$1,161 PUPM).

Effective Gross Income: Between tenant rents and the LOSP subsidy, the effective gross income for Year 1 is \$4,252,288.

Vacancy Loss: 5% of tenant rents per Underwriting Guidelines

2.3. Operating Expenses. Operating expenses total \$4,106,587 or \$15,917 PUPA.

2.3.1 Staffing Plan

The proposed staffing plan is robust with 14.4 FTE plus contracted maintenance and janitorial staff. It includes 1 Senior Property Manager for each site, .6 Assistant Property manager for the adult building and .4 Assistant Property Manager for the senior building, 24/7 desk clerk coverage for each site, contracted out maintenance and janitorial, and 2 FTE ambassador staff for open space monitoring while it is open to the public. This staffing plan represents a property management staff to household ratio of 1 to 18. (By comparison, Mission Bay South 9, a recently approved LOSP OCII 100% homeless project also built using modular construction, has a staff to household ratio of 1 to 12.5 for the 141-unit supportive housing property, with in house maintenance and janitorial.) Salaries for property management staff (not including contracted maintenance and janitorial) total \$580,900K for the first year. Proposed property management staffing is as follows:

<i>1064 Mission Staffing Plan</i>	Adult Housing		Senior Housing		Total	
	FTE	Salary	FTE	Salary	FTE	Salaries
Senior Property Mgr.	1	\$ 79,040	1	\$ 79,040	2	\$ 158,080
Asst. Property Mgr.	0.6	\$ 49,275	0.4	\$ 49,275	1	\$ 98,550
Desk Clerk	4.2	\$ 168,731	4.2	\$ 168,731	8.4	\$ 337,462
Maintenance	Contracted out		Contracted out		Contracted out	
Janitor	Contracted out		Contracted out		Contracted out	
Open Space Community Staff	2	\$ 93,600	1	\$ -	3	\$ 93,600
Total FTEs and Expenses	7.8	\$ 297,046	6.6	\$ 297,046	14.4	\$ 687,692
Affordable Units		153		103		256
Manager Units		1		1		2
staff to household ratio	1 to	18				

2.3.2. Third Party Contracted Maintenance

The Caritas property management model has contracted out maintenance, which includes the following:

Maintenance Contracts:

Item	\$ amount	Assumption
Janitor Contract	265,000	\$9,012/mo Janitorial Contract per Building (based on actual rate plus 5% due to building size) for common areas, community space, courtyard, sidewalk
Exterminating	45,500	\$15pupm, includes extra service for bed bugs due to uncertainty of new population moving into building.
Desk Clerk Contract	133,898	20% coverage for vacation, sick, weekends, etc., when regular FT desk clerks are unavailable
Grounds Contract	\$41,000	Courtyard and community space maintenance, care of plants, etc.
Repairs Contract	\$434,000	2 Handypersons (\$48/hr) at each property providing maintenance throughout the year (contracted), routine repairs, hauling, plumbing, painting, other maint.
Decorating Contract	\$26,000	For unit turnover and unit furnishings at turnover as needed
Total	945,398	

2.3.3. Open Space Personnel

Unique to this site is Open Space personnel staffing. The project’s Mission street façade, which is the entry for the Senior building, also incorporates a publicly accessible private open space which connects Jessie and Mission Streets and creates additional opportunities for public art, bicycle parking, and connection to the broader community. Incorporation of open space for public use was recommended in the Request for Qualifications, based on surrounding community feedback on the needs of the neighborhood. Open Space personnel to staff this space has been envisioned through design and predevelopment, and this budget includes 2 ambassador staff for public use hours of Tuesday through Saturday, 9 AM to 5 PM, at an annual cost of \$93,600. These ambassadors will monitor the public space and help facilitate positive interactions between residents and the public. Outside of these hours, the public would not have access to the open space.

2.3.4. HSH contracted ambassadors for surrounding blocks

Outside of the operating and service budgets, HSH is contracting with a provider for Street Ambassador services that will provide street activation support along targeted corridors that are home to new and/or existing HSH-funded shelter and PSH sites. The teams are intended to be responsive to neighborhood concerns regarding street safety and cleanliness and to help promote community acceptance of sites serving currently and formerly homeless residents. This ambassador contract will be jointly funded by DPH and HSH and will meet the obligations the City agreed to in the settlement agreement to fund and contract for ambassador services for the 500 block of Stevenson Street that are substantially similar to the services currently being provided by Urban Alchemy in this area. During the period defined in the settlement agreement, this team will be on the street from 6:00 pm to 7:00 am Monday through Saturday and 7:00 am to 7:00 am Sunday to Monday.

Services in the priority corridor that encompasses the area surrounding the planned new health clinic and PSH site at 1064-1066 Mission Street will begin in June 2022. The initial boundaries of the area to be covered extend beyond those required in the settlement agreement and are projected to be roughly 2 blocks bounded by the following streets:

- Stevenson Street on the west
- 6th Street on the north
- Minna Street on the east
- Angelo’s Alley on the south

The ambassador scope of services for this priority corridor will include a requirement to coordinate with ECS as the owner/operator of 1064-66 Mission. To meet this requirement, HSH programs staff recommends ECS and the ambassador provider develop an MOU to lay out lines of communication and coordination. The ambassador scope of services will also include a requirement to join coordination meetings as requested by HSH, attend appropriate neighborhood meetings and provide reports to HSH and community stakeholders as needed. The provider will coordinate regularly with HSH to determine the areas to which Ambassador teams are deployed and the duration of the deployment, and will communicate any changes to the HSH-funded shelter and PSH sites within this area. The ambassador provider will consult with HSH funded programs in the corridor such as ECS to ensure the ambassador services are responsive to the needs of PSH residents and neighbors as it relates to the conditions of and activities on the streets within the corridor. Ambassadors are not security guards, but by establishing a regular presence in the community and by getting to know local residents, they contribute to a sense of improved security in the neighborhood. Ambassador staff are unarmed and will be trained in de-escalation, CPR, and overdose prevention, as well as how to summon other homelessness street response teams, 911 for emergency response, and DPW for street cleaning as needed. Goals of the ambassador services include activating the streets to improve street safety for residents and community members in the area, including reducing loitering and tenting through partnerships with the City’s street outreach teams include SFHOT and HSOC.

The HSH ambassador service contract awarded pursuant to this Solicitation shall be non-exclusive with an original term of four years. The City at its sole, absolute discretion, shall have the option to extend the term for a total of 10 years.

2.4. Annual Operating Expenses Evaluation

Operating Proforma		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Debt Service Coverage Ratio is between minimum 1.10:1 and maximum 1.15:1 at year 15	N/A	N/A given that there is no debt service and the operating budgets have no cashflow assuming 100% LOSP subsidy coverage
Debt Service Coverage Ratio stays above 1.00:1 for entirety of projected 20-year cash flow	N/A	DSC stays at 1:1 as 100% LOSP project
Vacancy meets TCAC Standards	Y	Vacancy is budgeted at 5% of tenant rents
Annual Income Growth is increased at 2.5% per year, can be at 1% for formerly homeless households on public benefits	Y	Income escalation factor is 1% for tenant rents given the past history of increase in SSI, which is reasonable for PSH units

Annual Operating Expenses are increased at 3.5% per year	Y	Expenses escalation factor is 3.5%
Base year operating expenses per unit are reasonable per comparables	Y	Total Operating Expenses are \$15,900 PUPA for Year 1; please see comparison analysis below
Property Management Fee is at allowable HUD Maximum	Y	Total Property Management Fee is \$250,776, \$81 / month which meets the HUD 2019 West Region allowable Property Management Fees schedule. (\$54 for CA+ \$3 for operating subsidy, +\$3 for disabled, +\$1 for properties with tenant-based utilities where property management must do a UA study, +\$4 for BBC energy analysis, \$2/year for homeless preference, + \$13 for special fees)
Property Management staffing level is reasonable per comparables	Y	Total FTE of 14.4 for 256 units is reasonable given the target population, location and goals of the project, and assume that maintenance and janitorial is contracted out. Request includes the atypical staffing pattern of 2 ambassadors to serve as Open Space Community Staff to monitor and facilitate the open space that was part of the RFQ goals during the hours that it is open.
Maintenance and Janitorial Contracts	Y	The sponsor contracts out maintenance and janitorial services and repair contracts as described in the table above.
Asset Management and Partnership Management Fees meet standards	N	The proposed <u>Annual Asset Management Fee</u> is \$35,000, reflecting 1.5 one asset management fee for both projects. The proposed <u>Partnership Management Fee</u> is \$35,000, reflecting 1.5 Partnership Management Fee even though there is only one limited partnership, exceeding the standard of \$23,460 for one project, as was presented in operating and closing budget. In recognition of the complexity of the two projects with one limited partnership owner, MOHCD staff recommends the Asset Management Fee and Annual Partnership Management Fee each sized at \$35,000 / year.
Replacement Reserve Deposits meet or exceed TCAC minimum standards	Y	Replacement Reserves are \$400 per unit per year
Limited Partnership Asset Management Fee meets standards	Y	LP Asset Management Fee is proposed at \$5,000 / year without escalation.

2.5. 20-Year Cash Flow

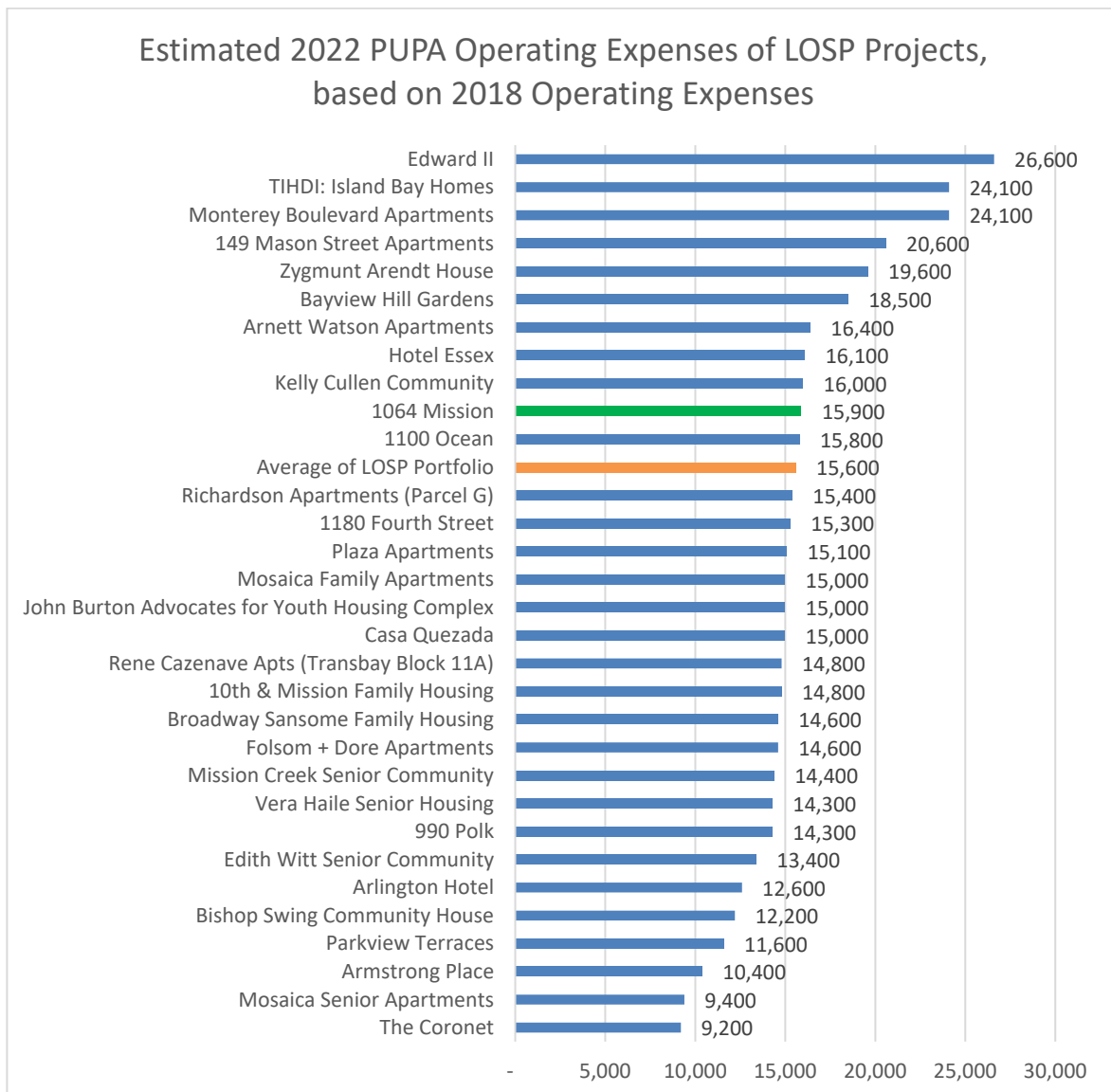
- The LOSP subsidy funds a break-even budget.
- Tenant rental income is escalated at 1% for formerly homeless households largely living on SSI or other governmental assistance income with a very low historic rate of increase.
- Residential vacancy rate is 5%
- All operating expenses are escalated at 3.5%

3. OPERATING COSTS COMPARATIVE ANALYSIS

To evaluate the proposed budget for 1064-66 Mission Street and its relative cost to supportive housing projects of similar size, MOHCD staff compared the project’s proposed operating expenses to the operating expenses of other LOSP supportive housing projects.

