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

1939 Market \$4,000,000 Funding Amount Predevelopment Loan Request

Evaluation of Request for:	\$4,000,000
Loan Committee Date:	November 5, 2021
Prepared By:	Sarah Nusser, Senior Project Manager
MOHCD Asset Manager:	Omar Cortez, Asset Manager
Sources and Amounts of New Funds	\$2,000,000 - Housing Trust Fund
Recommended:	\$2,000,000 - CPMC
	Total: \$4,000,000
Sources and Amounts of Previous City Funds Committed:	\$0
NOFA/PROGRAM/RFP:	Multisite Request for Qualifications issued on November 30, 2020
Applicant/Sponsor(s) Name:	Mercy Housing California and Openhouse

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EXECUTIVE SUMMARY

Sponsor Information:

Project Name:	1939 Market	Sponsor(s):	Mercy Housing California and Openhouse
Project Address (w/ cross St):	1939 Market Street @ Duboce Street	Ultimate Borrower Entity:	Mercy Housing California 109, L.P.

Project Summary:

Mercy Housing California ("Mercy") and Openhouse (together, the "Sponsor") request \$4MM to finance predevelopment costs for a proposed new construction affordable senior housing development located at 1939 Market (the "Site" or the "Project"), a city-owned parcel at Market Street and Duboce Avenue. The development will be LGBTQ+ affirming and is envisioned to build on an existing LGBTQ+ centered "campus" in San Francisco that includes MOHCD-funded developments on Laguna, the eastern edge of the Castro LGBTQ Cultural District, the San Francisco LGBT Center, the Bob Ross LGBT Senior Center, and the Openhouse Community Center.

The Sponsor applied as co-developers to MOHCD's Multi-site Request for Qualifications (RFQ), issued on November 30, 2020, and was selected to develop the Site. The RFQ did not require respondents to provide a conceptual design, and therefore this request is based on a preliminary concept that is expected to be further refined during the initial design phases. The Project responds to the Consolidated Plan by providing housing opportunities for low-income senior San Franciscans, residents experiencing homelessness, residents living with HIV/AIDS, and by supporting the LGBTQ population.

For feasibility purposes, the base concept presented for 1939 Market is a 9-story mid-rise building with approximately 1,500 sf of ground floor community-serving commercial space. As allowed under SB-35 and the City's Affordable Housing Bonus Program, the Sponsor will explore developing a high-rise building to increase the number of affordable units.

The proposed Project will provide 134 units (66 studios, 67 1-bedrooms, and 1 2-bedroom), including a twobedroom manager's unit, with 27 units (20% of total units) serving formerly homeless seniors subsidized by the City's Local Operating Subsidy Program (LOSP), 40 units (30% of total units) serving extremely low-income seniors supported by the City's Senior Operating Subsidy (SOS), 7 units serving Plus Housing seniors, and the remaining serving low-income seniors at 50-55% Area Median Income ("MOHCD AMI").

Proposed permanent financing includes tax-exempt bonds, 4% Low-Income Housing Tax Credits, Federal Home Loan Bank Affordable Housing Program (AHP) funds, Deferred Developer Fee, General Partner Equity, a MOHCD gap Ioan, a State of California Multifamily Housing Program (MHP) Ioan, and a State of California Infill Infrastructure Grant Program (IIG) grant. Construction is expected to start May 2024 and be completed April 2026.

Project Description:

Construction Type:	Type I, Midrise	Project Type:	New Construction
Number of Stories:	9	Lot Size (acres and sf):	0.27 acres / 11,860 sq ft
Number of Units:	134	Architect:	TBD
Total Residential Area:	87,884 sf	General Contractor:	TBD
Total Commercial Area:	1,500 sf	Property Manager:	Mercy Housing Management Group

Evaluation of Request for Financing 1939 Market

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Total Building Area:	89,384 sf	Supervisor and District:	Rafael Mandelman, District 8
Land Owner:	City & County of San Francisco		
Total Development Cost (TDC):	\$86,033,897	Total Acquisition Cost:	\$0
TDC/unit:	\$642,044	TDC less land cost/unit:	\$642,044
Loan Amount Requested:	\$4,000,000	Request Amount / unit:	\$29,850
HOME Funds?	Ν	Parking?	Ν

PRINCIPAL DEVELOPMENT ISSUES

- Community Outreach around Entitlements, Programming and Design, Lease Up, and Commercial Space – There are a number of aspects of the Project that will require robust and targeted community outreach in order to achieve the Sponsor's and MOHCD's goals for the project. In particular, these include ensuring the Project design and programming meets the needs of LGBTQ+ seniors, including those most marginalized by race and gender identity; and a marketing strategy that meets MOHCD's marketing requirements and connects with applicants who are LGBTQ+ seniors, Black seniors, senior COP holders, and/or those who hold more than one of these identities. See Section 3, Section 4.4, Section 4.11, and Section 9.2.
- **Base Concept Scenario** The 9-story, Type I, 134-unit base concept presented to Loan Committee may change after community feedback and cost efficiency analyses on the Project's development and operating cost. The Sponsor will be outreaching to surrounding neighborhoods about the project proposal, and community engagement and outreach will inform the Project's commercial space programming and inform an acceptable building height. The Sponsors will work with the selected architect, Planning Department, and MOHCD to explore an increase in building height and number of affordable housing units. Please see Section 4.3 and Section 9.2.
- Financing Plan The proposed financing plan assumes the maximum \$20MM HCD-MHP loan and 4% LIHTC and tax-exempt bonds. HCD revised MHP guidelines to synchronize with the latest TCAC and CDLAC regulation changes. Furthermore, CDLAC bond allocations are competitive and the Project's estimated score is not currently competitive compared to past awarded projects. The Sponsor will need to track changes to MHP and CDLAC regulations that could impact the maximum MHP request, the Project's income restrictions and cash flow, and the Project's CDLAC bond competitiveness. See Section 6.2, Section 7.5, and Section 9.2.

SOURCES AND USES SUMMARY

Predevelopment Sources	Amount	Terms	Status
MOHCD/OCII	\$4,000,000	3 yrs @ 3% Def (may be consolidated with perm loan at construction closing)	This Request
Total	\$4,000,000		

Permanent Sources	Amount	Terms	Status
MOHCD/OCII	\$31,028,625	57 yrs @ 3% Res Rec	Not Committed
HCD - MHP	\$20,000,000	20,000,000 55 yrs @ .42% & 3% Res Rec	
HCD - IIG	\$750,000	Grant	Not Committed
AHP	\$1,250,000	5 yrs @ 0% Def	Not Committed
Equity	\$24,535,265	\$0.98 per creidt	Not Committed
Deferred Developer Fee	\$340,000	N/A	Not Committed
GP Equity	\$8,130,007	N/A	Not Committed
Total	\$86,033,897		

Permanent Uses	Amount	Per Unit	Per SF
Acquisition	\$0	\$0	\$0.00
Hard Costs	\$63,638,624	\$474,915	\$711.97
Soft Costs	\$11,725,266	\$87,502	\$131.18
Developer Fee	\$10,670,007	\$79,627	\$119.37
Total	\$86,033,897	\$642,044	\$962.52

* The City acquired the site for \$12 MM in 2020.

1. BACKGROUND

1.1. Project History Leading to This Request.

1939 Market is a .27-acre parcel located in San Francisco's Mid-Market/Castro neighborhood. It is improved with a parking lot and a multistory office building. The City acquired the site in 2020, and the building currently has three tenants (see Section 4.7).

In early 2021, Mercy and Openhouse applied for the opportunity to develop the site as senior housing under MOHCD's Multisite RFQ. The Sponsor was selected to develop the site in Summer 2021.

This request for predevelopment financing will allow the Sponsor to begin the community engagement and design process with an architect and consultants, conduct site due diligence, refine construction pricing, and seek financial commitments to bring the project to construction closing and start of construction.

1.2. <u>Applicable NOFA/RFQ/RFP.</u> (See Attachment E for Threshold Eligibility Requirements and Ranking Criteria)

City of San Francisco Mayor's Office of Housing and Community Development (MOHCD) 2020 Multisite RFQ. The Sponsor met the minimum threshold eligibility requirements and was one of two teams to submit qualifications to develop the site. Via a competitive scoring process, the Sponsor was selected as the higher-ranking team, scoring 89 out of 100 points.

- 1.3. <u>Borrower/Grantee Profile.</u> (See Attachment B for Borrower Org Chart; See Attachment C for Developer Resume and Attachment D for Asset Management Analysis)
 - 1.3.1. Borrower.

The to-be-formed borrowing entity will be Mercy Housing California 109, L.P., with Mercy Housing California 109 LLC as the general partner and Mercy Housing Calwest as the sole member/member there-of, and South of Market Mercy Housing as the initial limited partner. At construction closing, the limited partner will be replaced with the investor limited partner.

1.3.2. <u>Joint Venture Partnership.</u> Mercy and Openhouse have partnered as co-developers for the development of the Project, collaborating on various aspects of the development of the vision and programming. Mercy and Openhouse have entered into a Memorandum of Understanding, which outlines the roles and responsibilities of each partner. Mercy will take the lead role on the real estate development responsibilities including design, entitlements, engagement of community on development issues, permitting, budget, securing financing and operating subsidies, construction administration, leaseup, property management, services planning and implementation, and asset management including regulatory and budget compliance. Openhouse will take the lead on the vision concept as an LGBTQ+ affirming senior housing project, providing input on design, community engagement and support for the vision, marketing and outreach to the LGBTQ+ senior community including initial lease-up and re-leasing of vacancies. Mercy will receive 80% of the developer fee and Openhouse will receive 20%. Mercy will be in the Project's ownership entity and Openhouse will not.

1.1.1. <u>Demographics of Board of Directors, Staff and People Served.</u>

	Sexual Orientation	Gender Identity	Race
			Asian: 2 African American: 4 Caucasian: 9
		M: 7	Latinx: 2
Mercy Housing California Board	Question not asked	F: 11	Biracial: 1
		M: 10	Asian: 1 African American: 3 Latinx: 1
Mercy Housing, Inc. Board	Question not asked		Caucasian: 15
Mercy Housing, Inc All Staff	Question not asked	Female – 58%	2 or More Races – 3% American Indian/Alaska Native – 1% Asian – 11% Black or African American – 24% Hispanic or Latino – 22% Native Hawaiian/Other Pacific Islander – 1% Not specified – 1% White – 37%
Mercy Housing California - All Staff	Question not asked	Female - 57% Male - 43%	American Indian/Alaska Native – 1% Asian – 21% Black or African American – 17% Hispanic or Latino – 31% Native Hawaiian/Other Pacific Islander – 2% Not specified – 1% White – 22%
iviercy nousing California - Ali Statt	Question not asked	Mare - 43%	
Mercy Housing California - Development Staff	Question not asked	Female – 50% Male – 50%	Asian – 20% Not specified – 20% White – 60%

Mercy board and staff:

For a breakdown of who Mercy serves by race/ethnicity, see Section 1.1.5.2.

Openhouse board and staff:

	Sexual Orientation	Gender Identity	Race
Board of Directors	Gay: 7	Transgender: 3	Asian: 1
	Lesbian: 7	M: 8	African American: 0
	Bisexual: 1	F: 6	White: 8
		GNC: 0	Latinx: 6
Staff	Gay: 12	Transgender: 3	Asian: 4
	Lesbian: 16	M: 12	African American: 3
	Other: 1	F: 13	White: 20
		GNC: 4	Latinx: 2

Who Openhouse serves:

Age	Number of CM		Gender ID	Number of CM	
Under 50	40	4.4%	Female	248	27.1%
50 - 65	172	18.8%	Male	400	43.7%
66 - 85	472	51.6%	Trans Female	11	1.2%
86 - 96	14	1.5%	Trans Male	1	0.1%
96 +	0	0.0%	Genderqueer	13	1.4%
Unknown	217	23.7%	Unknown	242	26.4%
Total	915		Total	915	

Sexual Orientation	Number of CM		Racial Background	Number of CM	
Gay: Male/Male	332	36.3%	African American/Black	77	8.4%
Lesbian: Female/Female	110	12.0%	Asian/Asian American/Pacific Islander	46	5.0%
Bisexual	72	7.9%	Caucasian/White	428	46.8%
Heterosexual: Opposite Sex	117	12.8%	Hispanic/Latino	60	6.6%
Asexual	4	0.4%	Middle Eastern	1	0.1%
Other	22	2.4%	Multiracial	22	2.4%
Pansexual	2	0.2%	Native American/Indigenous	12	1.3%
Queer	2	0.2%	Other	9	1.0%
Unknown	254	27.8%	Unknown	260	28.4%
Total	915		Total	915	

1.1.2. Racial Equity Vision.

Mercy is in the process of creating a Racial Equity, Diversity and Inclusion (REDI) organizational framework which is targeted to be released publicly by the end of 2021. The REDI organizational framework will consist of 6 focus areas:

- 1. Resident Empowerment
- 2. Policy, Planning, and Practice
- 3. Communication and Advocacy
- 4. Education and Training
- 5. People and Culture
- 6. Hiring, Recruitment and Promotion

Openhouse did not provide an organizational racial equity vision or plan.

1.1.3. Relevant Experience.

Mercy has deep experience in developing affordable and supportive housing for seniors in San Francisco, having developed 22 seniorserving properties to date (1,800 units). Of those 22 properties, six serve seniors who have experienced homelessness and eleven additional properties are considered supportive housing communities (892 units total).

Since 1998, Openhouse has worked with LGBTQ+ seniors and adults with disabilities to provide LGBTQ+-welcoming services that build stronger community connections in San Francisco. Since 2006,

Openhouse has developed, organized and delivered LGBTQ+ agingspecific, structured activities including: individual case management, friendly visitor connections, lifelong learning opportunities, resource and housing navigation, mental and physical health education, emotional support groups, and social and community engagement events. Openhouse now serves over 3,000 LGBTQ+ older adults, adults with disabilities, and caregivers each year.

Mercy and Openhouse have partnered on two previous LGBTQ+ affirming affordable housing developments – 55 Laguna, which completed construction in 2017, and the Marcy Adelman and Jeanette Gurevitch Openhouse Community (at 95 Laguna), which completed construction in 2020. Together these developments attracted a resident pool of 50% LGBTQ+ identifying residents and approximately 10% COP holders, with 11% of the units set aside for seniors living with HIV/AIDS.

- 1.1.4. <u>Project Management Capacity.</u> 1939 Market is staffed by Mercy's Clare Murphy (40% FTE) as Project Developer, Ahmed Almahbashi (25% FTE) as Assistant Project Manager, and with supervision by Sharon Christen, Associate Director of Permanent Supportive Housing, and Barbara Gualco, Regional Director of Development. Openhouse's Matthew Cimino (10% FTE), Director of Operations, staffs weekly project check-ins with MOHCD and coordinates on facility's needs as they relate to the programming through construction of the project. See individual staff resumes attached.
- 1.1.5. Past Performance.
 - 1.1.5.1. <u>City audits/performance plans.</u> Mercy and Openhouse have no known and outstanding performance issues with respect to current grants administered by MOHCD's Community Development program staff.
 - 1.1.5.2. <u>Marketing/lease-up/operations.</u> Mercy has performed relatively well in recent marketing efforts, but they tend to be understaffed. At their RFQ presentation for 1939 Market, they committed to hiring a local marketing staff person. That has not happened yet. Furthermore, while a successful marketing strategy was ultimately developed by Mercy and Openhouse at 95 Laguna, working with MOHCD, Openhouse was resistant to operating within MOHCD's marketing requirements, including the use of DAHLIA and providing a 21-day marketing period for senior projects. See Section 4.11 for MOCHD's marketing requirements.

The below chart represents the number of people currently living in Mercy-owned properties in San Francisco, disaggregated by race. Mercy owns 4,217 units of affordable housing in San Francisco.

Race	Count o 🔻		
Asian	2995	Ethnicity	🔻 Count o 💌
White	1385	Not-Hispanic or Latino	5576
Black or African American	1155	Hispanic or Latino	1383
Other	1092	Member did not specify	180
Member Did Not Specify	212	Blank	32
Native Hawaiian or Other Pacific Is	sl 173		
American Indian or Alaska Native	154		
Blank	10		
	7176		7171

To date in 2021, there have been 5 evictions in Mercy's 4,217unit portfolio. Mercy does not currently track move out reasons, including evictions, by race at this time.

2. SITE (See Attachment E for Site map with amenities)

Site Description	
Zoning:	NCT-3 (Moderate Scale Neighborhood Commercial Transit District) in the 85-X height and bulk district.
Maximum units allowed by current zoning (N/A if rehab):	There is no residential density limit in the NCT-3 Zoning District. Density is regulated by the permitted height and bulk, required setbacks, exposure and open space of each development lot.
Number of units added or removed (rehab only, if applicable):	N/A
Seismic (if applicable):	Seismic Zone 4. PML/SUL are N/A because there are no existing structures on site that will be retained.
Soil type:	The soil surface texture hydrologic group is Class D – very slow infiltration rate. Soils are clayey, have a high water table, or are shallow to an impervious layer.
	Further geotechnical investigation will be conducted during predevelopment.
Environmental Review:	The Project will be exempt from CEQA under SB 35. If the Project receives federal funding (ie. Continuum of Care operating subsidy), NEPA review will be required.
	A Phase I was prepared for the City (1/10/20) by Rincon. A Limited Phase II was completed prior to the City's acquisition (12/18/19) by SCS Engineers. See detailed results below.
Adjacent uses (North):	Condominium building, restaurants, and professional services.
Adjacent uses (South):	Single family homes, apartment buildings, parking lot, Fed Ex, and pet supply store.

Adjacent uses (East):	Single family homes, apartment buildings, and retail shops.
Adjacent uses (West):	Federal government office, Safeway, Whole Foods, pharmacy, bank, and apartment buildings.
Neighborhood Amenities within 0.5 miles:	Safeway, Walgreens, Duboce Park, Open house Senior Services, Sutter Hospital, Wells Fargo.
Public Transportation within 0.5 miles:	Buses (K,L,N,T,7,22); Light Rail (F,J,M,KT).
Article 34:	Not exempt. Will obtain approval before predevelopment loan is executed.
Article 38:	Not exempt.
Accessibility:	Per updated TCAC minimum building standards, 15% will be mobility units; 10% will be accessible for households with hearing and/or visual impairments. All units will be adaptable. Sponsor is working to meet a high-level of universal design standards intended to include additional mobility features within the residential units to ease modification to meet residents' specific needs.
Green Building:	TBD
Recycled Water:	Exempt.
Storm Water Management:	Not Exempt. To be Submitted.

2.1. Description.

Located at the corner of Market Street and Duboce Avenue, the site is 0.27 acres and irregularly shaped. The site is improved with a parking lot and a two-story office building, which currently has three tenants (see Section 4.7).

Demolition of the building is expected to occur after construction close. The site is currently comprised of two separate parcels (006 and 007), which will need to be merged before construction close.

- 2.2. <u>Zoning</u>. Mercy expects to submit a notice of intent to submit an SB-35 application in April 2022 to start the entitlement process. The SB-35 process is expected to take up to 120 days including the notification period.
- 2.3. Probable Maximum Loss. N/A.
- 2.4. <u>Local/Federal Environmental Review.</u> The predevelopment budget includes funds for Mercy to have a NEPA conducted on the Project. Mercy expects to pursue this so that the project is best set up to apply for federal Continuum of Care subsidies, which would replace locally-funded LOSP units.
- 2.5. Environmental Issues.
 - 2.5.1. Phase I/II Site Assessment Status and Results.

The Phase I found recognized environmental issues, which are excerpted from the report below:

- Serpentine rock containing Naturally Occurring Asbestos (NOA) underlying the subject property.
- Former use of the subject property as a gasoline station, motorcycle repair, used automobile sales, and postage meter manufacturing.
- Location of the subject property within a Maher Ordinance Area.
- Presence of PCE and benzene exceeding residential Environmental Screening Levels (ESLs) underlying the subject property.

The Phase I found that there is one potential environmental concern:

- Long term use of hydraulic elevator onsite.

The limited Phase II focused on evaluating the potential for migration of gasoline-related constituents to the site from releases that may have originated from former fueling operations (ie. a neighboring gas station). The report found benzene to be present above commercial and residential ESLs and PCEs to be present above residential ESLs. The report found other VOCs to be present, but not above commercial or residential ESLs. SCS Engineers also conducted a vapor intrusion analysis to evaluate the risk of these VOCs to occupants of the current office building. The report found that indoor air concentrations of benzene and PCE in the existing building would be at least two orders of magnitude below current ESLs designated for indoor air in commercial buildings and therefore likely does not pose a health and safety risk to building occupants.

The report goes on to indicate that the impact on residential occupants of the above concentrations of benzene and PCE will need to be evaluated at the time of redevelopment. Mercy has reached out to an environmental consultant to investigate any needed mitigations given the above findings.

The predevelopment budget is adequately sized to absorb environmental consultant costs associated with further investigating these conditions. The hard cost estimate in the development budget can also absorb the cost of a passive vapor barrier system, if necessary to mitigate. If an active system is required, it would be more logistically challenging and could add to budgeted costs.

2.5.2. Potential/Known Hazards. NOA, benzene, and PCE.

2.6. Adjacent uses and neighborhood amenities.

LGBTQ+ senior uses and services in the immediate neighborhood include: 55 Laguna (LGBTQ+ affirming senior housing providing case management services), 65 Laguna (Openhouse's offices and the Bob Ross Senior Center), 75 Laguna (Openhouse's Community Day services with On Lok which will open soon providing meals, services programming, care, and transportation), 95 Laguna (LGBTQ+ affirming senior housing providing case management services), and the SF LGBT Center.

2.7. Green Building.

Per the City's Green Building Code, the Sponsor is required to achieve an all-electric building. Green features will be determined by the Sponsor during predevelopment and will be expected to meet the minimum TCAC Green Building Requirements in addition to City code. The Sponsor will evaluate both LEED and GreenPoint Rated certifications.

3. COMMUNITY SUPPORT

3.1. Prior Outreach.

While no prior outreach has been conducted for 1939 Market Street todate, Mercy and Openhouse's years of experience working on the UC Laguna Campus redevelopment, as well as Mercy's experience working in Hayes Valley (on 455 Fell as well as Richardson Apartments), and Openhouse's deep roots working with community groups in the Castro, bring considerable knowledge of community interests and relationships to the 1939 Market Street development. Mercy and Openhouse are presently working to create a diverse list of stakeholders comprised of individuals and neighborhood groups, including LGBTQ+ and BIPOC-lead organizations, in the community to obtain comprehensive and varied perspectives on neighborhood and LGBTQ+ needs.

3.2. <u>Future Outreach</u>. Openhouse will take the lead on community outreach, which will begin March 2022 prior to the SB-35 notification process. Mercy and Openhouse are currently developing a community outreach plan.

As a condition of this loan, staff recommends the Sponsor provide a community outreach plan for the entire predevelopment period through construction completion and lease-up. The plan should identify key community stakeholders that will be outreached to and should describe the team's overall community outreach strategy and timeline. It should also include specific outreach strategies and timelines for the following processes and audiences:

- The entitlement process with surrounding neighbors
- The design and programming process with senior LGBTQ+ communities, particular those most marginalized by race and gender identity
- The marketing and lease up process with LGBTQ+ seniors, Black seniors, senior COP holders, and those who hold more than one of these identities
- The commercial space plan with neighbors and LGBTQ+ communities.

3.3. <u>Proposition I</u>. Chapter 79 of the City's Administrative Code requires public noticing (Prop I) for initial City-funding made to any new construction project. The Sponsor will need to complete the noticing process immediately following Loan Committee's approval of this request.

4. DEVELOPMENT PLAN

4.1. <u>Site Control.</u> The City and County of San Francisco bought the site from the Sheet Metal Workers' Internal Association, Local Union No. 104 on May 27, 2020 for \$12 MM or \$89,552 per unit. The City will enter into an Option to Ground Lease with the LP to establish LP site control for financing applications.

4.1.1. Proposed Property Ownership Structure

The City will own the land and enter into a long-term ground lease with the LP. The LP will own the improvements.

4.2. <u>Proposed Design.</u> While design work as not yet commenced, 1939 Market is conceptually proposed to be 9-story, Type I mid-rise. Due to the shape of the site, the building is expected to be a flatiron with a full-height courtyard to the east and an upper story courtyard. The ground floor is expected to include approximately 1,500 square feet of community serving café space (see Section 4.5). As per NCT-3 zoning requirements, the most active groundfloor uses will be along Market Street, and include a café, the residential lobby and the community room. The café is envisioned to be at Market and Duboce, which is the flatiron location and the most visible. Sidewalk seating is expected on Market Street. Along Duboce Street, the ground floor frontage may include utility rooms and the building's bike room, to be accessed from the building interior. The Sponsor proposes no car parking and will request a reduction in the required bike parking ratio (to 1 space / 3 units) due to the building's excellent access to transit and the senior population being served.

Residential SF:	87,884
Commercial SF:	1,500
Building Total SF:	89,384

The Sponsor's hard cost budget is based on comps from a Mercy project in predevelopment, The Kelsey Civic Center.

- 4.3. Proposed Rehab Scope. N/A.
- 4.4. Construction Supervisor/Construction Representative's Evaluation.

At this very early stage in the process before an architect has even been hired, there is not much to comment on in terms of design and cost containment. The relatively small size of the lot and it's narrow flat-iron shape are challenging constraints that would tend to lead to an inefficient design, as multiple unit types will likely be needed. The prominent Market Street location will likely cause a bit more scrutiny from the Planning Department that could also escalate costs. Additionally, the Sponsor will need to study the possibility of stepping back the building on Duboce to avoid the power lines, which appear to have both primary and secondary power, versus the cost of undergrounding the power.

As shown in the Cost Comparison Chart (see Attachment H), the early estimating from the developer is almost exactly on the average across all metrics (per square foot and per bedroom costs) when compared to similarly sized projects with essentially a 1:1 bedroom-to-unit ratio. The constraints mentioned above will likely lead to a slightly above-average construction cost.

- 4.5. Commercial Space.
 - <u>Space Description.</u> One groundfloor commercial space consisting of approximately 1,500 sf. The space is proposed to be for a communityserving commercial use, specifically a café supporting intergenerational LGBTQ+ relationship-building and socializing. The space concept includes programmed musical acts, events, and speakers while offering inexpensive coffee and snacks. The Sponsor will create a plan for identifying a tenant early on in the predevelopment period. Given current retail and restaurant/café market conditions, the Sponsor should ensure that its Planning approvals allow for maximum flexibility as to the use of the commercial space, specifically allowing for nonprofit use should current market conditions not improve.
 - <u>Commercial Leasing Plan.</u> One of the goals of the MOHCD Multisite RFQ is the "provision of ground floor commercial spaces that serve the neighborhood (including the residents of the Project), with specific programming determined through a comprehensive community outreach process where ground floor commercial uses are appropriate and feasible." An outreach plan specific to the commercial space will be a part of the larger Project community outreach plan. The Sponsor anticipates the commercial space use and vision to be an ongoing topic of discussion for interested community members and stakeholders to ensure the uses are appropriately serving the needs of the neighborhood, including future residents of 1939 Market.
 - Operating Pro Forma. The Sponsor anticipates the LP master leasing the commercial space to a Sponsor-affiliated commercial entity. Under this structure, 60% of commercial surplus cash remains with the master commercial tenant, and 40% of commercial surplus cash is paid to the LP. The Sponsor is projecting the individual commercial tenant to pay \$1/sf/mo in rent in addition to reimbursing the master commercial tenant for any Common Area Maintenance charges and the commercial space share of property insurance. This is a below market rate rent, as the tenant is proposing to meet MOHCD's definition of community-serving. The master commercial tenant will

have the following operating expenses to be paid from rent revenues: commercial space management fee and, potentially, replacement reserve deposits.

- <u>Tenant Improvement Build Out.</u> Mercy will work closely with the commercial tenant in designing and fundraising for the tenant-paid tenant improvements.
- 4.6. <u>Services Space.</u> While the conceptual design is not advanced enough to speak to the amount of services space, specifically, the Sponsor envisions the ground floor to include one or more case management offices, located adjacent to a management office, with the possibility of a private meeting room.
- 4.7. Interim Use. Currently, there are three (3) office tenants whose leases expire March 2022. There is one vacant space that has interest from one of the existing tenants. All three tenants are interested in staying in the building for an extended period of time. MOHCD and the Real Estate Department are working on potential rent relief for one of the tenants. MOHCD's goal is to keep this building activated and occupied until the start of construction.
- 4.8. Infrastructure. N/A.
- 4.9. <u>Communications Wiring and Internet Access.</u> MOHCD Communications Wiring Standards are under review and will be released soon. Costs permitting, the Sponsor will work with the MOHCD Construction Representative to determine the appropriate communications wiring scope that meets MOHCD's standards.
- 4.10. <u>Public Art Component.</u> The Project's public art requirement calculation is based off 1% of expected construction cost multiplied by the percent of Project funded by MOHCD. Currently, the Project's development budget includes \$230K.

MOHCD Committed	\$31,028,625	
TDC	\$86,033,897	
Hard Cost Total	\$63,638,624	
Public Art Requirement Calculation		
1%	1%	
Construction Cost	\$63,638,624	
Percent funded by MOHCD		
(MOHCD Committed / TDC)	36.07%	
Public Art Requirement	\$229,516	

4.11. Marketing, Occupancy, and Lease-Up

Mercy will act as leasing agent and Openhouse will lead marketing and outreach efforts, targeting the senior LGBTQ+ population. The development will be marketed as Lesbian, Gay, Bisexual, and Transgender Welcoming Senior Housing on MOHCD's DAHLIA portal. Seniors experiencing homelessness will be referred to the Sponsor by HSH and seniors who are a part of the PLUS Housing Program will be referred to the Sponsor by MOHCD. Seniors eligible for the SOS operating subsidy will apply through the DAHLIA portal.

MOHCD's marketing policies and procedures will be applied to all units. Marketing and occupancy outreach for the Project will be conducted in accordance with all applicable fair housing laws. Units that are not Plus Housing or subsidized by LOSP will be entered in a lottery and subject to San Francisco preferences. The marketing period for the lottery units will be 21 days. Among all eligible applicants, preferences will be observed in the following order:

- **1.** San Francisco Redevelopment Agency Certificate of Preference (COP) Holders,
- 2. Displaced Tenant Housing Preference (Ellis Act/OMI) Certificate Holders,
- **3.** Neighborhood Resident Preference (25% of lottery units given the expected HCD-MHP funding to the Project), and
- 4. Live or Work in San Francisco.

As a condition of this loan, the Sponsor will provide a clear marketing strategy for COP holders, in addition to addressing how their marketing is consistent with the Mayor's Racial Equity statement and promotion of positive outcomes for Black/African American San Franciscans.

Finally, it should be noted that the Sponsor has expressed interest in defining "senior" as 55 years old and above, as opposed to 62+. The Sponsor argues that this lower age restriction better targets a diverse range of seniors who have either experienced displacement or are more at risk of displacement. This lower age restriction is possible if the Project does not pursue 9% tax credits, which is not currently contemplated. This will be an ongoing discussion between the Sponsor and MOHCD.

4.12. <u>Relocation.</u> At the City's acquisition of the site, the existing tenants signed lease amendments, which extended their lease terms, and waived their rights to relocation benefits.

	Development Team		
Consultant Type Name		SBE/LBE	Outstanding
			Procurement Issues
Architect	TBD	TBD	RFQ forthcoming.
Landscape Architect	TBD	TBD	RFQ forthcoming.
General Contractor	TBD	TBD	RFP forthcoming.
Owner's Rep/Construction	TBD	TBD	RFQ currently
Manager			posted.