3.1. Comparison with Other Supportive Housing

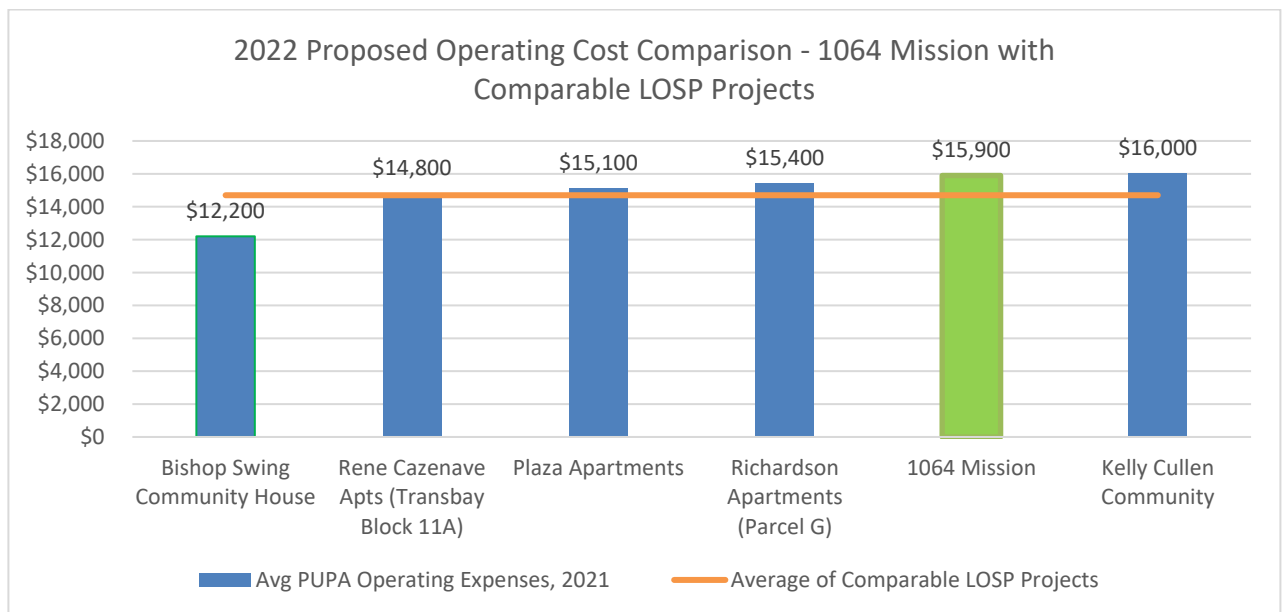
In 2018, there were a total of 32 LOSP funded supportive housing projects in the MOHCD portfolio. Total operating expenses (before reserve deposits) for these projects, escalated from 2018 to 2022, average \$15,600 per unit per annum (“PUPA”), with a range from \$9,200 to \$24,100 PUPA. One of the primary determinants of PUPA operating expenses is project size, with PUPA operating expenses generally higher for smaller and scattered site buildings and lower for larger buildings. With proposed operating expenses at \$15,900 PUPA, the Project has higher per unit operating costs than the average across the existing LOSP portfolio, and is exceeded by mainly smaller supportive housing projects which lack economies of scale. Please see the chart below for an operating expense comparison.



3.2. Comparison to Other Similar Sized 100% Supportive Projects

Because the percentage of supportive units and overall project scale varies so widely, it is appropriate to review expenses in comparison to more similar sized projects. As shown in the chart below with five comparable projects, 1064-66 Mission’s per unit’s operating costs are somewhat higher than four comparable projects on a per unit basis, and just under per unit operating costs at Kelly Cullen Community, the second largest permanent supportive housing project in a historic renovated building with 175 units. It is solidly in the range of operating costs of these comparison projects.

Mission Bay South 9, another large 100% PSH project, is not included on the chart because it has not started operations. For comparison, at 141units, it has an anticipated per unit operating cost of \$14,100.



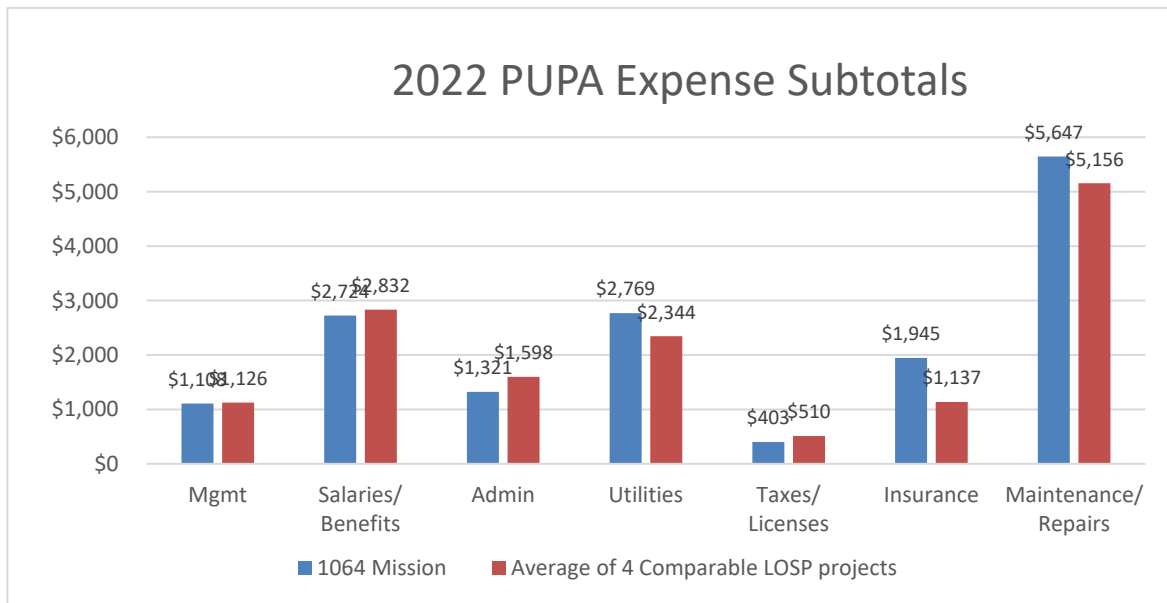
3.3. Subcategories of Operating Expenses

Operating costs per category generally track or are slightly under the average for several categories when compared to the other comp project costs on a per unit basis, but are higher for Utilities, Insurance and Maintenance and Repairs.

- Utilities are higher at \$2,769 PUPA versus an average of \$2,344 PUPA across the comparable projects. The budget is based on ECS comparison projects, and reflect steep increases in utility costs over the last several years, which rates of increase aren’t captured in the 2018 base operating costs as a starting point.
- Insurance costs have also come in much higher than comparison projects with a cost of \$1,945 PUPA versus \$1,137 PUPA for the average of comp projects. In the past two years, ECS has seen an increase of around 15% in their insurance premiums. The increase is due to general increases across the insurance market due to losses across the country (wildfire, wind, severe storm, etc). ECS also had several claims in 2022 for fire and flood. ECS is working with the insurance carriers to establish targets to bring down the

premiums over time. With TCO pushed to August 2022, the insurance broker is working to finalize a quote by late June / early July. The estimate received increases the premium for the initial year to \$472,000 for both projects. ECS is concerned that the rate of increase of insurance premiums will exceed the 3.5% annual escalator. MOHCD Staff proposes as a condition that if the insurance quote comes in at a significantly lower cost (10% or greater), an adjustment be made in the LOSP budget to reflect the final first year cost.

- Maintenance and Repairs are also higher at \$5,647 PUPA versus \$5,156 at comparable sites. This higher cost reflects the inclusion of the two ambassador staff for the public space, as well as the contracted-out maintenance and janitorial service.



4. SUPPORT SERVICES PLAN AND HSH EVALUATION

4.1. Supportive Services Plan

ECS will coordinate and provide comprehensive support services for the adult and senior permanent supportive housing developments, with half of the referrals meeting the NPLH target population of homeless with serious mental illness. HSH and ECS have been collaborating in service planning for this project from inception and have been holding regular services planning meetings since Fall 2021.

CASE MANAGEMENT: ECS will provide client-centered case management and other supportive services to the 153 formerly homeless single adults and the 103 formerly homeless seniors who will reside at 1064-1068 Mission Street. These on-site services are designed to attain three primary goals: achieve housing stability and increased quality of life, foster increased self-sufficiency, and maintain housing. Case managers offer residents a wide array of information and referrals with an eye to stabilizing in housing and preventing eviction. Other crucial services provided include assistance meeting basic needs such as food security, clothing, and maintaining a clean and safe living space, providing assistance identifying, applying for and/or enrolling in benefit programs, access to medical services, legal advocacy, and substance abuse treatment with an emphasis on

harm reduction. Services staff also work with tenants around building healthy relationships and communication skills with others, with a focus on developing problem-solving skills, mediation and conflict resolution.

ON-SITE MENTAL HEALTH SERVICES: ECS remains committed to its goal to increase resources and capacities to better address the anticipated mental health needs of the tenants who will reside at 1064-1068 Mission Street. Almost half of the referrals to the two buildings will come from the No Place Like Home program (76 of the 153 single adults, and 51 of the 103 seniors), entering housing with significant behavioral/emotional needs and functional impairments. Unmet mental health needs will also be seen in the non-NPLH residents. ECS continues working toward expanding the MediCal billable clinical services currently offered by the ECS Behavioral Health Team in shelter to residents at permanent supportive housing sites where ECS provides case management services.

Three behavioral health direct services staff are included in the staffing pattern across the two sites, through DPH MediCal funding. Program clinicians will provide a wide range of mental health services, including assessment, treatment plan development, case management brokerage, individual/group therapy, individual/group rehabilitative skill building, crisis management, and act as a liaison between on-site staff and community mental health providers, including the DPH Permanent Housing Advanced Clinical Services Team. The ECS clinicians provide individually tailored services to promote wellness, identify and mitigate risky behaviors, and improve client's functioning levels at the home and in the community. Clinicians provide intensive and consistent services that address client needs and move them towards stability within the housing program. Clinical interventions will be based in Motivational Interviewing, Trauma-Focused Cognitive Behavioral Therapy, and Harm Reduction evidence-based practices.

PHYSICAL HEALTH SERVICES: ECS is entering into a MOU with St. Anthony's Medical Clinic, a FQHC clinic that provides patient-centered primary care services. A Registered Nurse (RN) and medical assistant will provide services to residents in the on-site clinic, including medication assistance and follow-up on referrals for specialty care, and will be integrated into the on-site care team to ensure care coordination. The clinic will also provide transportation to assist residents to access specialized services in their primary clinic, which is located approximately 0.4 miles away. Specialized services include Medication Assisted Treatment, Ophthalmology, Podiatry, Behavioral Health including Psychiatric Services.

In addition, ECS maintains a long-term partnership with Samuel Merritt University School of Nursing, which provides two-to-three nursing interns per site each academic semester to work with and educate all residents regarding health-related issues. The nursing interns conduct on-site health screenings, blood pressure checks, medication consultations, and group workshops.

IHSS BUILDING SPECIFIC CARE TEAM: Both sites will work with a designated IHSS social worker as part of a collaborative caregiver support team (CCST) between IHSS, support services and property management. In addition, a Building Specific Care Team (BSCT) program will be developed at both the single adult and senior buildings through a partnership between ECS, IHSS, and Homebridge. Homebridge's BSCT model maximizes collaboration and support for both clients and caregivers. As employer and manager of the IHSS Care Workers, Homebridge will focus care to residents by minimizing the number of IHSS workers on-site and matching the needs of residents to the skills of the IHSS workers. Homebridge will train and supervise the IHSS Care Workers who will work with residents around all activities of daily living needs, with the IHSS Care Managers reassessing resident needs 3 times a year to ensure health and safety risks are being addressed to promote housing retention. By integrating case management, intensive supervision of caregivers, and caregiver training, the BSCT model tailors IHSS services to the personal, changing, and frequently-intensive client needs, promoting housing stability and retention.

SENIOR-SPECIFIC SERVICES: Case management for older adults who will reside in the senior building, as well as seniors in the single adult building, will include close collaboration with ECS’s Director of Healthy Aging, and the nearby Canon Kip Senior Center, as well as connecting community-based organizations such as DAS, Curry Senior Center, On Lok, Felton, Open House (LGBTQ senior services), and others that will focus on meeting the needs of the older adults that will be residing at the property. ECS is working with DAS to provide a community meal program that will serve residents at 1066 Mission. ECS’s Roving Senior Center will bring senior-focused enrichment activities to these two sites, focusing on the health and wellness needs of older adults.

4.2. Staffing Plan.

The following tables illustrate the proposed on-site services staffing at the property. Additional staff necessary to support the services are reflected in the full program budget.

Single Adult Building

Position	FTE	Description	Time Allocation
Support Services Mgr.	1.0	On-site program management and planning; supervision for case managers.	On-site 5 days/week 8 hours/day
Asst. Support Services Mgr.	1.0	Assists SSM with on-site program management and planning; Intake, assessment, and service planning for 25-28 homeless households.	On-site 5 days/week 8 hours/day
Case Manager III	3.0	Intake, assessment, and service planning for 75 homeless households.	On-site 5 days/week 8 hours/day
Bilingual Case Manager	2.0	Intake, assessment, and service planning for 50 homeless households, with specific focus on monolingual and ESL Spanish-speaking residents.	On-site 5 days/week 8 hours/day
Behavioral Health Staff	1.5	Provide case management/brokerage and mental health services for residents utilizing caseloads of 17 residents per clinician; crisis management; liaison between on-site staff and DPH enhanced services team.	On-site 5 days/week 8 hours/day
Total	8.5		

Senior Building

Position	FTE	Description	Time Allocation
Support Services Mgr.	1.0	On-site program management and planning; supervision for case managers.	On-site 5 days/week 8 hours/day
Case Manager III	3.0	Intake, assessment, and service planning for 75 homeless households.	On-site 5 days/week 8 hours/day
Bilingual Case Manager	1.0	Intake, assessment, and service planning for 50 homeless households, with specific focus on monolingual and ESL Spanish-speaking residents.	On-site 5 days/week 8 hours/day

Behavioral Health Staff	1.5	Provide case management/brokerage and mental health services for residents utilizing caseloads of 17 residents per clinician; crisis management; liaison between on-site staff and DPH enhanced services team.	On-site 5 days/week 8 hours/day
Total	6.5		

4.3. Service Budget.

The current proposed HSH support services budget for the two sites is \$1,633,309 for FY 2022-23. The HSH support services budget funds 13 FTE Services Staff based on-site, at a case manager to household ratio of 1:23 for the 11 positions that will provide case management. In addition, DPH is contracting with ECS to provide 3 FTE direct services clinical staff, funded through a HSH work order and Medi-Cal billing. The total year 1 services funding from General Fund is \$1,799,309. This results in a per unit annual cost of \$7,029.

		7/1/2022 - 6/30/2023
Expenditures		
Salaries & Benefits		\$1,283,788
Operating Expense		\$136,480
Subtotal		\$1,420,268
Indirect Percentage		15%
Indirect Cost (Line 21 X Line 22)		\$213,040
Other Expenses (Not subject to indirect %)		
Capital Expenditure		
Total Expenditures		\$1,633,309

4.4. HSH Assessment of Service Plan and Budget

HSH has reviewed the services plan and budget and has confirmed that it is appropriate for the building and target population. 1064-66 Mission Street will serve homeless and chronically homeless adults and older adults, including residents with severe mental illness and co-occurring disorders. The services plan includes a continuum of services including case management, behavioral health, physical health and In-Home Support Services integrated into the site care team. The proposed services plan reflects best practices to provide participant-centered services through a trauma-informed, harm reduction approach. The \$7,029 PUPA services budget is appropriate for a 100% supportive housing project serving a high acuity target population with complex needs. HSH is in process of executing the support services agreement with ECS.