5. DEVELOPMENT TEAM

Financial Consultant	California Housing Partnership Corporation	N	Ν
Other Consultant	TBD	TBD	RFQ forthcoming.
Legal	Gubb & Barshay LLP	Ν	Ν

- **5.1.** <u>Procurement Plan.</u> CMD has approved Sponsor's procurement plan for Professional/Architecture & Engineering Services, and Sponsor's goal for procuring Local Business Entity (LBE) contractors is 25% of total contract value. The Sponsor posted their first professional services RFQ for an Owner's Rep in early October. Once selected, Sponsor will work with their Owner's Rep to post an RFQ for Architecture and Engineering Services.
- 5.2. <u>Opportunities for BIPOC-Led Organizations.</u> To increase their contracting with BIPOC-led firms, the Sponsor is doing the following:

-Partnering with the San Francisco National Organization of Minority Architects to identify opportunities for participation in projects

-Creating a BIPOC-led or -owned professional firms list for distributing contracting opportunities (this is building on efforts from The Kelsey Civic Center project)

-Including meaningful scoring in RFQ and RFP procurements for professional services (ie. Owner's Rep, Architect and Engineers, and General Contractor) for firms with racial and gender equity-centered initiatives in regards to advancement within the organization, hiring and subcontracting.

- FINANCING PLAN (See Attachment F for Cost Comparison of City Investment in Other Housing Developments; See Attachment G and H for Sources and Uses)
 - 6.1. Prior MOHCD/OCII Funding: N/A.
 - 6.2. <u>Disbursement Status.</u> Loan Committee approves payment of costs no earlier than <u>July 1, 2021</u> so long as these costs are deemed acceptable and correspond to the predevelopment budget attached herein.
 - 6.3. Fulfillment of Loan Conditions. N/A.
 - 6.4. Proposed Predevelopment Financing
 - 6.4.1. Predevelopment Sources Evaluation Narrative

The predevelopment budget, totaling \$4M, is solely funded by MOHCD and sized to take the Project through construction closing

6.4.2. Predevelopment Uses Evaluation:

Predevelopment Budget			
Underwriting Standard	Meets Standard? (Y/N)	Notes	

Acquisition Cost is based on		Not included. Site is currently owned by
appraisal		the City. Since the City owns there is no
	N/A	property taxes or other holding costs associated with the site budget.
Holding costs are reasonable	N/A	See above.
Architecture and Engineering Fees are within standards	Y	Architecture fees during predevelopment total \$2,001,463, and additional third-party design consultants total \$340,981.
Consultant and legal fees are reasonable	Y	Consultant fees for environmental work, survey, market analysis, utilities, and financial consultant are standard. Legal fees are appropriately small for predevelopment period at \$5,000.
Entitlement fees are accurately estimated	Y	A total of \$333,492, broken down as follows: DBI plan review: \$203,244 Planning review: \$37,784 Demo permit fee: \$20,000 Impact fees: \$44,964 Mapping/Subdivision: \$12,500 MOD plancheck: \$15,000
Construction Management Fees are within standards	Y	Assumes two years of preconstruction Owner's Rep services at \$84,000.
Developer Fee is within standards	Y	Predevelopment period developer fee for project management is \$550,000.
Soft Cost Contingency is 10% per standards	Y	Soft Cost Contingency is 10%

6.5. Potential Permanent Financing

The permanent financing is being presented to demonstrate the project's overall feasibility but is not intended to be presented for Loan Committee approval at this time.

- 6.5.1. <u>Permanent Sources Evaluation Narrative</u>: The Borrower proposes to use the following sources to permanently finance the project:
 - <u>4% Tax Credit Equity (\$24,535,265)</u>: The Sponsor is assuming \$0.98 per federal credit pricing.
 - <u>HCD MHP Loan (\$20,000,000)</u>: The Sponsor is assuming the maximum award amount under MHP. MHP prioritizes providing permanent financing to extremely low-income units at or below 60% TCAC AMI. HCD is updating their guidelines for MHP as well as 5 other programs (including IIG, mentioned

below) that will be part of HCD's "Super-NOFA" published annually in the spring. MHP is expected to be extremely competitive and will award the highest scoring projects with the lowest tiebreakers based on a project's average AMI of MHP Assisted units. The Sponsor is planning to apply in Spring 2023 and will need to work with MOHCD to structure the project as competitively as possible.

- <u>HCD IIG Grant (\$750,000)</u>: The Sponsor is assuming an IIG grant in the amount of the infrastructure improvement costs associated with the Project.
- <u>MOHCD Loan (\$31,028,625)</u>: The estimated MOHCD gap loan amount is or \$231,557/unit, which meets the targeted \$250k/unit stated in the Multisite RFQ. Furthermore, the Sponsor may request MOHCD to bridge the AHP loan amount, depending on the timing of the AHP award.
- <u>AHP (\$1,250,000)</u>: The Project will be competitive based on the senior population, timing of submitting the application to maximize Project readiness points, and a request just under \$10,000 per unit. The Sponsor will apply for AHP financing in 2023 and if not awarded, will apply again in 2024. The Sponsor will identify the bank sponsor closer to the application date, with a successful award to be disbursed at closing or during construction.
- <u>Deferred Developer Fee (\$340,000)</u>: The Sponsor will take deferred fee in an amount based on 50% of surplus cash through Year 8.
- <u>General Partner Equity (\$8,130,007)</u>: The Sponsor is maximizing General Partner Equity to leverage additional tax credit equity, as encouraged in MOHCD's Developer Fee Policy. Since including the GP equity as a cost may negatively impact the cost per unit, making the project less competitive for a bond allocation, the GP equity may be removed from the budget at a later time (see Section 6.5.2).
- <u>Construction Loan (\$44,456,994)</u>: While not a permanent source, the construction loan terms are a 24-month term, with a 4% interest rate.
- 6.5.2 <u>CDLAC Tax-Exempt Bond Application:</u> The Sponsor's goal is that the project compete in the ELI/VLI set-aside within the New Construction pool and the Bay Area's geographic set-aside.

CDLAC Self-Score	
Opportunity Map	Moderate Resource
Resource Level	Moderate Resource
TCAC Housing Type	
(new construction	Senior
only)	

Bond Allocation Request Amount	\$44,456,994
Total Self-Score (out of 120 points)	119
Tiebreaker Score	\$296,800

The Project will apply to CDLAC-TCAC in September 2023 for a December 2023 allocation with an approximate \$44.5MM tax-exempt bond request, scoring 119 out of 120 total points, with a tiebreaker of \$ \$296,800 (based off the 2020 tiebreaker calculation). With two opportunities to compete in the New Construction set-asides – ELI/VLI and Bay Area regional pool -- the Project's tiebreaker score is not competitive for an allocation in either pool because Bay Area projects are disadvantaged by higher development cost.

In addition to hard cost interventions to increase competitiveness, the Sponsor may need to reduce the general partner equity contribution from TCAC's maximum developer fee of 15% eligible basis. Although general partner equity would generate additional eligible basis to increase tax credit equity and lower MOHCD's gap loan, the Project's tax-exempt bond request would consequently have to increase to meet the 50% test.

- 6.5.3 HOME Funds Narrative. N/A.
- 6.5.4 <u>Commercial Space Sources and Uses Narrative</u>: The Sponsor is proposing the commercial space to be leased by a Community Serving Commercial Use. As commercial space planning evolves, MOHCD will evaluate whether the proposed tenant meets this definition. Assuming it does, MOHCD will invest in the warm shell build out of the commercial space per MOHCD's Commercial Underwriting Guidelines. The Sponsor anticipates a very small percentage of the hard costs not being included in eligible basis as a result of being for commercial use.

Development Budget			
Underwriting Standard	Meets Standard? (Y/N)	Notes	
Hard Cost per unit is within standards	Y	\$474,915/unit and \$712/sf	
Construction Hard Cost Contingency is at least 5% (new construction) or 15% (rehab)	Y	Hard Cost Contingency is 5% after subtracting out the Public Art Requirement funding amount.	
Architecture and Engineering Fees are within standards	Y	Architecture fees during predevelopment total \$2,711,474, and additional third-party design consultants total \$414,650.	

6.5.2.	Permanent	Uses	Evaluation:
0.0.2.	1 onnunont	0000	

Construction Management Fees are within standards	Y	Assumes two years of preconstruction Owner's Rep services at \$84,000 and two years of construction services at \$91,000.
Developer Fee is within standards,		Project management fee: \$1,100,000
see also disbursement chart below	Y	At risk fee: \$1,100,000
		Deferred fee: \$340,000
		GP equity: \$8,130,007
		Total fee: \$10,670,007
Total soft costs fees are reasonable		\$167,129/unit and \$251/sf, which is
	Y	around the average for comparable projects.
Soft Cost Contingency is 10% per		Soft Cost Contingency is 10%
standards	Y	
Capitalized Operating Reserves are		Capitalized Operating Reserve is equal
a minimum of 3 months	Y	to 6 months. To be re-visiting based on
		funding requirements.

6.5.4 <u>Developer Fee Evaluation</u>: The proposed developer fee falls within the requirements of MOHCD's Developer Fee Policy and also meets HCD's developer fee maximums, which are more restrictive than MOHCD's. The milestones for the payment of the developer fee to the Sponsor are specified below:

Total Developer Fee:	\$10,670,007	
Project Management Fee Paid to Date:	\$0	
Amount of Remaining Project Management Fee:	\$1,100,000	
Amount of Fee at Risk (the "At Risk Fee"):	\$1,100,000	
Amount of Commercial Space Developer Fee (the "Commercial Fee"):	\$0	
Amount of Fee Deferred (the "Deferred Fee"):	\$340,000	
Amount of General Partner Equity Contribution (the "GP Equity"):	\$8,130,007	
Milestones for Disbursement of that portion of	Amount Paid	Percentage
Developer Fee remaining and payable for	at Milestone	Project Management Fee
Project Management		
At closing of initial predevelopment loan*	\$165,000	15%
At submittal of MOHCD-approved Community Outreach Plan*	\$110,000	10%
Submission of HCD funding application*	\$110,000	10%
Submission of joint CDLAC and TCAC* application	\$110,000	10%
Construction close	\$220,000	20%
At Temporary Certificate of Occupancy	\$220,000	20%
Project close-out	\$110,000	10%
Milestones for Disbursement of that portion of Developer Fee defined as At Risk Fee		Percentage At Risk Fee

100% lease up and draft cost certification	\$220,000	20%
Permanent conversion	\$550,000	50%
Project close-out	\$330,000	30%

*This fee must be split 50/50 between Mercy and Openhouse per MOHCD's Developer Fee Policy.

- 7. PROJECT OPERATIONS (See Attachment I and J for Operating Budget and Proforma)
 - 7.1. <u>Annual Operating Budget.</u> Please note that the annual operating budget presented is to demonstrate the project's overall feasibility but is not intended for Loan Committee approval at this time.

On the revenue side, the proposed Project will receive a 15-year LOSP contract for 27 LOSP units (\$11,448/unit in Year 1) and a 15-year SOS contract for 40 SOS units (a \$479,520 building subsidy in Year 1). Otherwise, tenant rents at a range of AMIs will support building operations, in addition to small amounts of revenue from building laundry and 40% of commercial surplus cash (about \$7,200 in Year 1, assuming full occupancy).

Operating expenses are almost entirely divided between non-LOSP and LOSP units proportionate to percentage of total units. There are small deviations to this within Legal Expenses and Electricity expenses. The most significant operating cost driver is the proposal to provide 24/7 front desk coverage (see Section 9.2).

Operating Proforma						
Underwriting Standard	Meets Standard? (Y/N)	Notes				
Debt Service Coverage Ratio is minimum 1.1:1 in Year 1 and stays above 1:1 through Year 17	Y	The proposed Project does not leverage debt. Cash flow stays positive through Year 20.				
For TCAC projects: Vacancy rate meets TCAC Standards	Y	Vacancy rate is 5%				
For non-TCAC existing projects: Vacancy rate is based on project's historical actuals						
Annual Income Growth is increased at 2.5% per year or 1% for LOSP tenant rents	Y	Income escalation factor is 1% for LOSP tenant rents, 4% for SOS building subsidy, and 2.5% for all other revenue sources				
<i>For TCAC projects:</i> Annual Operating Expenses are increased at 3.5% per year	Y	Expenses escalation factor is 3.5%.				
For non-TCAC existing projects:						

7.2. <u>Annual Operating Expenses Evaluation</u>.

Annual Operating Expense escalation is based on project's historical actuals		
Base year operating expenses per unit are reasonable per comparables	Y	Total Operating Expenses are \$13,250 per unit, including ground lease base rent, replacement reserve deposits, and bond monitoring fee
Property Management Fee is at allowable <u>HUD Maximum</u>	Y	Total Property Management Fee is \$102,912 or \$64 PUPM.
Property Management staffing level is reasonable per comparables	Y	Proposed staffing, includes: 1 FTE Senior Property Manager (PM) .5 FTE Assistant PM 4.5 FTE Front Desk Coverage 1 FTE Maintenance Manager 1 FTE Maintenance Tech 2 FTE Janitors
Asset Management and Partnership Management Fees meet standards	Y	Annual AM Fee is \$23,460/yr Annual PM Fee is \$23,450/yr
For TCAC projects: Replacement Reserve Deposits meet or exceed TCAC minimum standards	Y	Replacement Reserves are \$500 per unit per year
For non-TCAC existing projects: Replacement Reserve Deposits meet project needs based on CNA		
Limited Partnership Asset Management Fee meets standards	Y	\$5,000/year with no escalation

- 7.3. <u>Staffing Summary</u>. Staffing will be further evaluated during predevelopment as the project size and design are developed.
- 7.4. Capital Needs Assessment & Replacement Reserve Analysis. N/A.

7.5. Income Restrictions for All Sources.

UNIT SIZE	MAXIMUM INCOME LEVEL				
NON-LOTTERY	No. of Units	MOHCD	TCAC	HCD	
Studio – LOSP	13	30% MOHCD AMI	30% TCAC AMI	30% TCAC AMI	
1 BR – LOSP	14	30% MOHCD AMI	30% TCAC AMI	30% TCAC AMI	
Studio – PLUS	4	50% MOHCD AMI	50% TCAC AMI	40% TCAC AMI	
1 BR – PLUS	3	50% MOHCD AMI	50% TCAC AMI	40% TCAC AMI	
Sub-Total	34				
<u>LOTTERY</u>					
Studio – SOS	10	15% MOHCD AMI	30% TCAC AMI	30% TCAC AMI	
Studio -SOS	10	25% MOHCD AMI	30% TCAC AMI	30% TCAC AMI	
Studio	19	50% MOHCD AMI	50% TCAC AMI	40% TCAC AMI	
Studio	10	55% MOHCD AMI	50% TCAC AMI	40% TCAC AMI	
Sub-Total	49				
1 BR - SOS	10	15% MOHCD AMI	30% TCAC AMI	30% TCAC AMI	
1 BR - SOS	10	25% MOHCD AMI	30% TCAC AMI	30% TCAC AMI	
1 BR	30	50% MOHCD AMI	50% TCAC AMI	40% TCAC AMI	
Sub-Total	50				
STAFF UNITS					
2 BR	1				
TOTAL	134				
PROJECT	104	37% MOHCD AMI	40% TCAC AMI	35% TCAC AMI	
AVERAGE FOR LOTTERY UNITS ONLY		36% MOHCD AMI	39% TCAC AMI	34% TCAC AMI	

7.6. MOHCD Restrictions.

Unit	No. of	Maximum Income
Size	Units	Level
Studio	10	15% of Median Income
Studio	10	25% of Median Income
Studio	13	30% of Median Income
Studio	23	50% of Median Income
Studio	10	55% of Median Income
1 BR	10	15% of Median Income
1 BR	10	25% of Median Income
1 BR	14	30% of Median Income
1 BR	33	50% of Median Income
2 BR	1	Manager's Unit

If the LOSP or SOS subsidies are reduced or terminated at no fault of the Sponsor, rent levels may rise to cover debt service and operations to breakeven, and up to a maximum of 60% AMI as defined by TCAC to the extent necessary to maintain financial feasibility, except where further limited due to restrictions of other funding agencies.