5. CONCLUSION

The proposed operating budget for 1064-66 Mission reflects robust staffing which is appropriate for the project structure, intended target population and location. The development will have comprehensive services in place to address the needs of the target population. Operating costs are

reasonable for these 256 units targeted to adults and seniors who have experienced homelessness, half of whom meet the mental health eligibility criteria of the No Place Like Home program.

6. RECOMMENDED CONDITIONS

- The final insurance quote will be shared with MOHCD in July; if the insurance quote comes in at a significantly lower cost (10% or greater), an adjustment will be made in the LOSP budget to reflect the final first year insurance cost.
- Given the 30-year contract term, the project will be re-underwritten at the 15th year of operations to ensure that it is appropriately sized after stabilization and long-term operation. The remaining 15-year contract amount will be re-sized if warranted.

7. LOAN COMMITTEE MODIFICATIONS

8. LOAN COMMITTEE RECOMMENDATION

Approval indicates approval with modifications, when so determined by the Committee.

APPROVE. DISAPPROVE. TAKE NO ACTION.

Eric D. Shaw, Director
Mayor's Office of Housing and Community Development

Date: _____

APPROVE. DISAPPROVE. TAKE NO ACTION.

Salvador Menjivar, Director of Housing
Department of Homelessness and Supportive Housing

Date: _____

APPROVE. DISAPPROVE. TAKE NO ACTION.

Thurston Kaslofsky, Executive Director
Office of Community Investment and Infrastructure

Date: _____

APPROVE. DISAPPROVE. TAKE NO ACTION.

Anna Van Degna, Director
Controller's Office of Public Finance

Date: _____

- Attachments:
- A. LOSP Program Description
 - B. 1st Year Operating Budget
 - C. 20-Year Operating Pro Forma
 - D. LOSP Funding and Disbursement Schedule A

Chavez, Rosanna (MYR)

From: Shaw, Eric (MYR)
Sent: Friday, June 3, 2022 11:50 AM
To: Chavez, Rosanna (MYR)
Subject: 1064-66 Mission Street Request for LOSP Contract

Approve

Eric D. Shaw
Director/ Interim Director HopeSF

Mayor's Office of Housing and Community Development
City and County of San Francisco
1 South Van Ness Avenue, 5th Floor

Chavez, Rosanna (MYR)

From: Menjivar, Salvador (HOM)
Sent: Wednesday, June 15, 2022 1:41 PM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: 1064-66 Mission

I approve Mercy Housing & ECS request of up to \$201,722,774 for 30 years to subsidize operations of a total of 256 studio units of permanent supportive housing plus two 1-bedroom resident manager units for adjacent adult and senior supportive housing projects at 1064 and 1066 Mission.

Best,

salvador



Salvador Menjivar
Director of Housing
Pronouns: He/Him
San Francisco Department of Homelessness and Supportive Housing
salvador.menjivar1@sfgov.org | 415-308-2843

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Chavez, Rosanna (MYR)

From: Colomello, Elizabeth (CII)
Sent: Friday, June 3, 2022 11:25 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR); Kaslofsky, Thor (CII)
Subject: 1064-66 Mission Street Request for LOSP Contract

Hi Rosie-
I approve the subject request for funding on behalf of OCII.
Thanks-
Elizabeth

Chavez, Rosanna (MYR)

From: Katz, Bridget (CON)
Sent: Friday, June 3, 2022 11:26 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: Request for LOSP Funding for 1064 Mission St

Approve

Bridget Katz

Development Finance Specialist, Office of Public Finance

Controller's Office | City & County of San Francisco

Office Phone: (415) 554-6240

Cell Phone: (858) 442-7059

E-mail: bridget.katz@sfgov.org

Attachment A: LOSP Program Description

As part of the City and County of San Francisco's effort to address the needs of the growing homeless population, the City has prioritized the development of non-profit owned and operated permanent supportive housing for formerly homeless individuals and families. While capital financing can be leveraged for this population, stakeholders realized these units cannot be feasibly operated at the scale needed if they rely solely on scarce federal or state operating subsidies.

In June 2004, the City launched its *Ten Year Plan to Abolish Chronic Homelessness* (the 2004 10-Year Plan), a multifaceted approach that included a locally funded operating subsidy as a key element and established the Local Operating Subsidy Program (LOSP) in 2006 to support the creation of permanent supportive housing at a large scale. The operating subsidy leverages capital financing by integrating homeless units into Low Income Housing Tax Credit projects without burdening them with operating deficits. LOSP was created by the Mayor's Office of Housing and Community Development (MOHCD) in partnership with the Department of Public Health (DPH) and the Human Services Agency (HSA).

On July 1, 2016, the City's diverse programs addressing homelessness were brought under the new Department of Homelessness and Supportive Housing (HSH), which combines key homeless-serving programs and contracts previously located across several City departments. The new department consolidates the functions of DPH Direct Access to Housing (DAH) and HSA Housing & Homeless programs. San Francisco utilizes a Coordinated Entry System (CES) for all homeless populations to best match households to the appropriate intervention and ensure those with the highest needs are prioritized.

Through grant agreements with MOHCD, which are subject to annual appropriations by the Board of Supervisors, LOSP pays the difference between the cost of operating housing for homeless persons and all other sources of operating revenue for a given project, such as tenant rental payments, commercial space lease payments, or other operating subsidies. HSH refers homeless applicants to the housing units as well as provides services funding to the projects under a separate contract.

Attachment B: 1st Year Operating Budget

Application Date: Total # Units: First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations):	LOSP Units		Non-LOSP Units		Project Name: Project Address: Project Sponsor:	1064-1066 Mission Street 1064-1066 Mission St Episcopal Community Services of SF & Mercy Housing CA	Comments
	258	258	0	0			
	LOSP/non-LOSP Allocation						
2022	100%	0%			Correct errors noted in Col N!		
INCOME	LOSP	non-LOSP	Total				
Residential - Tenant Rents	691,200	0	691,200	Links from 'New Proj - Rent & Unit Mix' Worksheet	Alternative LOSP Split		
Residential - Tenant Assistance Payments (Non-LOSP)	0	0	0	Links from 'New Proj - Rent & Unit Mix' Worksheet	Residential - Tenant Assistance Payments (N		
Residential - LOSP Tenant Assistance Payments	3,595,648	0	3,595,648				
Commercial Spaces	0	0	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%			
Residential Parking	0	0	0	Links from 'Utilities & Other Income' Worksheet			
Miscellaneous Rent Income	0	0	0	Links from 'Utilities & Other Income' Worksheet	Alternative LOSP Split		
Supportive Services Income	0	0	0		Supportive Services Income		
Interest Income - Project Operations	0	0	0	Links from 'Utilities & Other Income' Worksheet			
Laundry and Vending	0	0	0	Links from 'Utilities & Other Income' Worksheet	Projected LOSP Split		
Tenant Charges	0	0	0	Links from 'Utilities & Other Income' Worksheet	Tenant Charges		
Miscellaneous Residential Income	0	0	0	Links from 'Utilities & Other Income' Worksheet			
Other Commercial Income	0	0	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	Alternative LOSP Split		
Withdrawal from Capitalized Reserve (deposit to operating account)	0	0	0		Withdrawal from Capitalized Reserve (deposit		
Gross Potential Income	4,286,848	0	4,286,848				
Vacancy Loss - Residential - Tenant Rents	(34,560)	0	(34,560)	Vacancy loss is 5% of Tenant Rents.			
Vacancy Loss - Residential - Tenant Assistance Payments	0	0	0	#DIV/0!			
Vacancy Loss - Commercial	0	0	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%			
EFFECTIVE GROSS INCOME	4,252,288	0	4,252,288	PUPA: 16,482			
OPERATING EXPENSES							
Management							
Management Fee	250,776	0	250,776	Increased to HUD maximum as recommended by MOHCD	Alternative LOSP Split		
Asset Management Fee	35,000	0	35,000	MOHCD approved amount	Management Fee		
Sub-total Management Expenses	285,776	0	285,776	PUPA: 1,108	Asset Management Fee		
Salaries/Benefits							
Office Salaries	347,586	0	347,586	24/7 Desk Clerks (4.2 FTE at each building)	Alternative LOSP Split		
Manager's Salary	233,307	0	233,307	2 FTE managers, 1 FTE assistant manager split 60/40 Adult/Senior Buildings	Office Salaries		
Health Insurance and Other Benefits	121,985	0	121,985	Site property staff health, dental insurance and benefits.	Manager's Salary		
Other Salaries/Benefits	0	0	0	Compliance/Occupancy Services	Health Insurance and Other Benefits		
Administrative Rent-Free Unit	0	0	0	There is a staff unit at each building.	Other Salaries/Benefits		
Sub-total Salaries/Benefits	702,878	0	702,878	PUPA: 2,724	Administrative Rent-Free Unit		
Administration							
Advertising and Marketing	0	0	0	No advertising/marketing expense			
Office Expenses	56,030	0	56,030	Office supplies, postage, computer support, copier lease, Yardi, etc.			
Office Rent	0	0	0	No office rent expense.	Projected LOSP Split		
Legal Expense - Property	85,000	0	85,000	For stipulated agreements, evictions, etc.	Legal Expense - Property		
Audit Expense	32,000	0	32,000	Based on actual cost of annual audits at similar size properties			
Bookkeeping/Accounting Services	29,412	0	29,412	\$9.50 pupm is the CMC standard for annual bookkeeping/accounting services.	Projected LOSP Split		
Bad Debts	61,440	0	61,440	Write-off bad debts for tenant charges not paid	Bad Debts		
Miscellaneous	76,987	0	76,987	Telephone, WiFi, misc rent expenses, staff training, payroll fees, building supplies			
Sub-total Administration Expenses	340,869	0	340,869	PUPA: 1,321			
Utilities							
Electricity	162,024	0	162,024	\$52/pupm based on average of actual costs at similar-size buildings	Projected LOSP Split		
Water	208,464	0	208,464	\$67/pupm based on average of actual costs at similar-size buildings	Electricity		
Gas	82,865	0	82,865	\$27/pupm based on average of actual costs at similar-size buildings			
Sewer	261,096	0	261,096	\$84/pupm based on average of actual costs at similar-size buildings			
Sub-total Utilities	714,449	0	714,449	PUPA: 2,769			
Taxes and Licenses							
Real Estate Taxes	30,000	0	30,000	SOMA West Community District Benefit Tax (based on actual paid at similar size properties in portfolio)	Alternative LOSP Split		
Payroll Taxes	70,785	0	70,785	Based on site property staff salary costs and effective rate of historical actual costs	Real Estate Taxes		
Miscellaneous Taxes, Licenses and Permits	3,200	0	3,200	Partnership Tax and other licenses/permits fees	Payroll Taxes		
Sub-total Taxes and Licenses	103,985	0	103,985	PUPA: 403			
Insurance							
Property and Liability Insurance	472,000	0	472,000	Recent quote by Insurance Carrier for entire property (both buildings)			
Fidelity Bond Insurance	0	0	0	None	Alternative LOSP Split		
Worker's Compensation	29,822	0	29,822	Based on site property staff salary costs and effective rate of historical actual costs	Worker's Compensation		
Director's & Officers' Liability Insurance	0	0	0	None			
Sub-total Insurance	501,822	0	501,822	PUPA: 1,945			
Maintenance & Repair							
Payroll	0	0	0	None	Alternative LOSP Split		
Supplies	149,200	0	149,200	Janitorial, Exterminating, Ground, Decorating, and Repair	Payroll		
Contracts	945,398	0	945,398	Janitorial, Ground, Decorating, Desk Clerk, and Repair	Supplies		
Garbage and Trash Removal	201,240	0	201,240	\$65/pupm based on weighted average of actual costs at similar-size properties	Contracts		
Security Payroll/Contract	123,470	0	123,470	See additional notes attached.	Alternative LOSP Split		
HVAC Repairs and Maintenance	0	0	0	None	Security Payroll/Contract		
Vehicle and Maintenance Equipment Operation and Repairs	0	0	0	None			
Miscellaneous Operating and Maintenance Expenses	37,500	0	37,500	Includes Elevator and Other Maintenance Misc.			
Sub-total Maintenance & Repair Expenses	1,456,808	0	1,456,808	PUPA: 5,647			
Supportive Services	0	0	0		Alternative LOSP Split		
Commercial Expenses	0	0	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	Supportive Services		
TOTAL OPERATING EXPENSES	4,106,587	0	4,106,587	PUPA: 15,917			
Reserves/Ground Lease Base Rent/Bond Fees							
Ground Lease Base Rent	1	0	1	Ground lease with MOHCD	Provide additional comments here, if needed.		
Bond Monitoring Fee	2,500	0	2,500		Alternative LOSP Split		
Replacement Reserve Deposit	103,200	0	103,200	\$400 per unit	Replacement Reserve Deposit		
Operating Reserve Deposit	0	0	0		Operating Reserve Deposit		
Other Required Reserve 1 Deposit	0	0	0		Other Required Reserve 1 Deposit		
Other Required Reserve 2 Deposit	0	0	0				
Required Reserve Deposits, Commercial	0	0	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%			
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	105,701	0	105,701	PUPA: 410			
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)	4,212,288	0	4,212,288	PUPA: 16,327			
NET OPERATING INCOME (INCOME minus OP EXPENSES)	40,000	0	40,000	PUPA: 155			
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)							
Hard Debt - First Lender	0	0	0		Provide additional comments here, if needed.	Hard Debt - First Lender	
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Len	0	0	0		Provide additional comments here, if needed.	Hard Debt - Second Lender (HCD Program 0	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0	0	0		Provide additional comments here, if needed.	Hard Debt - Third Lender (Other HCD Program	
Hard Debt - Fourth Lender	0	0	0		Provide additional comments here, if needed.	Hard Debt - Fourth Lender	
Commercial Hard Debt Service	0	0	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%			
TOTAL HARD DEBT SERVICE	0	0	0	PUPA: 0			
CASH FLOW (NOI minus DEBT SERVICE)	40,000	0	40,000				
Commercial Only Cash Flow	0	0	0				
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)	40,000	0	40,000		Allocation of Commercial Surplus to LOSP/non-		
AVAILABLE CASH FLOW	40,000	0	40,000				
USES OF CASH FLOW BELOW (This row also shows DSCR.)							
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL							
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	0	0	0				
Partnership Management Fee (see policy for limits)	35,000	0	35,000	MOHCD approved amount			
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	5,000	0	5,000	Per NEF LOI	Alternative LOSP Split		
Other Payments	0	0	0		Other Payments		
Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)	0	0	0		Provide additional comments here, if needed.	Non-amortizing Loan Pmnt - Lender 1 (select)	
Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)	0	0	0		Provide additional comments here, if needed.		
Deferred Developer Fee (Enter amt => Max Fee from cell H30)	0	0	0	#DIV/0!	Provide additional comments here, if needed.	Deferred Developer Fee (Enter amt => Max F	
TOTAL PAYMENTS PRECEDING MOHCD	40,000	0	40,000	PUPA: 155			
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)	0	0	0				
Residual Receipts Calculation							
Does Project have a MOHCD Residual Receipt Obligation?			No	Project has MOHCD ground lease?	Yes		
Will Project Defor Developer Fee?			No				
Max Deferred Developer Fee/Borrower % of Residual Receipts in Yr 1:			100%				
% of Residual Receipts available for distribution to soft debt lenders in			0%				
Sum of DD F from LOSP and non-LOSP: Ratio of Sum of DDF and calculated 50%:							
Soft Debt Lenders with Residual Receipts Obligations							
MOHCD/OCII - Soft Debt Loans				(Select lender name/program from drop down)	Total Principal Amt	Distrib. of Soft Debt Loans	
MOHCD/OCII - Ground Lease Value or Land Acq Cost				All MOHCD/OCII Loans payable from res. recs		0.00%	
HCD (soft debt loan) - Lender 3				Ground Lease Value	\$10	100.00%	
Other Soft Debt Lender - Lender 4						0.00%	
Other Soft Debt Lender - Lender 5						0.00%	
MOHCD RESIDUAL RECEIPTS DEBT SERVICE							
MOHCD Residual Receipts Amount Due	0	0	0	0% of residual receipts, multiplied by 100% - MOHCD's pro rata share of all soft debt			
Proposed MOHCD Residual Receipts Amount to Loan Repayment	0	0	0	Enter/override amount of residual receipts proposed for loan repayment.			
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease	0	0	0	If applicable, MOHCD residual receipts amt due LESS amt proposed for loan repaym.			
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE	0	0	0				
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE							
HCD Residual Receipts Amount Due	0	0	0				
Lender 4 Residual Receipts Due	0	0	0				
Lender 5 Residual Receipts Due	0	0	0				
Total Non-MOHCD Residual Receipts Debt Service	0	0	0				
REMAINDER (Should be zero unless there are distributions below)							
Owner Distributions/Incentive Management Fee	0	0	0				
Other Distributions/Uses	0	0	0				
Final Balance (should be zero)	0	0	0				