8. SUPPORT SERVICES

8.1. Services Plan.

Mercy Housing and Openhouse will offer permanent housing, health, economic and social support that aims to allow residents to successfully remain in their homes, and to age in place with dignity and choice. Health service coordination will be provided to all residents, offering the following services: basic health & needs assessments, ADL support & screening, health benefit acquisition, health education & risk reduction, physical activities, access to food, wellbeing checks, transition planning, and linkages to preventative and behavioral health care.

The Sponsor proposes to staff services for the building with 1 FTE Resident Services Coordinator (RSC) for the 107 general population units and 1.34 FTE Case Manager for the 27 LOSP units. The latter is a staffing ratio of 1 to 20, per the requirements of the Multisite RFQ.

Openhouse will provide 1.34 FTE case management staffing and Mercy will provide 1 FTE RSC staffing, replicating the services staffing models at 55 and 95 Laguna. Case management will focus on supporting individual needs, with special attention to the lived experiences of LGBTQ+ seniors, while the RSC will focus on delivering and overseeing building-wide programming, supporting engagement with Openhouse staff, and ensuring services and linkages are offered to residents in a culturally competent manner.

While not included in the current budget, the Sponsor has recently added a partial FTE Housing Support Specialist (HSS) position to their existing permanent supportive housing developments. The purpose of the HSS is to provide system-led interventions that support residents in maintaining housing stability, with a focus on implementing equitable policies and practices and utilizing restorative justice (rather than punitive) approaches to lease violations. The inclusion of this position in this Project budget will be an ongoing conversation between the Sponsor and MOHCD.

8.2. Services Budget.

The 1 FTE RSC will be funded from the operating budget, which includes \$90,000 for RSC staffing in Year 1. This conforms to MOHCD's Underwriting Guidelines. The 1.34 FTE Case Management will be funded through a separate services contract between the Sponsor and HSH. The Project will receive HSH's Tier 5 annual services funding level, which is \$5,711/unit or \$154,197 total.

8.3. HSH Assessment of Service Plan and Budget.

The MOHCD Project Manager has begun to discuss the Project with Ali Shlageter, HSH Supportive Housing Team Supervisor, and has confirmed the services funding tier for the project. Per the Loan Conditions below, MOHCD, HSH, and the Sponsor will meet early in the predevelopment period to further discuss staffing model and other LOSP planning concerns.

9. STAFF RECOMMENDATIONS

9.1. Proposed Loan/Grant Terms

Financial Description of Proposed Loan					
Loan Amount:	\$4,000,000				
Loan Term:	3 years (note: may be consolidated with 57- year term permanent loan at construction closing)				
Loan Maturity Date:	2024				
Loan Repayment Type:	Deferred				
Loan Interest Rate:	3%				
Date Loan Committee approves prior expenses can be paid:	July 1, 2021				

9.2. Recommended Loan Conditions

During Predevelopment:

• Sponsor must provide MOHCD with detailed monthly updates on Community Outreach completed, outcomes achieved related to racial equity goals, and commercial-use programming (this may be included in the standard MOHCD monthly report form).

- Sponsor to work with MOHCD and HSH to establish the number of LOSP units at the Project, the LOSP budget, LOSP unit income restrictions, building staffing model, and services plan and budget.
- Sponsor to work with MOHCD to maximize competitiveness for HCD programs and CDLAC/CTCAC while meeting the goals of the Project.

By December 31, 2021:

• Sponsor must provide a community outreach plan that meets all of the requirements outlined in Section 3.2.

Prior to Site Permit Submittal:

- Sponsor must submit application to the Planning Department for SB35 and Site Permit review.
- Sponsor must submit a preliminary commercial space plan, commercial financial assumptions, and commercial development timeline for MOHCD review and approval.

Prior to Preliminary Gap Request for the Project's MHP and CDLAC-TCAC Application:

 Sponsor must receive approval from MOHCD and HSH on the number of LOSP units at the Project, the income restrictions for MHP, the building staffing model, and the service plan for the LOSP units.

Prior to Gap Loan Request:

- Sponsor must provide operating and development budgets that meet MOHCD underwriting guidelines and commercial space policy requirements.
- Sponsor must: a) provide for MOHCD review of the Request for Proposals (RFP) for equity investors and lenders before it is finalized and distributed; b) provide for MOHCD review of all raw financial data from developer or financial consultant prior to selection; c) provide for MOHCD review and approval of all selected investors and lenders; and, d) provide for MOHCD review and approval of all Letters of Intent from financial partners.
- Sponsor must provide an executed Letter of Intent (LOI) with the neighborhood serving commercial tenant, a commercial development timeline, and a preliminary tenant improvement plan for MOHCD review and approval.

Prior to Marketing & Lease Up:

- Mercy must make good on their commitment to hire a local staff person dedicated to marketing and lease up.
- Sponsor must provide initial draft marketing plan that meets all MOHCD marketing requirements within 12 months of anticipated

TCO, including outlining the affirmative steps they will take to market the project to the City's preference program participants, including COP Holders, Displaced Tenants, and Neighborhood Residents, as well as how the marketing is consistent with the Mayor's Racial Equity statement and promotion of positive outcomes for African American San Franciscans.

- Sponsor must submit an updated 1st year operating budget and 20year cash flow – if any changes have occurred – by November 1st before the year the project will achieve TCO so that MOHCD may request the LOSP subsidy.
- Sponsor must enter into a services contract with HSH at least 3 months prior to TCO.

10. LOAN COMMITTEE MODIFICATIONS

LOAN COMMITTEE RECOMMENDATION

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

[]	APPRO	OVE.	[]	DISAPPROVE.	[]	TAKE NO ACTION.
									Date:
			Director of Housir	ng					
[]	APPRO	OVE.	[]	DISAPPROVE.	[]	TAKE NO ACTION.
									Date:
			ivar, Direo Homeles			Housing and Supportive Hous	sing)	
[]	APPRO	DVE.	[]	DISAPPROVE.	[]	TAKE NO ACTION.
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[]	APPRO	DVE.	[]	DISAPPROVE.	[]	TAKE NO ACTION.
									Date:
			na, Direc fice of Pu			ance			
At	tach	ments:	 B. Borrov C. Develo D. Asset E. Thresh F. Site M G. Elevat H. Compa I. Predev 	ver Dpe Ma nolo ap ion aris elo	Org ar Re nag d Elig with is ar son o pme	esumes ement Analysis of S gibility Requirement amenities Id Floor Plans, if ava	s ai ailal	nd R ble	anking Criteria Housing Developments

- J. Development Budget
- K. 1st Year Operating Budget
- L. 20-year Operating Pro Forma

From:Ely, Lydia (MYR)Sent:Sunday, November 14, 2021 1:27 PMTo:Chavez, Rosanna (MYR)Subject:11/5/21 Loan Committe - 1939 Market

Dear Rosie,

I approve of the predevelopment loan for 1939 Market presented to the Citywide Affordable Housing Loan Committee on 111/5/21.

Thank you, Lydia

Lydia Ely Deputy- Housing Mayor's Office of Housing and Community Development Work from home: (415) 225 2936

** My work hours may not be your work hours. Please do not feel obligated to respond to my email if you receive it outside of your regular work hours.**

From:	Menjivar, Salvador (HOM)
Sent: Monday, November 8, 2021 2:26 F	
То:	Shaw, Eric (MYR)
Cc:	Chavez, Rosanna (MYR)
Subject:	1939 Market Street

I approve the request for predevelopment funds in the amount of \$4,000,000 for 1939 Market Street proposed 134 units of housing.

Best,

salvador



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

Learn: <u>hsh.sfgov.org</u> | Follow: <u>@SF_HSH</u> | Like: <u>@SanFranciscoHSH</u>

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From:Oerth, Sally (CII)Sent:Friday, November 5, 2021 11:34 AMTo:Chavez, Rosanna (MYR)Cc:Nusser, Sarah (MYR)Subject:1939 Market predev Ioan - 11.5.21 Loan Committee

I approve the predevelopment loan request for the 1939 Market St project, as presented at the 11.5.21 Loan Committee



Sally Oerth Interim Executive Director

One South Van Ness Avenue, 5th Floor San Francisco, CA 94103

J 415.749.2588

www.sfocii.org

From:	Katz, Bridget (CON)
Sent:	Friday, November 5, 2021 11:30 AM
То:	Chavez, Rosanna (MYR)
Subject:	1939 Market

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: <u>bridget.katz@sfgov.org</u>

No.	Performance Milestone	Estimated or Actual Date	Notes
Α.	Prop I Noticing (if applicable)		
1	Acquisition/Predev Financing Commitment	<u>11/5/21</u>	
2.	Site Acquisition	<u>5/2020</u>	
3.	Development Team Selection		
a.	Architect	<u>11/2021</u>	
b.	General Contractor	<u>12/2021</u>	
C.	Owner's Representative	<u>11/2021</u>	
d.	Property Manager	<u>2/2021</u>	
e.	Service Provider	<u>2/2021</u>	
4.	Design		
a.	Submittal of Schematic Design & Cost Estimate	<u>3/2022</u>	
b.	Submittal of Design Development & Cost Estimate	<u>4/2022</u>	
C.	Submittal of 50% CD Set & Cost Estimate	<u>9/2022</u>	
d.	Submittal of Pre-Bid Set & Cost Estimate (75%- 80% CDs)	<u>1/2023</u>	
5.	Commercial Space		
a.	Commercial Space Plan Submission	7/2022	
b.	LOI/s Executed	<u>11/2023</u>	
6.	Environ Review/Land-Use Entitlements		
a.	SB 35 Application Submission	<u>4/2022</u>	
b.	CEQA Environ Review Submission	<u>NA</u>	
C.	NEPA Environ Review Submission	TBD	
d.	CUP/PUD/Variances Submission	<u>NA</u>	
7.	PUC/PG&E		
a.	Temp Power Application Submission	<u>7/2022</u>	
b.	Perm Power Application Submission	<u>7/2022</u>	
8.	Permits		
a.	Building / Site Permit Application Submitted	7/2022	
b.	Addendum #1 Submitted	<u>2/2023</u>	

Attachment A: Project Milestones and Schedule

C.	Addendum #2 Submitted	<u>2/2023</u>	
9.	Request for Bids Issued	<u>2/2023</u>	
10.	Service Plan Submission		
a.	Preliminary	<u>5/2022</u>	
b.	Final	<u>5/2023</u>	
11.	Additional City Financing		
a.	Preliminary Gap Financing Application	<u>10/2022</u>	
b.	Gap Financing Application	<u>11/2023</u>	
12.	Other Financing		
a.	HCD Application	<u>4/2023</u>	
b.	Construction Financing RFP	<u>10/2023</u>	
C.	AHP Application	<u>TBD</u>	
d.	CDLAC Application	<u>9/2023</u>	
e.	TCAC Application	<u>9/2023</u>	
f.	Other Financing Application	<u>TBD</u>	
g.	LOSP Funding Request	7/2023	
13.	Closing		
a.	Construction Loan Closing	<u>5/2024</u>	
b.	Conversion of Construction Loan to Permanent Financing	<u>5/2026</u>	
14.	Construction		
a.	Notice to Proceed	<u>5/2024</u>	
b.	Temporary Certificate of Occupancy/Cert of Substantial Completion	<u>4/2026</u>	
15.	Marketing/Rent-up		
a.	Marketing Plan Submission	<u>3/2025</u>	
b.	Commence Marketing	<u>6/2025</u>	
C.	95% Occupancy	<u>6/2026</u>	
16.	Cost Certification/8609	<u>1/2027</u>	
17.	Close Out MOH/OCII Loan(s)	<u>3/2027</u>	

Attachment B: Borrower Org Chart

Mercy Housing California 109, A California Limited Partnership Owner of 1939 Market Street

Mercy Housing California 109 LLC 0.01% A California limited liability company, and its general partner

South of Market Mercy Housing 99.99% (to be replaced by investor LP at construction close)

Mercy Housing Calwest Sole member/manager A California nonprofit public benefit corporation (100% controlling interest in Mercy Housing California 109, LP)

Mercy Housing California A California non-profit public benefit corporation Sole member of Mercy Housing Calwest (100% Controlling Interest in Calwest)

Attachment C: Development Staff Resumes

Clare Murphy, Project Developer has been part of the Mercy Housing development team for nearly 7 years. Clare has completed several occupied renovation projects including two senior buildings and most recently managed the completion of a new construction supportive senior building located in San Francisco's Mission District. Clare is currently managing the development of two projects in San Francisco in addition to the completion of an occupied rehabilitation in Alameda County.

Ahmed Almahbashi, Assistant Project Manager will be supporting project manager in securing predevelopment financing and assist in all phases of development for this project. Before Mercy, Ahmed completed a year of experience with a non-profit housing developer working as an Assistant Project Manager on new construction projects.

Sharon Christen, Associate Director of Permanent Supportive Housing, has been part of the Mercy Housing development team for nearly 20 years. Sharon supports MHC's growing development portfolio of supportive housing projects, and project managed the first two modular supportive housing communities in San Francisco. She also worked closely with Openhouse on construction and marketing/lease-up for 55 Laguna.

Barbara Gualco, Regional Director of Development, serves as MHC's Director of Development. Barbara has been with MHC since its founding and has directly overseen the completion of over 1,000 units. Barbara is particularly adept at structuring complex deals serving special needs populations and long-term ground leases. With the support of two Associate Directors, Barbara is currently supervising the development of ten projects in San Francisco.

Dr. Karyn Skultety, Executive Director, has been leading Openhouse for 4 years and has over 20 years of experience in aging services and senior housing experience. Karyn oversaw the opening of the buildings in the Mercy/Openhouse Laguna Project and ensured a successful development, lease-up and ongoing service model was created for LGBTQ+ seniors. Although Karyn recently announced she will be leaving Openhouse in May of 2021, the Openhouse Board is steeped in housing development and aging services expertise and has already begun a search for the new Executive Director. Karyn and the Openhouse Board are working closely with Mercy Housing on a strong leadership transition for our existing partnership buildings and the plans for expansion.

Michelle Alcedo, Director of Programs, is responsible for all programs and services that Openhouse provides for LGBTQ+ seniors. She has been with the organization for over 13 years and was integral in the creation of the Mercy/Openhouse partnership and development, lease-up and service model at 55 and 95 Laguna. Michelle has led Openhouse's growth in programs over the past ten years and now oversees multiple programs and over 20 direct service staff. She also created the curriculum that is now utilized nation-wide in improving senior service providers skills in serving LGBTQ+ seniors.

Matthew Cimino, Director of Operations is responsible for finance, operations, human resources, information technology and facilities at Openhouse. He has been at Openhouse for almost 10 years and ensures that Openhouse programs have high quality infrastructure and support to ensure they are run efficiently and effectively. He oversaw the construction of the Openhouse service spaces at 65 and 75 Laguna and coordinates all facilities/construction needs with Mercy staff.

Attachment D: Asset Management Evaluation of Project Sponsor

Mercy Housing California (MHC) will assume asset management duties for 1939 Market Street. Asset Management falls under the National Portfolio Management department of Mercy Housing Inc, which is led by Senior Vice President Melissa Clayton.

Total Number of Projects and Average Number of Units Per Project Currently in Developer's Asset Management Portfolio

California represents the largest portion of the portfolio with 154 operating properties across the state; 53 Mercy owned and occupied properties are located in the City of San Francisco.

Developer's Current Asset Management Staffing Including Job Titles, Full Time Employees, an Organizational Chart and the Status of Each Position (filled/vacant) Yelena Zilberfayn is the Director of Asset Management at Mercy Housing where she has worked for the past 20 years, 8 of which in the Asset Management Department, and is responsible for a portfolio of real estate assets serving families, seniors, and special needs individuals. She leads a team of five Asset Managers, four in San Francisco, one in Sacramento. Two Asset Management Analysts and one Commercial Asset Management Analyst based in the National Office in Denver, CO, and one Commercial Asset Manager based in San Francisco are supporting Yelena's team. In addition, there are two Asset Managers overseeing other regions in CA and one Capital Project

Investment Manager, reporting directly to Melissa Clayton.