Application Date:

Total # Units: 258
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations): **2022**

INCOME			
Residential - Tenant Rents		non-LOSP	Approved By (reqd)
Residential - Tenant Assistance Payments (Non-LOSP)	non-LOSP		
Residential - LOSP Tenant Assistance Payments			
Commercial Spaces			
Residential Parking			
Miscellaneous Rent Income	LOSP	non-LOSP	Approved By (reqd)
Supportive Services Income			
Interest Income - Project Operations			
Laundry and Vending	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Tenant Charges			
Miscellaneous Residential Income			
Other Commercial Income	LOSP	non-LOSP	Approved By (reqd)
Withdrawal from Capitalized Reserve (deposit to operating account) to operating account)			
Gross Potential Income			
Vacancy Loss - Residential - Tenant Rents			
Vacancy Loss - Residential - Tenant Assistance Payments			
Vacancy Loss - Commercial			
EFFECTIVE GROSS INCOME			

OPERATING EXPENSES			
Management			
Management Fee	LOSP	non-LOSP	Approved By (reqd)
Asset Management Fee			
Sub-total Management Expenses			
Salaries/Benefits			
Office Salaries	LOSP	non-LOSP	Approved By (reqd)
Manager's Salary			
Health Insurance and Other Benefits			
Other Salaries/Benefits			
Administrative Rent-Free Unit			
Sub-total Salaries/Benefits			
Administration			
Advertising and Marketing			
Office Expenses			
Office Rent	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Legal Expense - Property	100.00%	0.00%	
Audit Expense			
Bookkeeping/Accounting Services	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Bad Debts	100.00%	0.00%	
Miscellaneous			
Sub-total Administration Expenses			
Utilities			
Electricity	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Water	100.00%	0.00%	
Gas			
Sewer			
Sub-total Utilities			
Taxes and Licenses			
Real Estate Taxes	LOSP	non-LOSP	Approved By (reqd)
Payroll Taxes			
Miscellaneous Taxes, Licenses and Permits			
Sub-total Taxes and Licenses			
Insurance			
Property and Liability Insurance			
Fidelity Bond Insurance	LOSP	non-LOSP	Approved By (reqd)
Worker's Compensation			
Director's & Officers' Liability Insurance			
Sub-total Insurance			
Maintenance & Repair			
Payroll	LOSP	non-LOSP	Approved By (reqd)
Supplies	100.00%	0.00%	LOSP-specific expenses must be tracked at entry level in project's
Contracts			
Garbage and Trash Removal	LOSP	non-LOSP	Approved By (reqd)
Security Payroll/Contract			
HVAC Repairs and Maintenance			
Vehicle and Maintenance Equipment Operation and Repairs			
Miscellaneous Operating and Maintenance Expenses			
Sub-total Maintenance & Repair Expenses			
Supportive Services	LOSP	non-LOSP	Approved By (reqd)
Commercial Expenses			

TOTAL OPERATING EXPENSES			
Reserves/Ground Lease Base Rent/Bond Fees			
Ground Lease Base Rent			
Bond Monitoring Fee	LOSP	non-LOSP	Approved By (reqd)
Replacement Reserve Deposit			
Operating Reserve Deposit			
Other Required Reserve 1 Deposit			
Other Required Reserve 2 Deposit			
Required Reserve Deposits, Commercial			
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			

TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)

NET OPERATING INCOME (INCOME minus OP EXPENSES)			
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)			
Hard Debt - First Lender	LOSP	0.00%	100.00%
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)	non-LOSP	42% pymt, or other 2nd Lender	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	non-LOSP	n, or other 3rd Lender)	
Hard Debt - Fourth Lender	non-LOSP		
Commercial Hard Debt Service			
TOTAL HARD DEBT SERVICE			

CASH FLOW (NOI minus DEBT SERVICE)			
Commercial Only Cash Flow			
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)	non-LOSP (residual income)		
AVAILABLE CASH FLOW			
USES OF CASH FLOW BELOW (This row also shows DSCR.)			
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL			
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)			
Partnership Management Fee (see policy for limits)			
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	LOSP	non-LOSP	Approved By (reqd)
Other Payments			
Non-amortizing Loan Pymt - Lender 1 (select lender in comments field)	lender in comments field)		
Non-amortizing Loan Pymt - Lender 2 (select lender in comments field)			
Deferred Developer Fee (Enter amt => Max Fee from cell I130)	0.00%	100.00%	
TOTAL PAYMENTS PRECEDING MOHCD			

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)

Residual Receipts Calculation
 Does Project have a MOHCD Residual Receipt Obligation?
 Will Project Defor Developer Fee?
 Max Deferred Developer Fee/Borrower % of Residual Receipts in Yr 1: 0
 % of Residual Receipts available for distribution to soft debt lenders in #VALUE!

Soft Debt Lenders with Residual Receipts Obligations	
MOHCD/OCII - Soft Debt Loans	
MOHCD/OCII - Ground Lease Value or Land Acq Cost	
HCD (soft debt loan) - Lender 3	
Other Soft Debt Lender - Lender 4	
Other Soft Debt Lender - Lender 5	
MOHCD RESIDUAL RECEIPTS DEBT SERVICE	
MOHCD Residual Receipts Amount Due	
Proposed MOHCD Residual Receipts Amount to Loan Repayment	
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease	
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE	
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE	
HCD Residual Receipts Amount Due	
Lender 4 Residual Receipts Due	
Lender 5 Residual Receipts Due	
Total Non-MOHCD Residual Receipts Debt Service	
REMAINDER (Should be zero unless there are distributions below)	
Owner Distributions/Incentive Management Fee	
Other Distributions/Uses	
Final Balance (should be zero)	

Attachment C: 20-year Operating Proforma

1064-1066 Mission Street

Total # Units:	LOSP		Non-LOSP		Year 1			Year 2			Year 3		
	258	258	0	0	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME	100.00%	% annual inc	0.00%	% annual increase	Comments (related to annual inc assumptions)			LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
Residential - Tenant Rents	1.0%	2.5%						691,200	-	691,200	698,112	-	698,112
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a						-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a						3,595,648	-	3,595,648	3,734,037	-	3,734,037
Commercial Space	n/a	2.5%						-	-	-	-	-	-
Residential Parking	2.5%	2.5%						-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%						-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%						-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%						-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%						-	-	-	-	-	-
Tenant Charges	2.5%	2.5%						-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%						-	-	-	-	-	-
Other Commercial Income	n/a	3.5%						-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a						-	-	-	-	-	-
Gross Potential Income								4,286,848	-	4,286,848	4,432,149	-	4,432,149
Vacancy Loss - Residential - Tenant Rents	n/a	n/a						(34,560)	-	(34,560)	(34,906)	-	(34,906)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a						-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a						-	-	-	-	-	-
EFFECTIVE GROSS INCOME								4,252,288	-	4,252,288	4,397,244	-	4,397,244
OPERATING EXPENSES													
Management													
Management Fee	3.5%	3.5%						250,776	-	250,776	259,553	-	259,553
Asset Management Fee	3.5%	3.5%						35,000	-	35,000	36,225	-	36,225
Sub-total Management Expenses								285,776	-	285,776	295,778	-	295,778
Salaries/Benefits													
Office Salaries	3.5%	3.5%						347,586	-	347,586	359,752	-	359,752
Manager's Salary	3.5%	3.5%						233,307	-	233,307	241,473	-	241,473
Health Insurance and Other Benefits	3.5%	3.5%						121,965	-	121,965	126,254	-	126,254
Other Salaries/Benefits	3.5%	3.5%						-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%						-	-	-	-	-	-
Sub-total Salaries/Benefits								702,878	-	702,878	727,479	-	727,479
Administration													
Advertising and Marketing	3.5%	3.5%						-	-	-	-	-	-
Office Expenses	3.5%	3.5%						56,030	-	56,030	57,991	-	57,991
Office Rent	3.5%	3.5%						85,000	-	85,000	87,975	-	87,975
Legal Expenses - Property	3.5%	3.5%						32,000	-	32,000	33,120	-	33,120
Audit Expense	3.5%	3.5%						29,412	-	29,412	30,441	-	30,441
Bookkeeping/Accounting Services	3.5%	3.5%						61,440	-	61,440	63,590	-	63,590
Bad Debts	3.5%	3.5%						76,987	-	76,987	79,682	-	79,682
Miscellaneous	3.5%	3.5%						340,869	-	340,869	352,799	-	352,799
Sub-total Administration Expenses								702,878	-	702,878	727,479	-	727,479
Utilities													
Electricity	3.5%	3.5%						162,024	-	162,024	167,695	-	167,695
Water	3.5%	3.5%						82,865	-	82,865	85,765	-	85,765
Gas	3.5%	3.5%						261,096	-	261,096	270,234	-	270,234
Sewer	3.5%	3.5%						714,449	-	714,449	739,455	-	739,455
Sub-total Utilities								1,190,434	-	1,190,434	1,243,149	-	1,243,149
Taxes and Licenses													
Real Estate Taxes	3.5%	3.5%						30,000	-	30,000	31,050	-	31,050
Payroll Taxes	3.5%	3.5%						70,785	-	70,785	73,262	-	73,262
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%						3,200	-	3,200	3,312	-	3,312
Sub-total Taxes and Licenses								103,985	-	103,985	107,624	-	107,624
Insurance													
Property and Liability Insurance	3.5%	3.5%						472,000	-	472,000	488,520	-	488,520
Fidelity Bond Insurance	3.5%	3.5%						29,822	-	29,822	30,866	-	30,866
Worker's Compensation	3.5%	3.5%						-	-	-	-	-	-
Directors' & Officers' Liability Insurance	3.5%	3.5%						-	-	-	-	-	-
Sub-total Insurance								501,822	-	501,822	519,386	-	519,386
Maintenance & Repair													
Payroll	3.5%	3.5%						149,200	-	149,200	154,422	-	154,422
Supplies	3.5%	3.5%						945,398	-	945,398	978,487	-	978,487
Contracts	3.5%	3.5%						201,240	-	201,240	208,283	-	208,283
Garbage and Trash Removal	3.5%	3.5%						123,470	-	123,470	127,791	-	127,791
Security Payroll/Contract	3.5%	3.5%						-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%						-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%						37,500	-	37,500	38,813	-	38,813
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%						1,456,808	-	1,456,808	1,507,796	-	1,507,796
Sub-total Maintenance & Repair Expenses								2,813,506	-	2,813,506	2,907,611	-	2,907,611
Supportive Services	3.5%	3.5%						-	-	-	-	-	-
Commercial Expenses								-	-	-	-	-	-
TOTAL OPERATING EXPENSES								4,106,587	-	4,106,587	4,250,318	-	4,250,318
RESERVES/GROUND LEASE BASE RENT/BOND FEES								15,917	-	15,917	-	-	-
NET OPERATING INCOME (INCOME minus OP EXPENSES)								40,000	-	40,000	41,225	-	41,225
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)													
Hard Debt - First Lender								-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)								-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)								-	-	-	-	-	-
Hard Debt - Fourth Lender								-	-	-	-	-	-
Commercial Hard Debt Service								-	-	-	-	-	-
TOTAL HARD DEBT SERVICE								-	-	-	-	-	-
CASH FLOW (NOI minus DEBT SERVICE)								40,000	-	40,000	41,225	-	41,225
Commercial Only Cash Flow								-	-	-	-	-	-
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)								-	-	-	-	-	-
AVAILABLE CASH FLOW								40,000	-	40,000	41,225	-	41,225
USES OF CASH FLOW BELOW (This row also shows DSCR.)													
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL													
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%						-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%						35,000	-	35,000	36,225	-	36,225
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)								5,000	-	5,000	5,000	-	5,000
Other Payments								-	-	-	-	-	-
Non-amortizing Loan Pmt - Lender 1								-	-	-	-	-	-
Non-amortizing Loan Pmt - Lender 2								-	-	-	-	-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)								-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD								40,000	-	40,000	41,225	-	41,225
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)								-	-	-	-	-	-
Does Project have a MOHCD Residual Receipt Obligation?	No												
Will Project Defer Developer Fee?	0%	0%											
Residual Receipts split for all years - Lender/Owner													
MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
MOHCD Residual Receipts Amount Due	100.00%							-	-	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Loan Repayment								-	-	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease								-	-	-	-	-	-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
HCD Residual Receipts Amount Due	0.00%							-	-	-	-	-	-
Lender 4 Residual Receipts Due	0.00%							-	-	-	-	-	-
Lender 5 Residual Receipts Due	0.00%							-	-	-	-	-	-
Total Non-MOHCD Residual Receipts Debt Service								-	-	-	-	-	-
REMAINDER (Should be zero unless there are distributions below)								-	-	-	-	-	-
Owner Distributions/Incentive Management Fee								-	-	-	-	-	-
Other Distributions/Uses								-	-	-	-	-	-
Final Balance (should be zero)								-	-	-	-	-	-
REPLACEMENT RESERVE - RUNNING BALANCE													
Replacement Reserve Starting Balance								-	-	103,200	-	103,200	
Replacement Reserve Deposits													

1064-1066 Mission Street

Total # Units:	LOSP Units		Non-LOSP Units		Year 4 2025			Year 5 2026			Year 6 2027		
	258	258	0	0	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME	100.00%	% annual inc	0.00%	% annual increase	Comments (related to annual inc assumptions)								
Residential - Tenant Rents		1.0%		2.5%			712,144			712,144	719,265		719,265
Residential - Tenant Assistance Payments (Non-LOSP)		n/a		n/a			-			-			-
Residential - LOSP Tenant Assistance Payments		n/a		n/a			4,026,016			4,026,016	4,179,965		4,179,965
Commercial Space		n/a		2.5%	from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%		-			-			-
Residential Parking		2.5%		2.5%			-			-			-
Miscellaneous Rent Income		2.5%		2.5%			-			-			-
Supportive Services Income		2.5%		2.5%			-			-			-
Interest Income - Project Operations		2.5%		2.5%			-			-			-
Laundry and Vending		2.5%		2.5%			-			-			-
Tenant Charges		2.5%		2.5%			-			-			-
Miscellaneous Residential Income		2.5%		2.5%			-			-			-
Other Commercial Income		n/a		3.5%	from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%		-			-			-
Withdrawal from Capitalized Reserve (deposit to operating account)		n/a		n/a	Link from Reserve Section below, as applicable		-			-			-
Gross Potential Income							4,738,160			4,738,160	4,899,231		4,899,231
Vacancy Loss - Residential - Tenant Rents		n/a		n/a	Enter formulas manually per relevant MOH policy, annual incrementing usually not appropriate		(35,607)			(35,607)			(35,963)
Vacancy Loss - Residential - Tenant Assistance Payments		n/a		n/a			-			-			-
Vacancy Loss - Commercial		n/a		n/a			-			-			-
EFFECTIVE GROSS INCOME							4,702,553			4,702,553	4,863,267		4,863,267
OPERATING EXPENSES													
Management													
Management Fee		3.5%		3.5%	1st Year to be set according to HUD schedule		278,040			278,040	287,771		287,771
Asset Management Fee		3.5%		3.5%	per MOHCD policy		38,805			38,805	40,163		40,163
Sub-total Management Expenses							316,845			316,845	327,935		327,935
Salaries/Benefits													
Office Salaries		3.5%		3.5%			385,375			385,375	398,863		398,863
Manager's Salary		3.5%		3.5%			258,672			258,672	267,725		267,725
Health Insurance and Other Benefits		3.5%		3.5%			135,247			135,247	139,981		139,981
Other Salaries/Benefits		3.5%		3.5%			-			-			-
Administrative Rent-Free Unit		3.5%		3.5%			-			-			-
Sub-total Salaries/Benefits							779,293			779,293	806,569		806,569
Administration													
Advertising and Marketing		3.5%		3.5%			-			-			-
Office Expenses		3.5%		3.5%			62,121			62,121	64,296		64,296
Office Rent		3.5%		3.5%			-			-			-
Legal Expenses - Property		3.5%		3.5%			94,241			94,241	97,539		97,539
Audit Expense		3.5%		3.5%			35,479			35,479	36,721		36,721
Bookkeeping/Accounting Services		3.5%		3.5%			32,610			32,610	33,751		33,751
Bad Debts		3.5%		3.5%			68,120			68,120	70,504		70,504
Miscellaneous		3.5%		3.5%			85,357			85,357	88,344		88,344
Sub-total Administration Expenses							377,928			377,928	391,155		391,155
Utilities													
Electricity		3.5%		3.5%			179,639			179,639	185,926		185,926
Water		3.5%		3.5%			231,126			231,126	239,217		239,217
Gas		3.5%		3.5%			91,674			91,674	95,089		95,089
Sewer		3.5%		3.5%			289,482			289,482	299,614		299,614
Sub-total Utilities							792,122			792,122	819,847		819,847
Taxes and Licenses													
Real Estate Taxes		3.5%		3.5%			33,262			33,262	34,426		34,426
Payroll Taxes		3.5%		3.5%			78,481			78,481	81,227		81,227
Miscellaneous Taxes, Licenses and Permits		3.5%		3.5%			3,548			3,548	3,672		3,672
Sub-total Taxes and Licenses							115,290			115,290	119,325		119,325
Insurance													
Property and Liability Insurance		3.5%		3.5%			523,315			523,315	541,631		541,631
Fidelity Bond Insurance		3.5%		3.5%			-			-			-
Worker's Compensation		3.5%		3.5%			33,064			33,064	34,221		34,221
Directors & Officers' Liability Insurance		3.5%		3.5%			-			-			-
Sub-total Insurance							556,379			556,379	575,852		575,852
Maintenance & Repair													
Payroll		3.5%		3.5%			-			-			-
Supplies		3.5%		3.5%			165,421			165,421	171,210		171,210
Contracts		3.5%		3.5%			1,048,180			1,048,180	1,084,866		1,084,866
Garbage and Trash Removal		3.5%		3.5%			223,118			223,118	230,928		230,928
Security Payroll/Contract		3.5%		3.5%			136,893			136,893	141,685		141,685
HVAC Repairs and Maintenance		3.5%		3.5%			-			-			-
Vehicle and Maintenance Equipment Operation and Repairs		3.5%		3.5%			-			-			-
Miscellaneous Operating and Maintenance Expenses		3.5%		3.5%			41,577			41,577	43,032		43,032
Sub-total Maintenance & Repair Expenses							1,615,189			1,615,189	1,671,721		1,671,721
Supportive Services		3.5%		3.5%			-			-			-
Commercial Expenses													
TOTAL OPERATING EXPENSES							4,553,046			4,553,046	4,712,403		4,712,403
RESERVES/GROUND LEASE BASE RENT/BOND FEES													
Ground Lease Base Rent							-			-			-
Bond Monitoring Fee							2,500			2,500	2,500		2,500
Replacement Reserve Deposit							103,200			103,200	103,200		103,200
Operating Reserve Deposit							-			-			-
Other Required Reserve 1 Deposit							-			-			-
Other Required Reserve 2 Deposit							-			-			-
Required Reserve Deposit/s, Commercial							-			-			-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees							105,701			105,701	105,701		105,701
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/Bond Fees)							4,658,747			4,658,747	4,818,104		4,818,104
NET OPERATING INCOME (INCOME minus OP EXPENSES)							43,805			43,805	45,163		45,163
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)													
Hard Debt - First Lender							-			-			-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)							-			-			-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)							-			-			-
Hard Debt - Fourth Lender							-			-			-
Commercial Hard Debt Service							-			-			-
TOTAL HARD DEBT SERVICE							-			-			-
CASH FLOW (NOI minus DEBT SERVICE)							43,805			43,805	45,163		45,163
Commercial Only Cash Flow							-			-			-
Allocation of Commercial Surplus to LOSP/Non-LOSP (residual income)							-			-			-
AVAILABLE CASH FLOW							43,805			43,805	45,163		45,163
USES OF CASH FLOW BELOW (This row also shows DSCR.)													
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL													
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)		3.5%		3.5%	per MOHCD policy		-			-			-
Partnership Management Fee (see policy for limits)		3.5%		3.5%	per MOHCD policy		38,805			38,805	40,163		40,163
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)					per MOHCD policy no annual increase		5,000			5,000	5,000		5,000
Other Payments							-			-			-
Non-amortizing Loan Pmt - Lender 1					Enter comments re: annual increase, etc.		-			-			-
Non-amortizing Loan Pmt - Lender 2					Enter comments re: annual increase, etc.		-			-			-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)					Enter comments re: annual increase, etc.		-			-			-
TOTAL PAYMENTS PRECEDING MOHCD							43,805			43,805	45,163		45,163
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)							0			0	(0)		(0)
Does Project have a MOHCD Residual Receipt Obligation?		No		No									
Will Project Defer Developer Fee?		No		No									
Residual Receipts split for all years. - Lender/Owner		0%		0%									
MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
MOHCD Residual Receipts Amount Due		100.00%			Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy		-			-			-
Proposed MOHCD Residual Receipts Amount to Loan Repayment							-			-			-
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease							-			-			-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
HCD Residual Receipts Amount Due		0.00%			No HCD Financing		-			-			-
Lender 4 Residual Receipts Due		0.00%					-			-			-
Lender 5 Residual Receipts Due		0.00%											

1064-1066 Mission Street

Total # Units:	LOSP		Non-LOSP		Year 7			Year 8			Year 9		
	258	258	0	0	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME	100.00%	100.00%	0.00%	0.00%									
Residential - Tenant Rents	1.0%	2.5%			733,723	-	733,723	741,060	-	741,060	746,471	-	746,471
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a			-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a			4,504,732	-	4,504,732	4,675,949	-	4,675,949	4,853,333	-	4,853,333
Commercial Space	n/a	2.5%			-	-	-	-	-	-	-	-	-
Residential Parking	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Tenant Charges	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	3.5%			-	-	-	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a			-	-	-	-	-	-	-	-	-
Gross Potential Income					5,236,455	-	5,236,455	5,417,009	-	5,417,009	5,601,804	-	5,601,804
Vacancy Loss - Residential - Tenant Rents	n/a	n/a			(36,686)	-	(36,686)	(37,053)	-	(37,053)	(37,424)	-	(37,424)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a			-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a			-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME					5,201,769	-	5,201,769	5,379,956	-	5,379,956	5,564,380	-	5,564,380
OPERATING EXPENSES													
Management													
Management Fee	3.5%	3.5%			306,268	-	306,268	319,057	-	319,057	330,224	-	330,224
Asset Management Fee	3.5%	3.5%			43,024	-	43,024	44,530	-	44,530	46,088	-	46,088
Sub-total Management Expenses					351,292	-	351,292	363,587	-	363,587	376,312	-	376,312
Salaries/Benefits													
Office Salaries	3.5%	3.5%			427,272	-	427,272	442,226	-	442,226	457,704	-	457,704
Manager's Salary	3.5%	3.5%			286,794	-	286,794	296,832	-	296,832	307,221	-	307,221
Health Insurance and Other Benefits	3.5%	3.5%			149,951	-	149,951	155,199	-	155,199	160,631	-	160,631
Other Salaries/Benefits	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits					864,017	-	864,017	894,257	-	894,257	925,556	-	925,556
Administration													
Advertising and Marketing	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%			68,875	-	68,875	71,286	-	71,286	73,781	-	73,781
Office Rent	3.5%	3.5%			104,487	-	104,487	108,144	-	108,144	111,929	-	111,929
Legal Expenses - Property	3.5%	3.5%			39,336	-	39,336	40,713	-	40,713	42,138	-	42,138
Audit Expense	3.5%	3.5%			36,155	-	36,155	37,420	-	37,420	38,730	-	38,730
Bookkeeping/Accounting Services	3.5%	3.5%			75,525	-	75,525	78,169	-	78,169	80,905	-	80,905
Bad Debts	3.5%	3.5%			94,637	-	94,637	97,949	-	97,949	101,377	-	101,377
Miscellaneous	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Sub-total Administration Expenses					419,015	-	419,015	433,681	-	433,681	448,859	-	448,859
Utilities													
Electricity	3.5%	3.5%			199,169	-	199,169	206,140	-	206,140	213,365	-	213,365
Water	3.5%	3.5%			256,255	-	256,255	265,224	-	265,224	274,507	-	274,507
Gas	3.5%	3.5%			101,862	-	101,862	105,427	-	105,427	109,117	-	109,117
Sewer	3.5%	3.5%			320,954	-	320,954	332,187	-	332,187	343,814	-	343,814
Sub-total Utilities					878,240	-	878,240	908,979	-	908,979	940,793	-	940,793
Taxes and Licenses													
Real Estate Taxes	3.5%	3.5%			36,878	-	36,878	38,168	-	38,168	39,504	-	39,504
Payroll Taxes	3.5%	3.5%			87,013	-	87,013	90,058	-	90,058	93,210	-	93,210
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%			3,934	-	3,934	4,071	-	4,071	4,214	-	4,214
Sub-total Taxes and Licenses					127,824	-	127,824	132,298	-	132,298	136,928	-	136,928
Insurance													
Property and Liability Insurance	3.5%	3.5%			580,209	-	580,209	600,516	-	600,516	621,534	-	621,534
Fidelity Bond Insurance	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%			36,659	-	36,659	37,942	-	37,942	39,270	-	39,270
Directors & Officers' Liability Insurance	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Sub-total Insurance					616,867	-	616,867	638,458	-	638,458	660,804	-	660,804
Maintenance & Repair													
Payroll	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Supplies	3.5%	3.5%			183,405	-	183,405	189,824	-	189,824	196,468	-	196,468
Contracts	3.5%	3.5%			1,162,136	-	1,162,136	1,202,810	-	1,202,810	1,244,909	-	1,244,909
Garbage and Trash Removal	3.5%	3.5%			247,375	-	247,375	256,033	-	256,033	264,995	-	264,995
Security Payroll/Contract	3.5%	3.5%			151,776	-	151,776	157,088	-	157,088	162,586	-	162,586
HVAC Repairs and Maintenance	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%			46,097	-	46,097	47,710	-	47,710	49,380	-	49,380
Sub-total Maintenance & Repair Expenses					1,790,789	-	1,790,789	1,853,467	-	1,853,467	1,918,338	-	1,918,338
Supportive Services	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Commercial Expenses													
TOTAL OPERATING EXPENSES					5,048,044	-	5,048,044	5,224,725	-	5,224,725	5,407,591	-	5,407,591
RESERVES/GROUND LEASE BASE RENT/BOND FEES													
Ground Lease Base Rent					-	-	-	-	-	-	-	-	-
Bond Monitoring Fee					2,500	-	2,500	2,500	-	2,500	2,500	-	2,500
Replacement Reserve Deposit					103,200	-	103,200	103,200	-	103,200	103,200	-	103,200
Operating Reserve Deposit					-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit					-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit					-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial					-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees					105,701	-	105,701	105,701	-	105,701	105,701	-	105,701
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/Bond Fees)					5,153,745	-	5,153,745	5,330,426	-	5,330,426	5,513,292	-	5,513,292
NET OPERATING INCOME (INCOME minus OP EXPENSES)					48,024	-	48,024	49,530	-	49,530	51,088	-	51,088
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)													
Hard Debt - First Lender					-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)					-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)					-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender					-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service					-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE					-	-	-	-	-	-	-	-	-
CASH FLOW (NOI minus DEBT SERVICE)					48,024	-	48,024	49,530	-	49,530	51,088	-	51,088
Commercial Only Cash Flow					-	-	-	-	-	-	-	-	-
Allocation of Commercial Surplus to LOSP/Non-LOSP (residual income)					-	-	-	-	-	-	-	-	-
AVAILABLE CASH FLOW					48,024	-	48,024	49,530	-	49,530	51,088	-	51,088
USES OF CASH FLOW BELOW (This row also shows DSCR.)													
USES THAT PRECEED MOHCD DEBT SERVICE IN WATERFALL													
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%			43,024	-	43,024	44,530	-	44,530	46,088	-	46,088
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)					5,000	-	5,000	5,000	-	5,000	5,000	-	5,000
Other Payments					-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmt - Lender 1					-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmt - Lender 2					-	-	-	-	-	-	-	-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)					-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD					48,024	-	48,024	49,530	-	49,530	51,088	-	51,088
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)					0	-	0						