Yelena is located in the San Francisco office and interfaces directly with Doug Shoemaker, President of Mercy Housing California (MHC), and Jennifer Dolin, Vice President of Operations of MHC. Yelena and her team act as Mercy Housing's representatives in relation to the physical and financial status of each asset and protect its financial health and long-term viability.

Mercy's portfolio management also includes Transaction Team comprised of 2 staff devoted to other specialized needs such as the Year 15 buy out and the refinance of properties.

All positions are currently filled and they are all full time. The breakdown of the Bay Area asset management staff positions is as follows:

- (1) Director of Asset Management
- (1) Director of Portfolio Analysis
- (4) Asset Managers
- (2) Asset Management Analysts
- (1) Commercial Asset Management Analyst
- (1) Commercial Asset Manager

Each Asset Manager oversees a portfolio of up to 25 assets. The Asset Managers in the San Francisco office currently have 90 assets in their portfolio. Eight of these properties are in predevelopment, under construction or in rehab in the City of San Francisco or Bay Area. In San Francisco, Asset Managers manage fewer than the maximum of 25 assets in order to free up capacity for future developments. Once development is complete, a San Francisco based Asset Manager will assume asset management duties for 1939 Market Street.

Description of Scope and Range of Duties of Developer's Asset Management Team

Asset Management staff has oversight over all operations of the properties. The portfolio is analyzed monthly through the Portfolio Scorecard, which looks at physical and economic occupancy, trade, and intercompany payables. In addition, the team performs quarterly risk ratings according to Affordable Housing Investment Council (AHIC) standards, of every property to evaluate occupancy, reserves, management, capital needs and available reserves. If a property is placed on the watchlist, there is a quarterly meeting with the Asset Management team, Mercy Housing Management Group and Mercy Housing California President to find a solution to get the property off the watchlist.

Asset Managers are responsible for tracking all capital needs on their portfolio on a quarterly basis as part of Mercy's watchlist process. They are assisted by various staff of Mercy Housing Management Group, including the Regional Facilities Manager and the various Area Directors of Operations assigned to the properties. Using various analysis including our watchlist and budget planning, reviewing CNAs, and Reserve analysis, the Asset Managers determine when the necessary capital needs can be completed in the short and long term.

The analyst team submits reserve replacement requests bi-annually. In addition, the analyst team helps with the compliance with financing requirements and various reporting regulatory requirements by sending quarterly and annual reporting to investors and funders.

Portfolio preservation planning is accomplished through balancing the use of reserves with the payment of scheduled partnership and deferred development fees through cash flow.

The transaction team handles some of the longer term needs of the portfolio such as Year 15 analysis and investor buyout and a property restructuring such as a refinance.

Description of Developer's Coordination Between Asset Management and Other Functional Teams, Including Property Management, Accounting, Compliance, Facilities Management, etc.

There is constant coordination between Property Management, related departments and Asset Management. Asset management oversees all aspects of operations so there is ongoing coordination with property management on a daily basis in regards to those issues. Asset and Property Management work together on the annual audits and budgets. In addition, there is constant coordination around cash management and the financial oversight of the property. There is also contact around preparation of the financials. Asset Management and Compliance primarily coordinate around compliance issues that directly affect ownership and the partnership. Asset management and facilities coordinate around preparation the budget and capital projects. The Asset Management staff also coordinates around emergencies.

<u>Developer's Budget for Asset Management Team Shown as Cost Center (nationwide)</u> Asset Management staffing budget is \$2,460,839.

<u>Number of Projects Expected to be in Developer's Asset Management Portfolio in 5</u> <u>Years and, If Applicable, Plans to Augment Staffing to Manage Growing Portfolio</u> Mercy Housing anticipates that the portfolio will grow from 154 buildings to approximately 170 buildings in the next 5 years. Two new Asset Manager positions based in San Francisco were added in 2017 and one in 2019.

Attachment E: Threshold Eligibility Requirements and Ranking Criteria

MINIMUM EXPERIENCE AND CAPACITY REQUIREMENTS

Respondents must meet the following minimum development team characteristics, experience, and capacity requirements in order to qualify to be scored and ranked under this RFQ. For Minimum Qualifications for respondents applying for 100% housing for homeless adults please refer to Sections III.D and IV.C.

Racial Equity Capacity: The proposed Development team must document its capacity to successfully plan, design, and develop racial equity strategies that will lower barriers to obtaining quality affordable housing for communities of color through employment of staff with appropriate experience and capacity, contracted services, and/or collaboration with other organizations. Respondents should submit demographic data of the Boards of Directors of member organizations of the Development Team and of the staff of the various organizations that make up the respondent team.

Minimum Development Team Characteristics

The proposed development team must include members able to work with MOHCD to create developments that are responsive to populations disproportionately impacted by systemic racism; implement a culturally competent approach throughout the development process; align the development program with City policies on anti-displacement, racially inclusive communities, and creation of stable housing for vulnerable populations; and create opportunities for Black- and Brown-led developers to be competitive within the RFQ process.

The proposed Development Team must include:

- At least one San Francisco-based non-profit development entity whose mission includes the development of affordable housing in low-income communities with experience developing housing for the identified priority populations (such as Certificate of Preference Holders, displaced tenants, neighborhood residents, San Francisco residents, seniors, families, Plus Housing waitlist households and/or formerly homeless households) acting either as sole developer or as a partner in a joint venture, or joint-venture partner, defined as a nonprofit organization;
- A property owner entity with experience owning housing for low-income communities, including for priority populations (such as COP Holders, displaced tenants, neighborhood residents, San Francisco residents, seniors, families, Plus Housing waitlist households and/or formerly homeless households);
- A property management entity with experience managing housing for low-income communities, including for priority populations (such as COP Holders, displaced tenants, neighborhood residents, San Francisco residents, seniors, families, Plus Housing waitlist households and/or formerly homeless households);
- At least one services-providing entity with experience providing services appropriate for the intended target population(s) of each site.

Letters of Intent or Memoranda of Understanding from service providers and property management entities that are not affiliated with the developer must be submitted with the application.

Minimum Development Team Experience

Minimum experience must be demonstrated by identifying specific **Qualifying Projects** in which team members have participated, as further described below. The proposed Development Team must submit **Attachment 4 - Qualifying Project Form**, to document how the Qualifying Project

characteristics meet each of the experience categories below (developer, owner, property manager, service provider.)

To demonstrate the minimum required development team experience, each team should submit one project for each experience category. When appropriate, teams may submit the same project as evidence of experience across multiple experience categories or may use different projects to demonstrate experience across categories. In all cases, no more than four (4) total Qualifying Projects should be submitted. Qualifying Projects will <u>not</u> be scored but are used to determine if the proposed Development Team meets the minimum development team experience required to develop the Site.

For Developer and Owner, a Qualifying Project must have all of the following characteristics:

- New construction in either a Type V over I or Type III over I construction type (not a requirement for Minimum Property Manager and Service Provision Experience)
- At least 75 units in size
- Majority multiple-bedrooms, only for family projects
- Mixed-use including residential (not a requirement for Minimum Service Provision Experience)
- Affordable to low- and very low-income households¹, formerly homeless residents, families and/or seniors
- Financed with Low-Income Housing Tax Credits.

a. Minimum Development Experience:

The proposed Developer must have completed within the past ten years at least **one** Qualifying Project located in San Francisco. "Completed" means the Project must have received its Temporary Certificate of Occupancy by the date of the issuance of the RFQ.

For joint venture Developer teams, the experience of the lead entity may suffice for the joint-venture partnership. A signed Memorandum of Understanding or Term Sheet between joint-venture Development partners that outlines roles and responsibilities, proposed ownership structure, etc. must be submitted with the application. Furthermore, a Respondent can qualify for development experience by contracting with a development to nave served formerly homeless residents may be satisfied in a non-Type V over I or Type III over I building. In such a case, the proposed Developer must provide evidence of having completed a partially Type V over I or Type III over I affordable housing building, and separately, an affordable housing building that serves formerly homeless residents.

- **b. Minimum Ownership Experience:** The proposed Owner must have owned at least **one** Qualifying Project for at least four years prior to the Submittal Deadline of this RFQ. For purposes of this requirement, the member of the general partner of the tax credit partnership that will own the completed project is the proposed "Owner."
- c. Minimum Property Management Experience: The proposed Property Manager must have managed at least one Qualifying Project for at least 24 months.
- *d. Minimum Service Provision Experience*: The proposed service provider(s) must have at least 36 months experience providing services to low-income family residents, communities of color, homeless persons and/or senior citizens within a Qualifying Project.

¹ "Low Income" is defined as 60% MOHCD AMI and below. "Extremely Low Income" is defined as 30% MOHCD AMI and below.

Note Regarding Experience: For any Respondent team member, the experience of key staff members may be substituted for the experience of the organization as a whole as long as the staff members' experience in other firms was substantive and involved responsibilities similar to those that they are anticipated to perform during the proposed development of the site. Any substitution should be clearly identified in Attachment 4, Qualifying Project Form.

Minimum Developer and Owner Capacity Requirements

The proposed Developer and Owner must demonstrate the financial and staffing capacity to successfully complete the project and manage the asset in the long-term, as further described below.

- a. Financial Capacity: The proposed Developer (or Guarantor where another entity is providing required guarantees) must demonstrate its ability to obtain competitive financing, as evidenced by submitting the latest (2) years of either signed federal income tax returns (including schedules or attachments, if any); or audited financial statements (with management letters, if any). The proposed Developer must also submit Attachment 5 Financing Terms for Developer's Qualifying Project documenting the equity pricing and debt terms for the Qualifying Project submitted under Minimum Developer Experience.
- b. Staffing Capacity: The proposed Developer must document its capacity to successfully plan, design, and develop the Project, throughout the period of development, either through staff with appropriate experience and capacity, contracted services, or collaboration with other organizations. To document this, the proposed Developer must submit a written narrative no more than one page (in Times New Roman font, 12 font size, and 1-inch margins) to document the experience and capacity of key staff, their workloads, and the organizational structure for supporting staff. The proposed Developer must also submit Attachment 6 Projected Staffing Workload Form to document the work assignments (existing or contemplated) associated with each staff person expected to work on the Project for Developer.
- c. **Asset Management Capacity:** The proposed Owner must document its capacity to successfully manage real estate assets in compliance with City regulatory agreements and restrictions. To document this, the proposed Owner must submit a recent Real Estate Owned (REO) schedule, stating the number of projects and average number of units/project currently in Owner's asset management portfolio, proposed Owner's current asset management staffing noting job titles, FTEs, and status of each position (filled/vacant) and proposed Owner's organizational chart.
- d. **Racial Equity Capacity:** The proposed Developer must document its capacity to successfully plan, design, and develop racial equity strategy that will lower barriers to obtaining quality affordable housing for communities of color through staff with appropriate experience and capacity, contracted services, or collaboration with other organizations. Documentation should include information evidencing the Developer's capacity to achieve the goals of this RFQ (see especially pages 4-5).
 - Select partners that are able to work with MOHCD to deploy city resources, tools and expertise to create developments that are responsive to populations disproportionately impacted by systemic racism;
 - Ensure that development teams are working within a culturally competent approach through the development process;

- Align each Project with the implementation of City policies on anti-displacement, racially inclusive communities, and creating stable housing for vulnerable populations;
- Create opportunities for growth of smaller and Black, Indigenous and people of color, (BIPOC)-led organizations in development role or as member of development team
- Submit demographic data for the Boards of Directors of each Development Team member and for the staff of each organization represented on the Team.

MINIMUM EXPERIENCE AND CAPACITY REQUIREMENTS FOR RESPONDENTS APPLYING FOR 100% SUPPORTIVE HOUSING FOR HOMELESS ADULTS

Team Member Specific Minimum Requirements

- a. **Minimum Developer Requirements -** Lead Developer itself or in partnership with other co-developers must provide evidence of the following experience:
- New construction of at least two affordable housing developments that are both highdensity infill sites, with an aggregate unit count of approximately 75 units or more
- Development of at least one supportive affordable housing development for formerly homeless adults and/or formerly homeless seniors (may be new construction or substantial rehabilitation of an existing building)
- Use of Low-Income Housing Tax Credit financing

For joint-venture Development partners, the experience of either entity may suffice for the joint-venture partnership. A Memorandum of Understanding between joint-venture Development partners must be submitted with the application.

Furthermore, a Respondent can qualify for development experience by contracting with a development consultant for comprehensive project management services. Project management services should include financial packaging, selection of other consultants, selection of construction contractor and property management agent, oversight of architectural design, construction management, and consultation on major aspects of the development process. The contract for development services must be submitted with the RFQ response and must be acceptable to MOHCD.

b. Minimum Ownership Experience - The proposed Owner of the Project must have owned at least one supportive formerly homeless project in San Francisco for at least 5 years prior to the Submittal Deadline of this RFQ. In addition, each proposed Owner must provide evidence of experience with owning housing financed with Low Income Housing Tax credits. This experience does not have to be on the same project that satisfies the 5-year ownership requirement. If the Selected Developer entity is not the same entity as the proposed Owner, MOHCD reserves the right to require that certain members of the Selected Developer remain active in the ownership for whatever length of time MOHCD deems necessary to ensure operating and financial stability.

For purposes of this requirement, the managing general partner of the tax credit partnership intended to take ownership of the completed Project and to provide asset management for the Project is the proposed "Owner".

- c. **Minimum Property Manager Requirements -** The proposed property manager for the Project must have managed at least three supportive formerly homeless or supportive senior rental projects, including at least one in San Francisco, each for at least 36 months. In addition, the Property Manager for the Project must provide evidence of experience with managing housing financed with Low Income Housing Tax credits.
- d. **Minimum Service Provision Requirements -** The proposed service provider(s) must have at least 36 months' experience providing supportive services to formerly homeless adults and/or formerly homeless seniors including case management and comprehensive services for homeless households in a residential setting in San Francisco. The proposed service provider(s) must have the infrastructure to supervise and train the onsite staff and their supervisors. The service provider must also have experience with and capacity to bill Medi-Cal.
- e. **Other Consultants** For any Respondent team, the experience of key staff members or "other consultants" may be substituted for the experience of the organization as a whole as long as the staff member's or consultant's experience in other firms was substantive and involved responsibilities similar to what they are anticipated to perform as a member of the Respondent's team.

SELECTION CRITERIA AND SCORING

All applications that meet the Minimum Experience and Capacity Requirements will be scored and ranked according to the following selection criteria:

	Category	Points
Α.	EXPERIENCE:	40
i.	 Developer (12 pts) Experience with the following: Completing projects on time and on budget Obtaining competitive financing terms Developing Type V/I or III/I construction Developing housing for low-income families, seniors, or the homeless Building community support through outreach Current staff capacity and experience to take on this 	
	project type	
ii.	 Owner (4 pts) Track record successfully owning housing financed with Low-Income Housing Tax Credits Experience owning affordable housing for low-income families, seniors and/or the homeless Current asset management structure, staffing, and portfolio Capacity for assuming asset management of an expanded portfolio once the development is complete 	
iii.	 Property Manager (8 pts) Experience managing property for target populations Experience achieving high rates of housing retention Implements low barrier tenant selection policies Contributes to long-term sustainability of the development 	

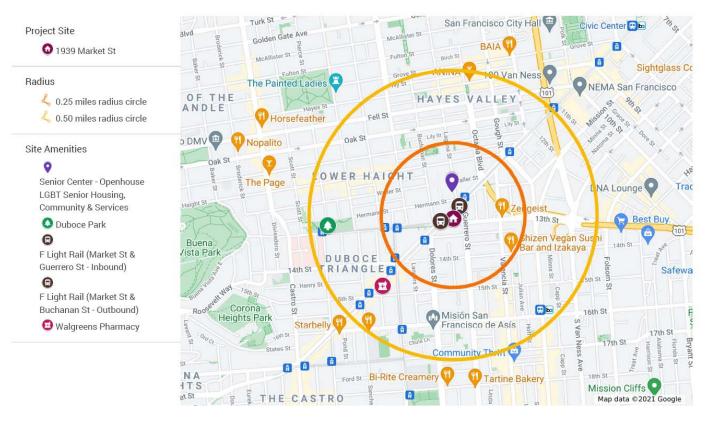
	 Achieves cost efficiencies in operations 	
-		
iv.	Service Providers (8 pts)	
	 Experience delivering services to target populations 	
	Experience linking residents to the City's safety net of	
	services	
	Works with property management to achieve high rates	
	of housing retention	
	Supports positive outcomes for residents around health	
	and economic mobility	
	 If applicable, provides explanation for service contracts 	
	terminated prematurely within the last 5 years	
	 Discusses barriers to communities of color accessing 	
	quality health care services, employment and	
	educational opportunities	
V.	Racial Equity Strategy (8 pts)	
•.	 Describes level of racial equity awareness 	
	 Experience providing housing to COP and neighborhood 	
	preference holders	
	 Uses innovative approaches to engagement with COP 	
	and neighborhood preference holders	
	Demonstrates commitment to racially diverse project	
	development teams	
	Proposes a substantive partnership that increases	
	opportunity/capacity for growth of smaller and Black,	
	Indigenous and people of color, (BIPOC)-led organizations	
	Demonstrates experience with serving historically	
	excluded communities of color	
	 Describes approaches to overcoming historical 	
	obstacles to communities of color obtaining high quality	
	affordable housing	
	 Describes experience providing access and 	
	implementing service delivery strategies to historically	
	excluded communities of color	
B.	VISION:	60
i.	Program Concept (20 pts)	
	 Describes vision for a development program at this site, 	
	while best achieving the project goals, and includes:	
	USES;	
	 Indicates how the proposed uses and amenities 	
	will enhance the lives of the proposed target	
	population and the surrounding neighborhood.	

	Indicates particular groups served by the programs and
	spaces (tots, children, teens, homeless people, young
	adults, adults, elderly, disabled etc.).
	Describes how the program will contribute to lowering
	barriers to persons of color seeking and retaining quality
	housing.
ii.	Community Engagement Strategy (10 pts)
	Describes community engagement strategy and
	includes:
	 The team's philosophy on community
	engagement;
	 Process for establishing and/or building positive
	relationships with surrounding neighbors and
	the larger community;
	 Efforts designed to engage all interested
	community members, including monolingual
	non-English speaking members of the
	community;
	 How the Development Team intends to comply with the City's Language Access Ordinance.
	Describes the Team's approach to achieving
	entitlements for the project expeditiously and the Team's
	approach to maintaining and building community
	relationships after entitlements have been achieved and
	the development is in operations.
	Indicate how particular community engagement strategy
	will address the historical exclusion of communities of
	color from quality housing, including but not limited to
	marketing to attract target populations.
iii.	Services Delivery Strategy (10 pts)
	Describes the Development Team's services delivery
	strategy and includes:
	 The overall service philosophy;
	 Model for providing any anticipated services to
	formerly homeless residents (including case
	management ratio and provision of amenities
	such as front desk clerks, if applicable);
	 The services goals of the proposed vision.
	A brief description of the desired outcome of the
	services to be provided and innovative approaches to
	services provision, including the strategy of engaging
	residents and encouraging access to services.
	Describes how services for residents will be coordinated
	with the existing network of services in the
	neighborhood and community.
iv.	Finance & Cost Containment Approach (10 pts)
	Narration that describes the Development Team's
	financing approach to the project.

	TOTAL POSSIBLE POINTS	100
	goals of this RFQ set forth in the Introduction.	
	 historically African American neighborhoods. Explain how the strategy aligns with the four primary 	
	African American households and/or households in	
	barriers to intergenerational wealth, self-sufficiency and resiliency for persons of color, particularly COP holders,	
	Explain how the Development Team's model removes	
	be provided, and the approach (such as timeline, hours and days of operation, examples, and best practices).	
	including the activities or types of services, how they will	
	 Describes proposed resident services program, 	
V.	Racial Equity Strategy (10 pts)	
	 Do not include proforma financials. 	
	relevant to overall development, construction or operating expenses.	
	commonly used) direct or indirect cost-cutting strategies	
	Describes any innovative (i.e. non-standard, routine or	
	MOHCD's projected capital gap financing.	
	 Includes innovative strategies intended to minimize 	
	and controlling development costs.	
	Includes the Team's process for structuring the project	

Attachment F: Site Map with amenities

1939 Market St Amenities Map



Attachment G: Elevations and Floor Plans

N/A

Attachment H: Comparison of City Investment in Other Housing Developments

See attached.

Affordable Multifamily Housing New Construction Cost Comparison

Undated	10/28/2021
Opualeu	10/20/2021

PROJECTS CO	OMPLETED		Buildin	ng Square F	ootage	То	tal Project Costs	;							
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost3	Constr. Cost4	Soft Cost	Total Dev. Cost w/land	Local Subsidy5	Total Dev. Cost w/o land Notes on Financing	Comments
Dr. George Davis Senior Comm.	1751 Carroll Ave	80,209	Jun-16	121	125	90,475	62,340	152,815	\$ 4,991,545	\$ 55,420,517 \$	11,557,097	\$ 71,969,159	\$ 26,221,201	\$ 66,977,614	4 Type V over 2 Type IA. (bsmt pkg) & comml. Kitchen (significant non-res.)
95 Laguna Senior	95 Laguna	14,300	May-19	79	82	59,785	7,316	67,101	\$ 5,012,000	\$ 36,495,898 \$	11,343,750	\$ 52,851,648	\$ 21,234,000	\$ 47,839,648 9% LIHTC	7 Story - 5 stories Type III over 2 stories Type IA + Community Services space (Open House)
1296 Shotwell Senior	1296 Shotwell	11,667	Jan-20	94	94	66,153	-	66,153	\$ 831,098	\$ 50,502,290 \$	3,438,816	\$ 54,772,204	\$ 27,812,014	\$ 53,941,106 4% LIHTC HOME AHF	Type IA 9 stories 1st PUC served Affordable Hsg. Including low-side metering, resilient seismic da
Completed Projects:	Average:	35,392		98	100	72,138	23,219	95,356	3,611,548	47,472,902	8,779,888	59,864,337	25,089,072	56,252,789	

	PROJECTS UNDER CONSTRUCTION						Buildin	ng Square Fo	ootage	То	tal Project Costs	;					
	Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost3	Constr. Cost4	Soft Cost	Total Dev. Cost w/land	Local Subsidy5	Total Dev. Cost w/o land	Notes on Financing	Comments
	53 Colton (Plumbers Union DA)	53 Colton	7,780	Jul-22	96	96	47,969	-	47,969	\$ 171,697	\$ 34,895,639 \$	16,721,274	\$ 51,788,610	\$ 2,750,000	\$ 51,616,913	4%, HCD MHP, AHP, \$10M GM	Type IIIA over Type I podium and basement, 6 stories, constrained site, efficiency studios
ſ	Under Construction:	Average:	7,780		96	96	47,969	0	47,969	171,697	34,895,639	16,721,274	51,788,610	2,750,000	51,616,913	1	

PROJECTS IN PR	REDEVELOPMENT		Buildin	g Square F	ootage	Тс	otal Project Costs	s								
Project Name	Address	Lot sq.ft	Start Date (anticipated)	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost3	Constr. Cost4	Soft Cost	Total Dev. Cost w/land	Local Subsidy	Total Dev. Cost w/o land	Notes on Financing	Comments
180 Jones Street	180 Jones Street	4,853	Feb-22	70	70	34,863	3,304	38,167	\$ 100,000	\$ 35,746,770 \$	5 17,576,236	\$ 53,423,006	\$ 15,200,000	\$ 53,323,006	4% LIHTC + MHP	Type I - 9 stories small very tight site (studios) (80% CD est. 3/26/21)
4200 Geary	4200 Geary	16,738	Feb-22	98	98	78,530	1,197	79,727	\$ 11,064,369	\$ 53,016,162 \$	20,036,599	\$ 84,117,130	\$ 27,670,369	\$ 73,052,761	4% Credits; HCD MHP. AHP, Priva	t Type III over Type I, 7 stories, TI space, no parking, Urban Agriculture (65% CD Est dated 4/30/2
772 Pacific Avenue	772 Pacific Avenue	9,219	Apr-24	86	86	45,458	8,847	54,305	\$ -	\$ 58,265,200 \$	17,129,912	\$ 75,395,112	\$ 25,176,182	\$ 75,395,112	4% Credits; MHP, AHP	Type IA, 8 stories. Comml replacement of Asia SF restaurant (9/30/21 loan eval app estimates)
In Predevelopment	Average:	10,270		85	85	52,950	4,449	57,400	\$ 3,721,456	\$ 49,009,377 \$	§ 18,247,582	\$ 70,978,416	\$ 22,682,184	\$ 67,256,960		
B		•	·	•	•										-	
	CTS Average:	17 814		02	04	57 686	0 223	66 908	2 501 567	\$ 12 702 620	\$ 11 582 015	\$ 60 877 121	\$ 16 840 418	\$ 58 375 554		

86,033,897 \$ 31,028,625 \$

86,033,897 4% credits,

	ALL PROJECTS	Average:	17,814	93	94	57,686	9,223	66,908	2,501,567	\$ 43,792,639	\$ 14,582,915	\$ 60,877,121	\$ 16,840,418 \$	58,375,554
Ī														

87,884

135

134

SUBJECT PROJECT	1939 Market Street
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11,860 Apr-24

89,384 \$ - \$ 63,638,624 \$ 22,395,273 \$

PROJECTS COMPLETED		Acquisi	tion by Unit/L	Bed/SF	Construc	tion by Unit	/Bed/SF	Soft	Costs By Un	t/Bed/SF	Total Deve	elopment Cost (l	Subsidy		
Project Name	Compl. Date	Acq/unit	Acq/BR	Acq/lot sq.ft	Const/unit	Const/BR	Const/sq.ft ⁶	Soft/unit	Soft/BR	Soft/sq.ft6	Gross TDC/unit	Gross TDC/BR	Gross TDC/sq.ft6	Subsidy / unit	Lever
Dr. George Davis Senior Comm.	Jun-16	41,252	39,932	62	\$ 458,021	\$ 443,364	\$ 363	\$ 95,513	\$ 92,457	'\$76	\$ 594,786	\$ 575,753	\$ 471	\$ 216,704	63
95 Laguna Senior	May-19	63,443	61,122	350	\$ 461,973	\$ 445,072	\$ 544	\$ 143,592	\$ 138,338	3 \$ 169	\$ 669,008	\$ 644,532	\$ 788	\$ 268,785	59
1296 Shotwell Sr	Jan-20	8,841	8,841	71	\$ 537,258	\$ 537,258	\$ 763	\$ 36,583	\$ 36,583	\$ 420	\$ 582,683	\$ 582,683	\$ 828	\$ 295,872	49.
Completed Projects:	Average:	37,846	36,632	161	\$ 485,751	\$ 475,231	\$ 557	\$ 91,896	\$ 89,120	i \$ 222	\$ 615,493	\$ 600,990	\$ 696	\$ 260,454	58

1,500

PROJECTS UNDER CONSTRUCTION			Acquisition		(Construction	1		Soft Costs		Total Deve	elopment Cost (Subsidy		
Project Name	Compl. Date	Acq/unit	Acq/BR	Acq/lot sq.ft	Const/unit	Const/BR	Const/sq.ft ⁶	Soft/unit	Soft/BR	Soft/sq.ft6	Gross TDC/unit	Gross TDC/BR	Gross TDC/sq.ft6	Subsidy / unit	Leve
53 Colton	Jun-22	1,789	1,789	22	\$ 363,496	\$ 363,496	\$ 727	\$ 174,180	\$ 174,180	\$ 349	\$ 539,465	\$ 539,465	\$ 1,080	\$ 28,646	ç
Under Construction:	Average:	1,789	1,789	22	\$ 363,496	\$ 363,496	\$ 727	\$ 174,180	\$ 174,180	\$ 349	\$ 539,465	\$ 539,465	\$ 1,080	\$ 28,646	

PROJECTS IN PREDE	VELOPMENT		Acquisition			C	onstructio	n			S	Soft Costs		Total Deve	elopment Cost (Incl. Land)		Subsidy
Project Name	Start Date (anticipated)	Acq/unit	Acq/BR	Acq/lot sq.ft	Cons	st/unit	Const/BR	Const/s	q.ft ⁶	Soft/unit	:	Soft/BR	Soft/sq.ft6	Gross TDC/unit	Gross TDC/BR	Gross TDC/sq.ft6	Subsidy / unit	Leve
180 Jones Street	Feb-22	1,429	1,429	21	\$	510,668	\$ 510,66	8 \$	937	\$ 251,089	\$	251,089	\$ 461	\$ 763,186	\$ 763,186	\$ 1,400	\$ 217,143	7
4200 Geary	Feb-22	112,902	112,902	661	\$	540,981	\$ 540,98	1 \$	665	\$ 204,455	\$	204,455	\$ 251	\$ 858,338	\$ 858,338	\$ 1,055	\$ 282,351	6
772 Pacific Avenue	Apr-24	-	-	-	\$	677,502	\$ 677,50	2 \$ 1	,073	\$ 199,185	\$	199,185	\$ 315	\$ 876,687	\$ 876,687	\$ 1,388	\$ 292,746	6
In Predevelopment	Average:	57,165	57,165	341	\$!	576,384	\$ 576,38	4 \$	891	\$ 218,243	\$	218,243	\$ 342	\$ 832,737	\$ 832,737	\$ 1,281	\$ 264,080	(
All Projects:	AVERAGE	32,266	31,862	175	\$ 47	75,210	\$ 471,704	1 \$ 7	725	\$ 161,440	\$	160,516	\$ 304	\$ 662,565	\$ 657,730	\$ 1,019	\$ 184,393	73

AHP, MHP, IIG	No design yet, assumes Type I, 9 stories, small retail TI space, no parking
	_
_everaging ⁷	
63.6%	
59.8% 49.2%	_
58%	
. 7	
everaging ⁷ 94.7%	
95%	
93 /0	
	-
everaging ⁷	
71.5%	
67.1%	
66.6%	
68%	
73.5%	
10.070	

Attachment I: Predevelopment Budget

See attached.