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INCOME	Total # Units:		Comments (related to annual inc assumptions)	Year 10 2031			Year 11 2032			Year 12 2033			
	258	258		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	
	100.00%	0.00%		% annual inc	% annual increase								
Residential - Tenant Rents					755,955	-	755,955	763,515	-	763,515	771,150	-	771,150
Residential - Tenant Assistance Payments (Non-LOSP)													
Residential - LOSP Tenant Assistance Payments					5,037,101	-	5,037,101	5,227,479	-	5,227,479	5,424,700	-	5,424,700
Commercial Space			from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%										
Residential Parking													
Miscellaneous Rent Income													
Supportive Services Income													
Interest Income - Project Operations													
Laundry and Vending													
Tenant Charges													
Miscellaneous Residential Income													
Other Commercial Income			from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%										
Withdrawal from Capitalized Reserve (deposit to operating account)			Link from Reserve Section below, as applicable										
Gross Potential Income					5,793,057	-	5,793,057	5,990,994	-	5,990,994	6,195,850	-	6,195,850
Vacancy Loss - Residential - Tenant Rents			Enter formulas manually per relevant MOH policy, annual incrementing usually not appropriate		(37,799)	-	(37,799)	(38,176)	-	(38,176)	(38,552)	-	(38,552)
Vacancy Loss - Residential - Tenant Assistance Payments													
Vacancy Loss - Commercial													
EFFECTIVE GROSS INCOME					5,755,259	-	5,755,259	5,952,818	-	5,952,818	6,157,293	-	6,157,293
OPERATING EXPENSES													
Management													
Management Fee			1st Year to be set according to HUD schedule		341,782	-	341,782	353,744	-	353,744	366,125	-	366,125
Asset Management Fee			per MOHCD policy		47,701	-	47,701	49,371	-	49,371	51,099	-	51,099
Sub-total Management Expenses					389,483	-	389,483	403,115	-	403,115	417,224	-	417,224
Salaries/Benefits													
Office Salaries					473,724	-	473,724	490,304	-	490,304	507,465	-	507,465
Manager's Salary					317,973	-	317,973	329,103	-	329,103	340,621	-	340,621
Health Insurance and Other Benefits					166,253	-	166,253	172,072	-	172,072	178,094	-	178,094
Other Salaries/Benefits													
Administrative Rent-Free Unit													
Sub-total Salaries/Benefits					957,951	-	957,951	991,479	-	991,479	1,026,181	-	1,026,181
Administration													
Advertising and Marketing													
Office Expenses					76,363	-	76,363	79,036	-	79,036	81,802	-	81,802
Office Rent					115,846	-	115,846	119,901	-	119,901	124,097	-	124,097
Legal Expenses - Property					43,613	-	43,613	45,139	-	45,139	46,719	-	46,719
Audit Expense					40,096	-	40,096	41,489	-	41,489	42,941	-	42,941
Bookkeeping/Accounting Services					83,736	-	83,736	86,667	-	86,667	89,701	-	89,701
Bad Debts					104,925	-	104,925	108,598	-	108,598	112,399	-	112,399
Miscellaneous													
Sub-total Administration Expenses					464,569	-	464,569	480,829	-	480,829	497,658	-	497,658
Utilities													
Electricity					220,822	-	220,822	228,851	-	228,851	236,590	-	236,590
Water					294,115	-	294,115	294,059	-	294,059	304,351	-	304,351
Gas					112,936	-	112,936	116,889	-	116,889	120,890	-	120,890
Sewer					355,847	-	355,847	369,302	-	369,302	381,192	-	381,192
Sub-total Utilities					973,721	-	973,721	1,007,801	-	1,007,801	1,043,074	-	1,043,074
Taxes and Licenses													
Real Estate Taxes					40,887	-	40,887	42,318	-	42,318	43,799	-	43,799
Payroll Taxes					96,473	-	96,473	99,849	-	99,849	103,344	-	103,344
Miscellaneous Taxes, Licenses and Permits					4,361	-	4,361	4,514	-	4,514	4,672	-	4,672
Sub-total Taxes and Licenses					141,721	-	141,721	146,681	-	146,681	151,815	-	151,815
Insurance													
Property and Liability Insurance					643,288	-	643,288	665,803	-	665,803	689,106	-	689,106
Fidelity Bond Insurance													
Worker's Compensation					40,644	-	40,644	42,067	-	42,067	43,539	-	43,539
Director's & Officers' Liability Insurance													
Sub-total Insurance					683,932	-	683,932	707,869	-	707,869	732,645	-	732,645
Maintenance & Repair													
Payroll													
Supplies					203,344	-	203,344	210,461	-	210,461	217,827	-	217,827
Contracts					1,288,480	-	1,288,480	1,333,577	-	1,333,577	1,380,252	-	1,380,252
Garbage and Trash Removal					274,269	-	274,269	283,869	-	283,869	293,804	-	293,804
Security Payroll/Contract					168,277	-	168,277	174,167	-	174,167	180,262	-	180,262
HVAC Repairs and Maintenance													
Vehicle and Maintenance Equipment Operation and Repairs													
Miscellaneous Operating and Maintenance Expenses					51,109	-	51,109	52,897	-	52,897	54,749	-	54,749
Sub-total Maintenance & Repair Expenses					1,995,480	-	1,995,480	2,054,972	-	2,054,972	2,126,896	-	2,126,896
Supportive Services													
Commercial Expenses			from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%										
TOTAL OPERATING EXPENSES					5,996,857	-	5,996,857	5,792,747	-	5,792,747	5,995,493	-	5,995,493
RESERVES/GROUND LEASE BASE RENT/BOND FEES													
Ground Lease Base Rent													
Bond Monitoring Fee					2,500	-	2,500	2,500	-	2,500	2,500	-	2,500
Replacement Reserve Deposit					103,200	-	103,200	103,200	-	103,200	103,200	-	103,200
Operating Reserve Deposit													
Other Required Reserve 1 Deposit													
Other Required Reserve 2 Deposit													
Required Reserve Deposit/s, Commercial			from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%										
Sub-total Reserves/Ground Lease Base Rent/Bond Fees					105,701	-	105,701	105,701	-	105,701	105,701	-	105,701
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)					5,702,558	-	5,702,558	5,898,448	-	5,898,448	6,101,194	-	6,101,194
NET OPERATING INCOME (INCOME minus OP EXPENSES)													
					52,701	-	52,701	54,371	-	54,371	56,099	-	56,099
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)													
Hard Debt - First Lender													
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)													
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)													
Hard Debt - Fourth Lender													
Commercial Hard Debt Service													
TOTAL HARD DEBT SERVICE													
CASH FLOW (NOI minus DEBT SERVICE)					52,701	-	52,701	54,371	-	54,371	56,099	-	56,099
Commercial Only Cash Flow													
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)													
AVAILABLE CASH FLOW					52,701	-	52,701	54,371	-	54,371	56,099	-	56,099
USES OF CASH FLOW BELOW (This row also shows DSCR.)													
DSCR:													
Below-the-line Asset Mgt fee (uncommon in new projects, see policy)													
Partnership Management Fee (see policy for limits)					47,701	-	47,701	49,371	-	49,371	51,099	-	51,099
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)					5,000	-	5,000	5,000	-	5,000	5,000	-	5,000
Other Payments													
Non-amortizing Loan Pmt - Lender 1													
Non-amortizing Loan Pmt - Lender 2													
Deferred Developer Fee (Enter amt <= Max Fee from row 131)													
TOTAL PAYMENTS PRECEDING MOHCD					52,701	-	52,701	54,371	-	54,371	56,099	-	56,099
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)					0	0	(0)	(0)	0	0	0	0	0
Does Project have a MOHCD Residual Receipt Obligation?													
Will Project Defer Developer Fee?													
Residual Receipts split for all years - Lender/Owner													
MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
MOHCD Residual Receipts Amount Due													
Proposed MOHCD Residual Receipts Amount to Loan Repayment													
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease													
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
HCD Residual Receipts Amount Due													
Lender 4 Residual Receipts Due													
Lender 5 Residual Receipts Due													
Total Non-MOHCD Residual Receipts Debt Service													

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Total # Units:	LOSP		Non-LOSP		Year 13			Year 14			Year 15					
	Units		Units		2034			2035			2036					
	258	258	0	0	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total			
INCOME	100.00%	% annual inc	0.00%	% annual increase	Comments (related to annual inc assumptions)											
Residential - Tenant Rents		1.0%		2.5%			778,861			778,861	786,650		786,650	794,517		794,517
Residential - Tenant Assistance Payments (Non-LOSP)		n/a		n/a												
Residential - LOSP Tenant Assistance Payments		n/a		n/a			5,629,005			5,629,005	5,840,644		5,840,644	6,059,874		6,059,874
Commercial Space		n/a		2.5%												
Residential Parking		2.5%		2.5%												
Miscellaneous Rent Income		2.5%		2.5%												
Supportive Services Income		2.5%		2.5%												
Interest Income - Project Operations		2.5%		2.5%												
Laundry and Vending		2.5%		2.5%												
Tenant Charges		2.5%		2.5%												
Miscellaneous Residential Income		2.5%		2.5%												
Other Commercial Income		n/a		3.5%												
Withdrawal from Capitalized Reserve (deposit to operating account)		n/a		n/a												
Gross Potential Income							6,407,866			6,407,866	6,627,294		6,627,294	6,854,391		6,854,391
Vacancy Loss - Residential - Tenant Rents		n/a		n/a			(38,943)			(38,943)	(39,333)		(39,333)	(39,726)		(39,726)
Vacancy Loss - Residential - Tenant Assistance Payments		n/a		n/a												
Vacancy Loss - Commercial		n/a		n/a												
EFFECTIVE GROSS INCOME							6,368,923			6,368,923	6,587,961		6,587,961	6,814,665		6,814,665
OPERATING EXPENSES																
Management																
Management Fee		3.5%		3.5%	1st Year to be set according to HUD schedule		378,940			378,940	392,203		392,203	405,930		405,930
Asset Management Fee		3.5%		3.5%	per MOHCD policy		52,887			52,887	54,738		54,738	56,654		56,654
Sub-total Management Expenses							431,827			431,827	446,941		446,941	462,584		462,584
Salaries/Benefits																
Office Salaries		3.5%		3.5%			525,226			525,226	543,609		543,609	562,636		562,636
Manager's Salary		3.5%		3.5%			352,543			352,543	364,882		364,882	377,653		377,653
Health Insurance and Other Benefits		3.5%		3.5%			184,328			184,328	190,779		190,779	197,456		197,456
Other Salaries/Benefits		3.5%		3.5%												
Administrative Rent-Free Unit		3.5%		3.5%												
Sub-total Salaries/Benefits							1,062,097			1,062,097	1,099,270		1,099,270	1,137,745		1,137,745
Administration																
Advertising and Marketing		3.5%		3.5%												
Office Expenses		3.5%		3.5%			84,665			84,665	87,628		87,628	90,695		90,695
Office Rent		3.5%		3.5%												
Legal Expenses - Property		3.5%		3.5%			128,441			128,441	132,936		132,936	137,589		137,589
Audit Expense		3.5%		3.5%			48,354			48,354	50,047		50,047	51,798		51,798
Bookkeeping/Accounting Services		3.5%		3.5%			44,444			44,444	45,999		45,999	47,609		47,609
Bad Debts		3.5%		3.5%			92,840			92,840	96,089		96,089	99,453		99,453
Miscellaneous		3.5%		3.5%			116,333			116,333	120,404		120,404	124,618		124,618
Sub-total Administration Expenses							515,076			515,076	533,104		533,104	551,763		551,763
Utilities																
Electricity		3.5%		3.5%			244,829			244,829	253,398		253,398	262,267		262,267
Water		3.5%		3.5%			315,003			315,003	326,029		326,029	337,440		337,440
Gas		3.5%		3.5%			125,215			125,215	129,697		129,697	134,133		134,133
Sewer		3.5%		3.5%			394,534			394,534	408,343		408,343	422,635		422,635
Sub-total Utilities							1,079,581			1,079,581	1,117,367		1,117,367	1,156,475		1,156,475
Taxes and Licenses																
Real Estate Taxes		3.5%		3.5%			45,332			45,332	46,919		46,919	48,561		48,561
Payroll Taxes		3.5%		3.5%			106,961			106,961	110,705		110,705	114,579		114,579
Miscellaneous Taxes, Licenses and Permits		3.5%		3.5%			4,835			4,835	5,005		5,005	5,180		5,180
Sub-total Taxes and Licenses							157,128			157,128	162,628		162,628	168,320		168,320
Insurance																
Property and Liability Insurance		3.5%		3.5%			713,224			713,224	738,187		738,187	764,024		764,024
Fidelity Bond Insurance		3.5%		3.5%												
Worker's Compensation		3.5%		3.5%			45,063			45,063	46,640		46,640	48,273		48,273
Directors & Officers' Liability Insurance		3.5%		3.5%												
Sub-total Insurance							758,287			758,287	784,828		784,828	812,297		812,297
Maintenance & Repair																
Payroll		3.5%		3.5%												
Supplies		3.5%		3.5%			225,451			225,451	233,342		233,342	241,509		241,509
Contracts		3.5%		3.5%			1,428,561			1,428,561	1,478,561		1,478,561	1,530,311		1,530,311
Garbage and Trash Removal		3.5%		3.5%			304,087			304,087	314,731		314,731	325,746		325,746
Security Payroll/Contract		3.5%		3.5%			186,572			186,572	193,102		193,102	199,860		199,860
HVAC Repairs and Maintenance		3.5%		3.5%												
Vehicle and Maintenance Equipment Operation and Repairs		3.5%		3.5%												
Miscellaneous Operating and Maintenance Expenses		3.5%		3.5%			58,665			58,665	60,648		60,648	62,701		62,701
Sub-total Maintenance & Repair Expenses							2,201,337			2,201,337	2,278,384		2,278,384	2,358,127		2,358,127
Supportive Services		3.5%		3.5%												
Commercial Expenses																
TOTAL OPERATING EXPENSES							6,205,335			6,205,335	6,422,522		6,422,522	6,647,310		6,647,310
RESERVES/GROUND LEASE BASE RENT/BOND FEES																
Ground Lease Base Rent							1			1	1		1	1		1
Bond Monitoring Fee							2,500			2,500	2,500		2,500	2,500		2,500
Replacement Reserve Deposit							103,200			103,200	103,200		103,200	103,200		103,200
Operating Reserve Deposit																
Other Required Reserve 1 Deposit																
Other Required Reserve 2 Deposit																
Required Reserve Deposit/s, Commercial																
Sub-total Reserves/Ground Lease Base Rent/Bond Fees							105,701			105,701	105,701		105,701	105,701		105,701
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/Bond Fees)							6,311,036			6,311,036	6,528,223		6,528,223	6,753,011		6,753,011
NET OPERATING INCOME (INCOME minus OP EXPENSES)							57,887			57,887	59,738		59,738	61,654		61,654
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																
Hard Debt - First Lender																
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)																
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)																
Hard Debt - Fourth Lender																
Commercial Hard Debt Service																
TOTAL HARD DEBT SERVICE																
CASH FLOW (NOI minus DEBT SERVICE)							57,887			57,887	59,738		59,738	61,654		61,654
Commercial Only Cash Flow																
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)																
AVAILABLE CASH FLOW							57,887			57,887	59,738		59,738	61,654		61,654
USES OF CASH FLOW BELOW (This row also shows DSCR.)																
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL																