MOHCD Proforma - Predevelopment Financing Sources Uses of Funds

	inary energy
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Implementation Implementation Implementation Implementation Implementation GC Owners (A Profile 0	, mechanical
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Architect design fees 1 \$51,433 Architect (incl. Fees) Architect (incl. Fees) Architect (incl. Fees) Architect (incl. Fees) Incl. (incl. Subcost Incl. (incl. Subcost <thincl. subcost<="" th=""> Incl. (incl. Subcot</thincl.>	inary energy
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Rembursables 50.000 50.000 50.000 Additional services 2.001.463 0	inary energy ning , WP,
Other Third Party design consultants (not included under Architect contract) 340,981 Child Child <thchild< th=""> Child Child</thchild<>	inary energy pning , WP,
30.981 modeling.tile 24/CLAC/CPR, Commissions/MI Total Architecture & Design Engineering & Environmental Studies 3.40.981 0 0 0 2,342,44 Survey 40.657 40.057 40.057 Geotechnical studies 30.000 40.057 40.057 Geotechnical studies 30.000 40.057 40.057 CEGA / Environmental Review consultants 43.500 40.057 CEGA / Environmental Review consultants 55.575 0 0 0 0 Other environmental Consultants 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000 15.000	oning , WP,
Engineering & Environmental Studies	
Geotechnical studies 30,000 0 30,000 43,500 Phase 16 H Reports 43,500 43,500 43,500 CEQA/ Environmental Review consultants 0 0 0 NEPA/ 106 Review 55,575 0 0 0 CNAPNA (rehab only) 15,000 15,000 0 0 0 Total Engineering & Environmental Studies 185,22 0 0 0 0 185,232 Construction Financing Costs 0 0 0 0 185,232 Construction Loan Interest 0 0 0 0 0 Tile & Recording 0 0 0 0 0 0 Construction Loan Interest 0 0 0 0 0 0 Tile & Recording 0 0 0 0 0 0 0 Construction Loan Interest 0 0 0 0 0 0 0 0 Other Lend Cost of Issuance 0 <td></td>	
CECA / Environmental Review consultants 0 0 NEPA / 106 Review 55,75 0 0 Other environmental consultants 15,000 0 0 Total Engineering & Environmental Studies 185,22 0 0 0 0 185,22 Construction Financing Costs 0 0 0 0 185,22 0 0 0 0 185,22 Construction Loan Interest 0 0 0 185,22 0 0 0 0 0 0 185,22 Construction Loan Interest 0 <	
Other environmental consultants 15,000 15,000 15,000 Total Engineering & Environmental Studies 185,232 0 0 0 0 185,232 Construction Lean Origination Fee 0	
Financing Costs Image: Construction Financing	
Construction Loan Interest O O Title & Recording 0 0 0 0 CDLAC & CDLAC fees 0 0 0 0 0 Bond Issuer Fees 0 0 0 0 0 0 Other Bond Cost of Issuance 0 <td></td>	
CDLAC & CDLAC fees 0 0 Bond Issuer Fees 0 0 0 Other Bond Cost of Issuance 0 0 0 0 Sub-total Costs 30,000 0 0 0 0 0 Sub-total Costs 50,000 0	
Other Lender Costs (specify) 30.000 30.000 0	
Permanent Financing Costs Image: Cost of the second s	
Title & Recording Image: Construction of Construction Leder Counsel Image: Construction Leder Counsel<	
Total Financing Costs 30,000 0 0 0 30,000 Legal Costs 5,000 5,000 Borrower Legal fees 5,000 5,000 Land Use / CEOA Attorney fees 5,000 0 Tax Credit Counsel 0 Borrower Legal (specify) 0 Borrower Legal (specify) 0 0 Permanent Lender Counsel 0 0 0 0 Other Legal (specify) 0 0 0 0 0	
Land Use / CEQA Attorney fees 0 Tax Credit Coursel 0 Bond Coursel 0 Construction Lender Coursel 0 Permanett Lender Coursel 0 Other Legal (specify) 0 Total Legal Costs 5,000 0 0	
Bond Counsel Image: Construction of the counsel Image: Constructi	
Other Legal (specify) 0 0 Total Legal Costs 5,000 0 0 0 5,000	
Other Development Costs	
Appraisal 25,000 25,000 Market Study 10,000 10,000	
Insurance Insurance 0 * Property Taxes 0 0	
Accounting / Audit Image: Constraint of the second se	fees Lot
Entitlement / Permit Fees 333,492 333,492 333,492 333,492 333,492 0	1000, 201
* Furnishings 0 152,000/unit; See MOHCD UW Guidelines: 0 http://sfmohcd.org/documents-reports-and-fo PGE/ Utility Fees 10,000 10,000	ms
TCAC App / Alloc / Monitor Fees 43,196 43,196 * Financial Consultant fees 68,000 68,000	
Construction Management fees / Owner's Rep 84,000 84,000 84,000 Security during Construction	
Other (specify) Other (spe	Total Soft
Other (specify) 0 0 0 Total Other Development Costs 573,688 0 0 0 573,688 Soft Cost Contingency 0 0 0 573,688 0 <td>Continger as % of Tr Soft Cos</td>	Continger as % of Tr Soft Cos
Contingency (Arch, Eng, Fin, Legal & Other Dev) 313,636 0 0 0 0 313,636 TOTAL SOFT COSTS 3,450,000 0 0 0 0 3,450,000	10
Serves Operating Reserves O	
Replacement Reserves Image: Constraint of the serves Image: Constraintof the serves Image: Constraint of the s	
Other (specify) Image: Constraint of the specify of the specific	
TOTAL RESERVES 0 0 0 0 0 0 0	
Developer Fee - Cash-out Paid at Milestones 550,000 550,000 Split 50/50 between JVs Developer Fee - Cash-out At Risk 0 <	
Commercial Developer Fee Image: Commercial Developer Fee Image: Commercial Developer Fee Developer Fee - GP Equity (also show as source) Image: Commercial Developer Fee Image: Commercial Developer Fee	
Developer Fee - Deferred (also show as source) Image: Construction of the source)<	
Other (specify) 0 0 TOTAL DEVELOPER COSTS 550,000 0 0 0 550,000	
OTAL DEVELOPMENT COST 4,000,000 0 0 0 0 4,000,000 Development Cost/Unit by Source 29,851 0 0 0 0 29,851	
Development Cost/Unit as % of TDC by Source 100.0% 0.0% 0.0% 0.0% 0.0% 0.0% 100.0%	
Construction Cost (inc Const Contingency)/Unit By Source 0 0 0 0 0 0 0 0 0	
Construction Cost (inc Const Contingency)/SF 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	
Possible non-eligible GO Band/COP Amount: 68,000 itly Subsidy/Unit 29,851	
iax Credit Equity Pricing: 0.98 Construction Bond Amount: 44,456,994	
onstruction Loan Term (in months): 20 months onstruction Loan Interest Rate (as %): 4.00%	

Attachment J: Development Budget

See attached.

MOHCD Proforma - Permanent Financing Sources Uses of Funds

Application Date: Project Name:	10/1/2021 1939 Market Str	eet		# Units: # Bedrooms:	134 135			LOSP Project	t
Project Address: Project Sponsor:	1939 Market Str Mercy Housing (California		# Beds:					
SOURCES	31,028,625		fill in D135:D138 750,000	1,250,000	24,535,265	8,470,007 Deferred fee	Total Sources 86,033,897	Comments]
Name of Sources	MOHCD/OCII	HCD - MHP	HCD - IIG	AHP	Equity	and GP contribution			
ACQUISITION									_
Acquisition cost or value Legal / Closing costs / Broker's Fee							0		_
Holding Costs Transfer Tax TOTAL ACQUISITIO	N 0		0	0	0	0	0		
CONSTRUCTION (HARD COSTS)	• •		Ū	Ū		Ū	Ū		
* Unit Construction/Rehab	10,693,044	15,000,000		1,250,000	21,034,711		47,977,755		1
Commercial Shell Construction Demolition	771,469 0		570,331				771,469 570,331		
Environmental Remediation * Onsight Improvements/Landscaping * Offsite Improvements	0	1,126,826					0 0 1,126,826		Construction
Infrastructure Improvements Parking	0	1,120,820					0		line item costs as a % of hard costs
GC Bond Premium/GC Insurance/GC Taxes GC Overhead & Profit	1,288,457 1,627,009		48,184 53,337				1,336,642 1,680,346		2.4% 3.0%
CG General Conditions Sub-total Construction Costs			78,147 750,000	1,250,000	21,034,711	0			3.9%
Design Contingency (remove at DD) Bid Contingency (remove at bid)	2,456,556 1,529,644						2,456,556 1,529,644		4.4% 2.8%
Plan Check Contingency (remove/reduce during Plan Revi	999,768						999,768		1.8%
Hard Cost Construction Contingency Sub-total Construction Contingencies TOTAL CONSTRUCTION COST	4,985,968 5 21,446,994				0 21,034,711	0 0	8,016,061		5.4%
SOFT COSTS									
Architecture & Design Architect design fees Design Subsequentiate to the Architect (incl. Esse)	2,309,688	351,787					2,661,475		
Design Subconsultants to the Architect (incl. Fees) Architect Construction Admin Reimbursables	50,000						0 0 50,000		-
Reimbursables Additional Services Sub-total Architect Contract	2,359,688		0	0	0	0	50,000 0 2,711,475		
Other Third Party design consultants (not included under Architect contract)	2,555,000	414,650	Ű		Ū		414,650		
Total Architecture & Desig Engineering & Environmental Studies			0	0	0	0	3,126,125		-
Survey Geotechnical studies	52,657 89,525						52,657 89,525		
Phase I & II Reports CEQA / Environmental Review consultants	63,500						63,500 0		
NEPA / 106 Review CNA/PNA (rehab only)	55,575						55,575 0		_
Other environmental consultants Total Engineering & Environmental Studie	15,000 \$ 276,257	0	0	0	0	0	15,000 276,257	•	
Financing Costs Construction Financing Costs Construction Loan Origination Fee	0				332,910		332,910		1
Construction Loan Interest Title & Recording	2,427,403 0				130,000		2,427,403 130,000		
CDLAC & CDIAC fees Bond Issuer Fees	0				55,097 221,940		55,097 221,940		
Other Bond Cost of Issuance Lender Inspections Sub-total Const. Financing Costs	36,000		0	0	45,000	0	45,000 36,000 3,248,350		
Permanent Financing Costs Permanent Loan Origination Fee	,,					-	0		1
Credit Enhance. & Appl. Fee Title & Recording	15,000						0 15,000		
Sub-total Perm. Financing Costs Total Financing Cost		0 • 0	0 0	0 0	0 784,947	0 0	15,000 3,263,350		
Legal Costs Borrower Legal fees Land Use / CEQA Attorney fees	75,000						75,000		
Tax Credit Counsel Bond Counsel	25,000 125,000						25,000 125,000		
Construction Lender Counsel Permanent Lender Counsel	50,000						50,000 0		
Owners title policy, recording, lender's policy Total Legal Costs	34,000 309,000		0	0	0	0	34,000 309,000		
Other Development Costs Appraisal Market Study	25,000 10,000						25,000 10,000		
Insurance Property Taxes	750,000						750,000		-
Accounting / Audit * Organizational Costs	0				35,000		35,000		
Entitlement / Permit Fees * Marketing / Rent-up	632,700 268,000						632,700 268,000	\$2,000/unit; See MOHCD U/W Guidelines on:	_
* Furnishings PGE / Utility Fees	479,025 287,500						479,025 287,500	http://sfmohcd.org/documents-reports-and-forms	
TCAC App / Alloc / Monitor Fees * Financial Consultant fees	0				87,485 85,000		87,485 85,000		
Construction Management fees / Owner's Rep Security during Construction	175,000						175,000 0		
* Relocation Other Special inspection/window testing	160,000	0					0 160,000		
Other (specify) Other (specify) Total Other Development Cost	s 2,787,225	; 0	0	0	207,485	0	0 0 2,994,710		Total Soft Cost Contingency
Soft Cost Contingency Contingency (Arch, Eng, Fin, Legal & Other Dev)	821,057				-	0			as % of Total Soft Costs 10.0%
TOTAL SOFT COST			0			0	10,966,387		10.0 /
RESERVES * Operating Reserves	0				758,879		758,879		
Replacement Reserves Tenant Improvements Reserves							0		
Other (specify)	0						0		
Other (specify) TOTAL RESERVES	6 0	0	0	0	758,879	0	0 758,879		
DEVELOPER COSTS Developer Fee - Cash-out Paid at Milestones	550,000				550,000		1,100,000		1
Developer Fee - Cash-out At Risk Commercial Developer Fee	0				1,100,000		1,100,000		
Developer Fee - GP Equity (also show as source) Developer Fee - Deferred (also show as source)	0					8,130,007 340,000	8,130,007 340,000		
Development Consultant Fees Other (specify) TOTAL DEVELOPER COST	550,000	0	0	0	1,650,000	8,470,007	0 0 10,670,007		_
TOTAL DEVELOPER COST	31,028,625					8,470,007	10,670,007 86,033,897		
Development Cost/Unit by Source Development Cost/Unit as % of TDC by Source	31,028,625 231,557 36.1%	149,254	750,000 5,597 0.9%	1,250,000 9,328 1.5%	24,535,265 183,099 28.5%	8,470,007 63,209 9.8%	86,033,897 642,044 100.0%		
Development Cost/Unit as % of TDC by Source Acquisition Cost/Unit by Source	36.1%				28.5%	9.8%		•	
Construction Cost/Unit by Source	160,052			9,328	156,975	0		•	-
Construction Cost (inc Const Contingency)/SF	239.94					0.00			
*Possible non-eligible GO Bond/COP Amount: City Subsidy/Unit	12,995,538 231,557]							
Tax Credit Equity Pricing:	0.980								
Construction Bond Amount:		FIII In with valu	e or 'N/A' if not a	pplicable.					

Construction Bond Amount: Construction Loan Term (in months): Construction Loan Interest Rate (as %): Fill in with value or 'N/A' if not applicable. Fill in with value or 'N/A' if not applicable. Fill in with value or 'N/A' if not applicable.

1 of 1

Attachment K: 1st Year Operating Budget

See attached.