1064-1066 Mission Street

Total # Units:	LOSP		Non-LOSP		Year 22			Year 23			Year 24		
	258	258	0	0	2043			2044			2045		
	100.00%	100.00%	0.00%	0.00%	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME													
Residential - Tenant Rents	1.0%	2.5%			851,829	-	851,829	860,348	-	860,348	868,951	-	868,951
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a			-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a			7,753,698	-	7,753,698	8,041,609	-	8,041,609	8,339,799	-	8,339,799
Commercial Space	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Residential Parking	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Tenant Charges	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	3.5%			-	-	-	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a			-	-	-	-	-	-	-	-	-
Gross Potential Income					8,605,527	-	8,605,527	8,901,956	-	8,901,956	9,208,750	-	9,208,750
Vacancy Loss - Residential - Tenant Rents	n/a	n/a			(42,591)	-	(42,591)	(43,017)	-	(43,017)	(43,440)	-	(43,440)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a			-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a			-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME					8,562,936	-	8,562,936	8,858,939	-	8,858,939	9,165,302	-	9,165,302
OPERATING EXPENSES													
Management													
Management Fee	3.5%	3.5%			516,456	-	516,456	534,532	-	534,532	553,241	-	553,241
Asset Management Fee	3.5%	3.5%			72,080	-	72,080	74,603	-	74,603	77,214	-	77,214
Sub-total Management Expenses					588,536	-	588,536	609,135	-	609,135	630,455	-	630,455
Salaries/Benefits													
Office Salaries	3.5%	3.5%			715,830	-	715,830	740,884	-	740,884	766,815	-	766,815
Manager's Salary	3.5%	3.5%			480,480	-	480,480	497,297	-	497,297	514,702	-	514,702
Health Insurance and Other Benefits	3.5%	3.5%			251,220	-	251,220	260,012	-	260,012	269,113	-	269,113
Other Salaries/Benefits	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits					1,447,529	-	1,447,529	1,498,193	-	1,498,193	1,550,629	-	1,550,629
Administration													
Advertising and Marketing	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%			115,390	-	115,390	119,429	-	119,429	123,609	-	123,609
Office Rent	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Legal Expenses - Property	3.5%	3.5%			178,052	-	178,052	181,178	-	181,178	187,530	-	187,530
Audit Expense	3.5%	3.5%			65,902	-	65,902	68,208	-	68,208	70,596	-	70,596
Bookkeeping/Accounting Services	3.5%	3.5%			60,572	-	60,572	62,692	-	62,692	64,886	-	64,886
Bad Debts	3.5%	3.5%			126,531	-	126,531	130,960	-	130,960	135,544	-	135,544
Miscellaneous	3.5%	3.5%			158,549	-	158,549	164,099	-	164,099	169,842	-	169,842
Sub-total Administration Expenses					701,996	-	701,996	726,566	-	726,566	751,996	-	751,996
Utilities													
Electricity	3.5%	3.5%			333,677	-	333,677	345,396	-	345,396	357,443	-	357,443
Water	3.5%	3.5%			423,317	-	423,317	444,343	-	444,343	459,035	-	459,035
Gas	3.5%	3.5%			170,655	-	170,655	176,628	-	176,628	182,810	-	182,810
Sewer	3.5%	3.5%			537,709	-	537,709	556,529	-	556,529	576,008	-	576,008
Sub-total Utilities					1,471,359	-	1,471,359	1,522,856	-	1,522,856	1,576,156	-	1,576,156
Taxes and Licenses													
Real Estate Taxes	3.5%	3.5%			61,783	-	61,783	63,945	-	63,945	66,183	-	66,183
Payroll Taxes	3.5%	3.5%			145,777	-	145,777	150,879	-	150,879	156,160	-	156,160
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%			6,590	-	6,590	6,821	-	6,821	7,060	-	7,060
Sub-total Taxes and Licenses					214,150	-	214,150	221,645	-	221,645	229,403	-	229,403
Insurance													
Property and Liability Insurance	3.5%	3.5%			972,052	-	972,052	1,006,073	-	1,006,073	1,041,286	-	1,041,286
Fidelity Bond Insurance	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%			61,416	-	61,416	63,566	-	63,566	65,791	-	65,791
Directors' & Officers' Liability Insurance	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Sub-total Insurance					1,033,468	-	1,033,468	1,069,639	-	1,069,639	1,107,077	-	1,107,077
Maintenance & Repair													
Payroll	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Supplies	3.5%	3.5%			307,267	-	307,267	318,022	-	318,022	329,152	-	329,152
Contracts	3.5%	3.5%			1,946,982	-	1,946,982	2,015,127	-	2,015,127	2,085,656	-	2,085,656
Garbage and Trash Removal	3.5%	3.5%			414,440	-	414,440	428,945	-	428,945	443,958	-	443,958
Security Payroll/Contract	3.5%	3.5%			254,278	-	254,278	263,178	-	263,178	272,389	-	272,389
HVAC Repairs and Maintenance	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%			77,229	-	77,229	79,932	-	79,932	82,729	-	82,729
Sub-total Maintenance & Repair Expenses					3,000,196	-	3,000,196	3,105,203	-	3,105,203	3,213,885	-	3,213,885
Supportive Services													
Commercial Expenses	3.5%	3.5%			-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES					8,457,235	-	8,457,235	8,753,238	-	8,753,238	9,059,601	-	9,059,601
RESERVES/GROUND LEASE BASE RENT/BOND FEES													
Ground Lease Base Rent					1	-	1	1	-	1	1	-	1
Bond Monitoring Fee					2,500	-	2,500	2,500	-	2,500	2,500	-	2,500
Replacement Reserve Deposit					103,200	-	103,200	103,200	-	103,200	103,200	-	103,200
Operating Reserve Deposit					-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit					-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit					-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial					-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees					105,701	-	105,701	105,701	-	105,701	105,701	-	105,701
TOTAL OPERATING EXPENSES (w/ Reserves/Gl. Base Rent/ Bond Fees)					8,562,936	-	8,562,936	8,858,939	-	8,858,939	9,165,302	-	9,165,302
NET OPERATING INCOME (INCOME minus OP EXPENSES)													
DEBT SERVICE/MUST PAY PAYMENTS (hard debt/amortized loans)													
Hard Debt - First Lender					-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)					-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)					-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender					-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service					-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE					-	-	-	-	-	-	-	-	-
CASH FLOW (NOI minus DEBT SERVICE)													
Commercial Only Cash Flow					-	-	-	-	-	-	-	-	-
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)					-	-	-	-	-	-	-	-	-
AVAILABLE CASH FLOW					-	-	-	-	-	-	-	-	-
USES OF CASH FLOW BELOW (This row also shows DSCR.)													
DSCR:													
Below-the-line Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)					-	-	-	-	-	-	-	-	-
Other Payments					-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pymt - Lender 1					-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pymt - Lender 2					-	-	-	-	-	-	-	-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)					-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD					-	-	-	-	-	-	-	-	-
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)													
Does Project have a MOHCD Residual Receipt Obligation?													
Will Project Defer Developer Fee?													
Residual Receipts split for all years - Lender/Owner													
No 0% / 0%													
MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
MOHCD Residual Receipts Amount Due	100.00%				-	-	-	-	-	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Loan Repayment					-	-	-	-	-	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease					-	-	-	-	-	-	-	-	-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
HCD Residual Receipts Amount Due	0.00%				-	-	-	-	-</				

1064-1066 Mission Street

Total # Units:	LOSP		Non-LOSP		Year 28			Year 29			Year 30		
	258	258	0	0	2049			2050			2051		
	100.00%	% annual inc	% annual increase	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME													
Residential - Tenant Rents	1.0%	2.5%			904,234	-	904,234	913,276	-	913,276	922,409	-	922,409
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a			-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a			9,642,779	-	9,642,779	9,998,053	-	9,998,053	#####	-	10,365,975
Commercial Space	n/a	2.5%		from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	-	-	-	-	-	-	-	-	-
Residential Parking	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Tenant Charges	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%			-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	3.5%		from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	-	-	-	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a		Link from Reserve Section below, as applicable	-	-	-	-	-	-	-	-	-
Gross Potential Income					#####	-	10,547,013	#####	-	10,911,329	#####	-	11,288,384
Vacancy Loss - Residential - Tenant Rents	n/a	n/a		Enter formulas manually per relevant MOH policy, annual incrementing usually not appropriate	(45,212)	-	(45,212)	(45,664)	-	(45,664)	(46,120)	-	(46,120)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a			-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a			-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME					#####	-	10,501,802	#####	-	10,865,665	#####	-	11,242,264
OPERATING EXPENSES													
Management													
Management Fee	3.5%	3.5%		1st Year to be set according to HUD schedule	634,856	-	634,856	657,076	-	657,076	680,074	-	680,074
Asset Management Fee	3.5%	3.5%		per MOHCD policy	88,605	-	88,605	91,706	-	91,706	94,916	-	94,916
Sub-total Management Expenses					723,461	-	723,461	748,782	-	748,782	774,990	-	774,990
Salaries/Benefits													
Office Salaries	3.5%	3.5%			879,937	-	879,937	910,735	-	910,735	942,611	-	942,611
Manager's Salary	3.5%	3.5%			590,632	-	590,632	611,304	-	611,304	632,700	-	632,700
Health Insurance and Other Benefits	3.5%	3.5%			308,813	-	308,813	319,622	-	319,622	330,808	-	330,808
Other Salaries/Benefits	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits					1,779,383	-	1,779,383	1,841,661	-	1,841,661	1,906,119	-	1,906,119
Administration													
Advertising and Marketing	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%			141,844	-	141,844	146,808	-	146,808	151,947	-	151,947
Office Rent	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Legal Expenses - Property	3.5%	3.5%			215,183	-	215,183	222,715	-	222,715	230,510	-	230,510
Audit Expense	3.5%	3.5%			81,010	-	81,010	83,846	-	83,846	86,780	-	86,780
Bookkeeping/Accounting Services	3.5%	3.5%			74,468	-	74,468	77,064	-	77,064	79,762	-	79,762
Bad Debts	3.5%	3.5%			155,539	-	155,539	160,983	-	160,983	166,618	-	166,618
Miscellaneous	3.5%	3.5%			194,898	-	194,898	201,719	-	201,719	208,779	-	208,779
Sub-total Administration Expenses					862,933	-	862,933	893,135	-	893,135	924,395	-	924,395
Utilities													
Electricity	3.5%	3.5%			410,175	-	410,175	424,531	-	424,531	439,389	-	439,389
Water	3.5%	3.5%			527,741	-	527,741	546,212	-	546,212	565,329	-	565,329
Gas	3.5%	3.5%			209,778	-	209,778	217,121	-	217,121	224,720	-	224,720
Sewer	3.5%	3.5%			660,982	-	660,982	684,116	-	684,116	708,060	-	708,060
Sub-total Utilities					1,808,676	-	1,808,676	1,871,979	-	1,871,979	1,937,499	-	1,937,499
Taxes and Licenses													
Real Estate Taxes	3.5%	3.5%			75,947	-	75,947	78,605	-	78,605	81,356	-	81,356
Payroll Taxes	3.5%	3.5%			179,197	-	179,197	185,469	-	185,469	191,960	-	191,960
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%			8,191	-	8,191	8,365	-	8,365	8,678	-	8,678
Sub-total Taxes and Licenses					263,345	-	263,345	272,439	-	272,439	281,995	-	281,995
Insurance													
Property and Liability Insurance	3.5%	3.5%			1,194,900	-	1,194,900	1,236,721	-	1,236,721	1,280,006	-	1,280,006
Fidelity Bond Insurance	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%			75,496	-	75,496	78,139	-	78,139	80,874	-	80,874
Directors' & Officers' Liability Insurance	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Sub-total Insurance					1,270,396	-	1,270,396	1,314,860	-	1,314,860	1,360,880	-	1,360,880
Maintenance & Repair													
Payroll	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Supplies	3.5%	3.5%			377,710	-	377,710	390,930	-	390,930	404,612	-	404,612
Contracts	3.5%	3.5%			2,393,338	-	2,393,338	2,477,105	-	2,477,105	2,563,804	-	2,563,804
Garbage and Trash Removal	3.5%	3.5%			509,453	-	509,453	527,283	-	527,283	545,738	-	545,738
Security Payroll/Contract	3.5%	3.5%			312,573	-	312,573	323,513	-	323,513	334,836	-	334,836
HVAC Repairs and Maintenance	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%			94,934	-	94,934	98,256	-	98,256	101,695	-	101,695
Sub-total Maintenance & Repair Expenses					3,688,007	-	3,688,007	3,817,087	-	3,817,087	3,950,686	-	3,950,686
Supportive Services	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Commercial Expenses					-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES					#####	-	10,396,101	#####	-	10,759,964	#####	-	11,136,563
RESERVES/GROUND LEASE BASE RENT/BOND FEES													
Ground Lease Base Rent					1	-	1	1	-	1	1	-	1
Bond Monitoring Fee					2,500	-	2,500	2,500	-	2,500	2,500	-	2,500
Replacement Reserve Deposit					103,200	-	103,200	103,200	-	103,200	103,200	-	103,200
Operating Reserve Deposit					-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit					-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit					-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial					-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees					105,701	-	105,701	105,701	-	105,701	105,701	-	105,701
TOTAL OPERATING EXPENSES (w/ Reserves/Gl. Base Rent/ Bond Fees)					#####	-	10,501,802	#####	-	10,865,665	#####	-	11,242,264
NET OPERATING INCOME (INCOME minus OP EXPENSES)													
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)					-	-	-	-	-	-	-	-	-
Hard Debt - First Lender					-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)					-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)					-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender					-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service					-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE					-	-	-	-	-	-	-	-	-
CASH FLOW (NOI minus DEBT SERVICE)													
Commercial Only Cash Flow					-	-	-	-	-	-	-	-	-
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)					-	-	-	-	-	-	-	-	-
AVAILABLE CASH FLOW					-	-	-	-	-	-	-	-	-
USES OF CASH FLOW BELOW (This row also shows DSCR.)													
DSCR:													
Below-the-line Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%		per MOHCD policy	-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%		per MOHCD policy	-	-	-	-	-	-	-	-	-
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)				per MOHCD policy no annual increase	-	-	-	-	-	-	-	-	-
Other Payments					-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pymt - Lender 1					-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pymt - Lender 2					-	-	-	-	-	-	-	-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)					-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD					-	-	-	-	-	-	-	-	-
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)													
Does Project have a MOHCD Residual Receipt Obligation?													
Will Project Defer Developer Fee?													
Residual Receipts split for all years - Lender/Owner													
No 0% / 0%													
MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
MOHCD Residual Receipts Amount Due	100.00%				-	-	-	-	-	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Loan Repayment					-	-	-	-	-	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease					-	-	-	-	-	-	-	-	-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
HCD Residual Receipts Amount Due	0.00%				-	-	-	-	-	-	-	-	-
Lender 4 Residual Receipts Due	0.00%				-	-	-	-	-	-	-	-	-
Lender 5 Residual Receipts Due	0.00%				-	-	-	-	-	-	-	-	-
Total Non-MOHCD Residual Receipts Debt Service					-	-	-	-	-	-	-	-	-
REMAINDER (Should be zero unless there are distributions below)													
Owner Distributions/Incentive Management Fee			</										

1064-1066 Mission Street

Total # Units:	LOSP		Non-LOSP		Year 31		
	258	258	0	0	2052		
	100.00%	100.00%	0.00%	0.00%	LOSP	non-LOSP	Total
INCOME	% annual inc	% annual increase	Comments (related to annual inc assumptions)				
Residential - Tenant Rents	1.0%	2.5%		931,633	-	931,633	
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a		-	-	-	
Residential -LOSP Tenant Assistance Payments	n/a	n/a		#####	-	10,746,992	
Commercial Space	n/a	2.5%	from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	-	-	-	
Residential Parking	2.5%	2.5%		-	-	-	
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	
Supportive Services Income	2.5%	2.5%		-	-	-	
Interest Income - Project Operations	2.5%	2.5%		-	-	-	
Laundry and Vending	2.5%	2.5%		-	-	-	
Tenant Charges	2.5%	2.5%		-	-	-	
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	
Other Commercial Income	n/a	3.5%	from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	-	-	-	
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-	-	
Gross Potential Income				#####	-	11,678,625	
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy, annual incrementing usually not appropriate	(46,582)	-	(46,582)	
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	-	-	
Vacancy Loss - Commercial	n/a	n/a		-	-	-	
EFFECTIVE GROSS INCOME				#####	-	11,632,044	
OPERATING EXPENSES							
Management							
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule	703,876	-	703,876	
Asset Management Fee	3.5%	3.5%	per MOHCD policy	98,238	-	98,238	
Sub-total Management Expenses				802,114	-	802,114	
Salaries/Benefits							
Office Salaries	3.5%	3.5%		975,602	-	975,602	
Manager's Salary	3.5%	3.5%		654,845	-	654,845	
Health Insurance and Other Benefits	3.5%	3.5%		342,397	-	342,397	
Other Salaries/Benefits	3.5%	3.5%		-	-	-	
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	
Sub-total Salaries/Benefits				1,972,834	-	1,972,834	
Administration							
Advertising and Marketing	3.5%	3.5%		-	-	-	
Office Expenses	3.5%	3.5%		157,265	-	157,265	
Office Rent	3.5%	3.5%		-	-	-	
Legal Expenses - Property	3.5%	3.5%		238,577	-	238,577	
Audit Expense	3.5%	3.5%		89,817	-	89,817	
Bookkeeping/Accounting Services	3.5%	3.5%		82,553	-	82,553	
Bad Debts	3.5%	3.5%		172,449	-	172,449	
Miscellaneous	3.5%	3.5%		216,087	-	216,087	
Sub-total Administration Expenses				956,749	-	956,749	
Utilities							
Electricity	3.5%	3.5%		454,788	-	454,788	
Water	3.5%	3.5%		585,115	-	585,115	
Gas	3.5%	3.5%		232,585	-	232,585	
Sewer	3.5%	3.5%		732,843	-	732,843	
Sub-total Utilities				2,005,311	-	2,005,311	
Taxes and Licenses							
Real Estate Taxes	3.5%	3.5%		84,204	-	84,204	
Payroll Taxes	3.5%	3.5%		198,679	-	198,679	
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		8,982	-	8,982	
Sub-total Taxes and Licenses				291,864	-	291,864	
Insurance							
Property and Liability Insurance	3.5%	3.5%		1,324,807	-	1,324,807	
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	
Worker's Compensation	3.5%	3.5%		83,704	-	83,704	
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	
Sub-total Insurance				1,408,511	-	1,408,511	
Maintenance & Repair							
Payroll	3.5%	3.5%		-	-	-	
Supplies	3.5%	3.5%		418,774	-	418,774	
Contracts	3.5%	3.5%		2,653,537	-	2,653,537	
Garbage and Trash Removal	3.5%	3.5%		564,839	-	564,839	
Security Payroll/Contract	3.5%	3.5%		346,555	-	346,555	
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		106,265	-	106,265	
Sub-total Maintenance & Repair Expenses				4,088,980	-	4,088,980	
Supportive Services	3.5%	3.5%		-	-	-	
Commercial Expenses							
TOTAL OPERATING EXPENSES				#####	-	11,526,343	
RESERVES/GROUND LEASE BASE RENT/BOND FEES							
PUPA (w/o Reserves/GL Base Rent/Bond Fees)							
Ground Lease Base Rent				1	-	1	
Bond Monitoring Fee				2,500	-	2,500	
Replacement Reserve Deposit				103,200	-	103,200	
Operating Reserve Deposit				-	-	-	
Other Required Reserve 1 Deposit				-	-	-	
Other Required Reserve 2 Deposit				-	-	-	
Required Reserve Deposit/s, Commercial				-	-	-	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				105,701	-	105,701	
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/Bond Fees)				#####	-	11,632,044	
NET OPERATING INCOME (INCOME minus OP EXPENSES)				-	-	-	
DEBT SERVICE/MUST PAY PAYMENTS (*hard debt*/amortized loans)							
Hard Debt - First Lender			Enter comments re: annual increase, etc.	-	-	-	
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	-	-	-	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			Enter comments re: annual increase, etc.	-	-	-	
Hard Debt - Fourth Lender			Enter comments re: annual increase, etc.	-	-	-	
Commercial Hard Debt Service			from Commercial Op. Budget Worksheet; Commercial to Residential allocation: 100%	-	-	-	
TOTAL HARD DEBT SERVICE				-	-	-	
CASH FLOW (NOI minus DEBT SERVICE)							
Commercial Only Cash Flow							
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)							
AVAILABLE CASH FLOW							
USES OF CASH FLOW BELOW (This row also shows DSCR.)							
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL							
Below-the-line Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-	-	-	
Partnership Management Fee (see policy for limits)	3.5%	3.5%	per MOHCD policy	-	-	-	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	-	-	-	
Other Payments				-	-	-	
Non-amortizing Loan Pmt - Lender 1			Enter comments re: annual increase, etc.	-	-	-	
Non-amortizing Loan Pmt - Lender 2			Enter comments re: annual increase, etc.	-	-	-	
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	-	-	
TOTAL PAYMENTS PRECEDING MOHCD				-	-	-	
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)							
Does Project have a MOHCD Residual Receipt Obligation?	No						
Will Project Defer Developer Fee?	No						
Residual Receipts split for all years - Lender/Owner	0% / 0%						
MOHCD RESIDUAL RECEIPTS DEBT SERVICE							
MOHCD Residual Receipts Amount Due	100.00%		Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	-	-	-	
Proposed MOHCD Residual Receipts Amount to Loan Repayment				-	-	-	
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease				-	-	-	
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE							
HCD Residual Receipts Amount Due	0.00%		No HCD Financing	-	-	-	
Lender 4 Residual Receipts Due	0.00%			-	-	-	
Lender 5 Residual Receipts Due	0.00%			-	-	-	
Total Non-MOHCD Residual Receipts Debt Service				-	-	-	
REMAINDER (Should be zero unless there are distributions below)							
Owner Distributions/Incentive Management Fee							
Other Distributions/Uses							
Final Balance (should be zero)							
REPLACEMENT RESERVE - RUNNING BALANCE							
Replacement Reserve Starting Balance						3,096,000	
Replacement Reserve Deposits						103,200	
Replacement Reserve Withdrawals (ideally tied to CNA)						-	
Replacement Reserve Interest						-	
RR Running Balance						3,199,200	
RR Balance/Unit						\$12,400	
OPERATING RESERVE - RUNNING BALANCE							
Operating Reserve Starting Balance						-	
Operating Reserve Deposits						-	
Operating Reserve Withdrawals						-	
Operating Reserve Interest						-	
OR Running Balance						-	
OR Balance as a % of Prior Yr Op Exps + Debt Service						0.0%	
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE							
Other Reserve 1 Starting Balance						-	
Other Reserve 1 Deposits						-	
Other Reserve 1 Withdrawals						-	
Other Reserve 1 Interest						-	
Other Required Reserve 1 Running Balance						-	
OTHER RESERVE 2 - RUNNING BALANCE							
Other Reserve 2 Starting Balance						-	
Other Reserve 2 Deposits						-	
Other Reserve 2 Withdrawals						-	
Other Reserve 2 Interest						-	
Other Required Reserve 2 Running Balance						-	

Attachment D: LOSP Funding Schedule A

LOSP FUNDING SCHEDULE

Project Address:	1064-1066 Mission Street
Project Start Date:	8/1/2022

Exhibit A

Calendar Year	Full Year Funding Amount	# Months to Fund	Total Disbursement for Calendar Year	Estimated Disbursement Date	FY Budgeted (for Disbursement)
CY-1 2022	\$3,595,648	5	\$1,498,187	7/1/2022	FY2022/23
CY-2 2023	\$3,734,037	12	\$3,734,037	1/1/2023	FY2022/23
CY-3 2024	\$3,877,434	12	\$3,877,434	1/1/2024	FY2023/24
CY-4 2025	\$4,026,016	12	\$4,026,016	1/1/2025	FY2024/25
CY-5 2026	\$4,179,965	12	\$4,179,965	1/1/2026	FY2025/26
CY-6 2027	\$4,339,472	12	\$4,339,472	1/1/2027	FY2026/27
CY-7 2028	\$4,504,732	12	\$4,504,732	1/1/2028	FY2027/28
CY-8 2029	\$4,675,949	12	\$4,675,949	1/1/2029	FY2028/29
CY-9 2030	\$4,853,333	12	\$4,853,333	1/1/2030	FY2029/30
CY-10 2031	\$5,037,101	12	\$5,037,101	1/1/2031	FY2030/31
CY-11 2032	\$5,227,479	12	\$5,227,479	1/1/2032	FY2031/32
CY-12 2033	\$5,424,700	12	\$5,424,700	1/1/2033	FY2032/33
CY-13 2034	\$5,629,005	12	\$5,629,005	1/1/2034	FY2033/34
CY-14 2035	\$5,840,644	12	\$5,840,644	1/1/2035	FY2034/35
CY-15 2036	\$6,059,874	12	\$6,059,874	1/1/2036	FY2035/36
CY-16 2037	\$6,223,328	12	\$6,223,328	1/1/2037	FY2036/37
CY-17 2038	\$6,456,503	12	\$6,456,503	1/1/2038	FY2037/38
CY-18 2039	\$6,698,031	12	\$6,698,031	1/1/2039	FY2038/39
CY-19 2040	\$6,948,204	12	\$6,948,204	1/1/2040	FY2039/40
CY-20 2041	\$7,207,327	12	\$7,207,327	1/1/2041	FY2040/41
CY-21 2042	\$7,475,716	12	\$7,475,716	1/1/2042	FY2041/42
CY-22 2043	\$7,753,698	12	\$7,753,698	1/1/2043	FY2042/43
CY-23 2044	\$8,041,609	12	\$8,041,609	1/1/2044	FY2043/44
CY-24 2045	\$8,339,799	12	\$8,339,799	1/1/2045	FY2044/45
CY-25 2046	\$8,648,630	12	\$8,648,630	1/1/2046	FY2045/46
CY-26 2047	\$8,968,476	12	\$8,968,476	1/1/2047	FY2046/47
CY-27 2048	\$9,299,726	12	\$9,299,726	1/1/2048	FY2047/48
CY-28 2049	\$9,642,779	12	\$9,642,779	1/1/2049	FY2048/49
CY-29 2050	\$9,998,053	12	\$9,998,053	1/1/2050	FY2049/50
CY-30 2051	\$10,365,975	12	\$10,365,975	1/1/2051	FY2050/51
CY-31 2052	\$10,746,992	12	\$10,746,992	1/1/2052	FY2051/52
Total Contract Amount:			\$201,722,774		