MOHCD Proforma - Year 1 Operating Budget

Application Date: 10/1/2021	LOSP Units	Non-LOSP Units		Project Name: 1939 Market Street
Total # Units: 134 First Year of Operations (provide data assuming that	27	107 SP Allocation		Project Address: 1939 Market Street Project Sponsor: Mercy Housing California
Year 1 is a full year, i.e. 12 months of operations): 2026	20%	80%	Tatal	
INCOME Residential - Tenant Rents	LOSP 58,872	non-LOSP 1,187,676		Comments Links from 'New Proj - Rent & Unit MV Worksheet Alternative LOSP Split
Residential - Tenant Assistance Payments (Non-LOSP) Residential - LOSP Tenant Assistance Payments Commercial Space	0 309,100	0	309,100	Links from 'New Proj - Rent & Unit Mix' Worksheet Residential - Tenant Assistance Payments (Nr
Residential Parking	0	0	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40% Alternative LOSP Split Miscellaneous Rert Income
Miscellaneous Rent Income Supportive Services Income Interest Income - Project Operations	0	479,520 0		Senior Operating Subsidy (rental subsidy for building)
Laundry and Vending Tenant Charges	1,603	6,411 0		Links from 'Utilities & Other Income' Worksheet Projected LOSP Split Tenant Charges
Miscellaneous Residential Income Other Commercial Income	0	0	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40% Atternative LOSP Split
Withdrawal from Capitalized Reserve (deposit to operating account) Gross Potential Income	0 369,575	0	2,050,382	Withdrawal from Capitalized Reserve (deposit
Vacancy Loss - Residential - Tenant Rents Vacancy Loss - Residential - Tenant Assistance Payments	(2,944)	(59,384)		Vacancy loss is 5% of Tenant Rents. No Vacancy loss on LOSP or SOS
Vacancy Loss - Commercial EFFECTIVE GROSS INCOME	366,631	1,614,223	(3,600) 1,984,454	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40% PUPA: 14,809
OPERATING EXPENSES				
Management Management Fee	20,582	82,330		Alternative LOSP Split 1st Year to be set according to HUD schedule. Management Fee
Asset Management Fee Sub-total Management Expenses	4,692 25,274	18,768 101,098	23,460 126,372	MOHCD allowable AM Fee for 2022 Asset Management Fee PUPA: 943
Salaries/Benefits Office Salaries	42,016	168,064		Alternative LOSP Split .5 FTE APM, 4.5 FTE desk clerks Office Salaries
Manager's Salary Health Insurance and Other Benefits	16,640 22,080	66,560 88,320	83,200 110,400	1 FTE SPM Manager's Salary Health Insurance and Other Benefits
Other Salaries/Benefits Administrative Rent-Free Unit	0	0		Other Salaries/Benefits Administrative Rent-Free Unit
Sub-total Salaries/Benefits	80,736	322,944	403,680	PUPA: 3,013
Advertising and Marketing Office Expenses	1,000 14,543	4,000 58,172		This is tenent engagement. phone, office supplies, computer support, commuter checks, internet, staff training,
Office Rent Legal Expense - Property	0 3,750	0		Assumes 1 eviction and 1 stip Legal Expense - Property
Audit Expense Bookkeeping/Accounting Services	2,044 4,200	8,176 16,800		\$73/pupa \$12.5/pupm Projected LOSP Split Production
Bad Debts Miscellaneous Sub-total Administration Expenses	0 0 25,537	0 0 88,398	113,935	PUPA: 850
Utilities			113,935	Projected LOSP Split
Electricity Water Gas	25,000 20,000 0	75,000 80,000 0	100,000	Electricity
Gas Sewer Sub-total Utilities	0	0	200.000	In ogas service
Sub-total Utilities	45,000	100,000	200,000	PUPA: 1,493 Alternative LOSP Split
Real Estate Taxes Payroll Taxes	2,000 11,000	8,000 44,000	10,000 55,000	Need to assess commercial property tax Real Estate Taxes Payroll Taxes
Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses	1,000 14,000	4,000 56,000		castro CBD PUPA: 522
Insurance Property and Liability Insurance	35,000	140,000	175,000	
Fidelity Bond Insurance Worker's Compensation	0 4,600	0 18,400	23,000	Alternative LOSP Split Worker's Compensation
Director's & Officers' Liability Insurance Sub-total Insurance	0 39,600	0 158,400	198,000	PUPA: 1,478
Maintenance & Repair Payroll	40,352	161,408	201,760	Alternative LOSP Split FTE Maintence manager, 1 FTE Maint tech, 2 FTE janitors Payroll Payroll
Supplies Contracts	4,120 24,660	16,480 98,640	20,600 123,300	Supplies Statk for exterior window washing. Boiler contract (\$5k) + \$2.5K for unanticipated emergency Contracts
Garbage and Trash Removal Security Payroll/Contract	14,000 3,000	56,000 12,000	70,000 15,000	Atternative LOSP Split desk clerk coverage for PTO and maintenance of security equipment Security Payrol//Contract
HVAC Repairs and Maintenance Vehicle and Maintenance Equipment Operation and Repairs	8,000 110	32,000 440	40,000	
Miscellaneous Operating and Maintenance Expenses Sub-total Maintenance & Repair Expenses	3,500 97,742	14,000 390,968	17,500 488,710	unit replacements not PUPA: 3,647
Supportive Services	0	90,000	00.000	Alternative LOSP Split 1 FTE RSC Supportive Services
		30,000		
Commercial Expenses			360	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%
TOTAL OPERATING EXPENSES	327,889	1,362,808		
TOTAL OPERATING EXPENSES Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent	3,000	1,362,808 12,000	360 1,691,057 15,000	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40% PUPA: 12,620 Ground lease with MOHCD Provide additional comments here, if needed.
TOTAL OPERATING EXPENSES Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Bond Monitoring Fee Replacement Reserve Deposit	3,000 500 13,400	1,362,808 12,000 2,000 53,600	360 1,691,057 15,000 2,500	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40% PUPA: 12,620 Ground lease with MOHCD Provide additional comments here, if needed. Alternative LOSP Split S500/unit required by HCD Replacement Reserve Deposit
TOTAL OPERATING EXPENSES Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Bond Monitoring Fee Replacement Reserve Deposit Operating Reserve Deposit Operating Reserve Deposit Other Required Reserve 1 Deposit	3,000 500 13,400 0 0	1,362,808 12,000 2,000 53,600 0 0	360 1,691,057 15,000 2,500	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40% PUPA: 12,620 Ground lease with MOHCD Provide additional comments here, if needed. Alternative LOSP Split
TOTAL OPERATING EXPENSES Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Bond Monitoring Fee Replacement Reserve Deposit Operating Reserve Deposit Other Required Reserve Deposit Other Required Reserve Deposit Required Reserve D	3,000 500 13,400 0 0	1,362,808 12,000 2,000 53,600 0 0 0	360 1,691,057 15,000 2,500 67,000	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40% PUPA: 12,620 Ground lease with MOHCD Provide additional comments here, if needed. Stool/unit required by HCD Replacement Reserve Deposit Operating Reserve Deposit Other Required Reserve 1 Deposit from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%
TOTAL OPERATING EXPENSES Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Bond Monitoring Fee Replacement Reserve Deposit Other Required Reserve 1 Deposit Other Required Reserve 1 Deposit Other Required Reserve 2 Deposit	3,000 500 13,400 0 0	1,362,808 12,000 2,000 53,600 0 0	360 1,691,057 15,000 2,500 67,000 0 84,500	from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 40% PUPA: 12,620 Ground lease with MOHCD Provide additional comments here, if needed. S500/unit required by HCD Replacement Reserve Deposit Operating Reserve Deposit Other Required Reserve 1 Deposit from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40% PUPA: 631 Mo SCR: 1.09 Mortgage Rate: 5.00%
TOTAL OPERATING EXPENSES Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Bond Monitoring Fee Reglacement Reserve Deposit Other Required Reserve Deposit Other Required Reserve Deposit Guther Required Reserve Deposits, Commercial Sub-total Reservers/Ground Lease Base Rent/Bond Fees TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)	3,000 500 13,400 0 0 0 16,900 344,789	1,362,808 12,000 2,000 53,600 0 0 67,600 1,430,408	360 1,691,057 15,000 2,500 67,000 0 84,500 1,775,557	from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 40% PUPA: 12,620 Ground lease with MOHCD Provide additional comments here, if needed. Stool-unit required by HCD Replacement Reserve Deposit Other Required Reserve 1 Deposit Other Required Reserve 1 Deposit Other Required Reserve 1 Deposit PUPA: 631 Min DSCR 1.09 Mortgage Rete: 5.00% PUPA: 13,250 Term (Years): 30 Supportable 1st Mortgage Print: 131,649
TOTAL OPERATING EXPENSES Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Bond Monitoring Fee Replacement Reserve Deposit Other Required Reserve Deposit Other Required Reserve Deposit Sub-total Reservers/Ground Lease Base Rent/Bond Fees TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees) NET OPERATING INCOME (INCOME minus OP EXPENSES)	3,000 500 13,400 0 0 0 16,900	1,362,808 12,000 2,000 53,600 0 0 0 67,600	360 1,691,057 15,000 2,500 67,000 0 84,500 1,775,557	from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 40% PUPA: 12,620 Ground lease with MOHCD Provide additional comments here, if needed. Atternative LOSP Split S500/unit required by HCD Replacement Reserve Deposit Other Required Reserve 1 Deposit Other Required Reserve 1 Deposit Other Required Reserve 1 Deposit PUPA: 13,250 Supportable 1st Mortgage Print: 32,075,054 PUPA: 1,559 Supportable 1st Mortgage Anth: \$2,275,054
TOTAL OPERATING EXPENSES Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Bond Monitoring Fee Replacement Reserve Deposit Other Required Reserve Deposit Other Required Reserve Deposit Other Required Reserve Deposit 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 Dekt - Inist Lender	3,000 500 13,400 0 0 16,900 344,789 21,842	1,362,808 12,000 2,000 53,600 0 0 0 67,600 1,430,408 183,815 0	360 1,691,057 15,000 2,500 67,000 0 84,500 1,775,557 208,897	
TOTAL OPERATING EXPENSES Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Bond Monitoring Fee Replacement Reserve Deposit Operating Reserve Deposit Other Required Reserve Deposit Other Required Reserve Deposit Cother Required Reserve Deposit Sub-total Reserves/Ground Lease Base Rent/Bond Fees TOTAL OPERATING EXPENSES (w/ Reserves//GL Base Rent/Bond Fees) DEBT SERVICEMUST PAY PAYMENTS ("hard debt"/amonitized leans) DEBT SERVICEMUST PAY PAYMENTS ("hard debt"/amonitized leans) DEBT SERVICEMUST PAY PAYMENTS ("hard debt"/amonitized leans)	3,000 500 0 0 0 16,900 344,789 21,842 0 16,800 0 0 0 0 0 0	1,362,808 12,000 2,000 53,600 0 0 67,600 1,430,408 183,815 0 67,200 0 0	360 1,691,057 15,000 67,000 84,500 1,775,557 208,897 0 84,000 0 0	
TOTAL OPERATING EXPENSES Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Bond Monitoring Fee Replacement Reserve Deposit Operating Reserve Deposit Other Required Reserve Deposit Other Required Reserve Deposit Other Required Reserve Deposit Required Reserve Deposit Sub-total Reservers/Ground Lease Base Rent/Bond Fees TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/Bond Fees) NET OPERATING INCOME (INCOME minus OP EXPENSES) DEBT SERVICEMUIST PAY PAYMENTS ("hard debt"/amontized loans) Hard Debt - First Lender Hard Debt - First Lender Hard Debt - Forst Lender	3,000 500 0 0 16,900 344,789 21,842 0 16,800 16,800 0 0 0 0	1,362,808 12,000 2,000 53,600 0 0 67,600 1,430,408 183,815 0 67,200 0 0 0 0 0 0 0 0 0 0 0 0	360 1,691,057 15,000 2,500 67,000 84,500 1,775,557 208,897 0 84,000 0 0 0 0 0 0 0 0	
TOTAL OPERATING EXPENSES Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Bond Monitoring Fee Replacement Reserve Deposit Operating Reserve Doposit Other Required Reserve 2 Deposit Other Required Reserve 2 Deposit Required Reserve Deposits. Other Required Reserve 2 Deposit Sub-total Reserve Softmercial 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 Hard Debt - Social Lender (HCD Program, or other 3rd Lender) Hard Debt - Turid Lender (Other HCD Program, or other 3rd Lender)	3,000 500 0 0 0 16,900 344,789 21,842 0 16,800 0 0 0 0 0 0	1,362,808 12,000 2,000 53,600 0 0 67,600 1,430,408 183,815 0 67,200 0 0	360 1,691,057 15,000 2,500 67,000 84,500 1,775,557 208,897 0 84,000 84,000 0 0	from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 40% PUPA: 12,620 Ground lease with MOHCD Provide additional comments here, if needed. Atternative LOSP Split S500/unit required by HCD Replacement Reserve Deposit Operating Reserve Deposit 0from "Commercial Op. Budget Worksheet; Commercial to Residential allocation: 40% 1.09 from "Commercial Op. Budget Worksheet; Commercial to Residential allocation: 40% 1.09 from "Commercial Op. Budget Worksheet; Commercial to Residential allocation: 40% 1.09 PUPA: 631 Min DSCR: Nortgage Rate: 5.00% PUPA: 13,250 Term (Years): 30 PUPA: 1559 Supportable 1st Mortgage Print: 1.69 PUPA: 1,559 Supportable 1st Mortgage Print: 50,000 PUPA: 4,66 Provide additional comments here, if needed. Hard Debt: - First Londer HCD - MHP Provide additional comments here, if needed. Hard Debt: - Third Lender Provide additional comments here, if needed. Hard Debt: - Third Lender Provide additional comments here, if needed. Hard Debt: - Third Lender Provide additional comments here, if needed. Hard Debt: - Third Lender (HCD Program 0.) Provide additional co
OTAL OPERATING EXPENSES Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Bond Monitoring Fee Replacement Reserve Deposit Operating Reserve Doposit Other Required Reserve 2 Deposit Sub-total Reserve 2 Deposit Other Required Reserve 2 Deposit Other Required Reserve 2 Deposit Other Required Reserve 2 Deposit 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 Hard Debt - Service TOTAL HARD DEBT SERVICE CASH FLOW (NOI minus DEBT SERVICE) Commercial Only Cash Flow Allocation of Commercial SUPListon-LOSP (residual income)	3.000 500 13,400 0 0 16,900 344,789 21,842 0 16,800 0 0 0 16,800 5,042 648	1,362,808 12,000 2,000 53,600 0 0 67,600 1,430,408 183,815 0 0 67,200 0 0 67,200 116,615 2,592	360 1,691,057 15,000 2,500 67,000 0 84,500 1,775,557 208,897 0 0 84,000 0 0 0 124,897 3,240	
OTAL OPERATING EXPENSES Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Bond Monitoring Fee Replacement Reserve Deposit Operating Reserve Doposit Other Required Reserve 2 Deposit Sub-total Reserve 2 Deposit Commercial Sub-total Reserve 2 Deposit Other Required Reserve 2 Deposit Other Required Reserve 2 Deposit Commercial Sub-total Reserves/Ground Lease Base Rent/Bond Fees TOTAL OPERATING EXPENSES (w Reserves/GL Base Rent/ Bond Fees) NET OPERATING EXPENSES (w Reserves/GL Base Rent/ Bond Fees) DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amontized loans) Hard Debt - First Lender Hard Debt - Service TOTAL HARD DEBT SERVICE Commercial Hard Debt Service TOTAL HARD DEBT SERVICE) Commercial Only Cash Flow Allocation of Commercial Supplies to LOPS/non-LOSP (residual income) AVALABLE CASH FLOW USES OF CASH FLOW	3,000 500 13,400 0 0 16,900 344,789 21,842 0 16,800 0 0 16,800 5,042	1,362,808 12,000 2,000 53,600 0 0 0 67,600 1,430,408 183,815 0 67,200 0 0 0 0 0 116,615	360 1,691,057 15,000 2,500 67,000 84,500 1,775,557 208,897 0 84,000 0 0 84,000 0 0 84,000 0 0 0 124,897	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40% PUPA: 12,620 Ground lease with MOHCD Provide additional comments here, if needed. Atternative LOSP Split SS00/unit required by HCD Replacement Reserve Deposit Operating Reserve Deposit Other Required Reserve 1 Deposit Ofter Resulted by HCD Replacement Reserve Deposit Ofter Reserve 1 Deposit Other Required Reserve 1 Deposit PUPA: 631 Min DSCR: 1.09 PUPA: 631 Min DSCR: 1.09 PUPA: 1,559 Supportable 1st Mortgage Print: 32,000.00 PUPA: 1,559 Supportable 1st Mortgage Print: 32,000.00 HCD - MHP Provide additional comments here, if needed. Hard Debt First Lender HCD - MHP Provide additional comments here, if needed. Hard Debt Fourth Lender PUPA: 627 Fourth Lender Hard Debt Fourth Lender
TOTAL OPERATING EXPENSES Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Bord Monitoring Fee Replacement Reserve Deposit Operating Reserve Doposit Other Required Reserve Doposit Other Required Reserve Doposit Cher Reserves/Ground Lease Base Rent/Bond Fees TOTAL OPERATING EXPENSES (w Reserves/GL Base Rent/ Bond Fees) DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amonized loans) Hard Debt - First Lender Hard Debt - Service Commercial Hard Debt Service TOTAL HARD DEBT SERVICE) Commercial Only Cash Flow Allocation of Commercial Service INVERSION AVALABLE CASH FLOW USES OF CASH FLOW USES OF CASH FLOW USES OF CASH FLOW	3.000 500 13,400 0 0 16,900 344,789 21,842 0 16,800 0 16,800 0 16,800 0 16,800 0 16,800 0 0 0 1,842 0 0 1,842 0 1,842 0 0 1,842 0 0 0 0 0 0 0 0 0 0 0 0 0	1,362,808 12,000 2,000 53,600 0 0 67,600 1,430,408 183,815 0 0 0 0 67,200 116,615 2,592 119,207 0 0 0 0 0 0 0 0 0 0 0 0 0	360 1,691,057 15,000 2,500 67,000 0 84,000 1,775,557 208,897 0 0 84,000 0 0 124,897 3,240 124,897 3,240	from 'Commercial Op. Budget Worksheet; Commercial to Residential allocation: 40% PUPA: 12,620 Ground lease with MOHCD Provide additional comments here, if needed. S500/unit required by HCD Replacement Reserve Deposit Other Required Reserve 1 Deposit PUPA: 631 Min DSCR: 1.09 Microgape Rate: 5.00% PUPA: 1,559 Supportable 1st Mortgage Print: 91.049 Provide additional comments here, if needed. Hard Debt - First Lender HCD - MHP Provide additional comments here, if needed. Hard Debt - First Lender HCD - MHP Provide additional comments here, if needed. Hard Debt - First Lender HCD - MHP Provide additional comments here, if needed. Hard Debt - First Lender Hard Debt - Third Lender (Other HCD Program D) Provide additional comments here, if needed. Hard Debt - First Lender HCD - MHP Provide additional comments here, if needed. Hard Debt - Third Lender (Other HCD Program D) Provide additional comments here, if needed. Hard Debt - First Lender HCD - MHP Provide additional comments here, if needed. Hard Debt - First Lender HCD - MHP Provide additional comments here, if needed. Hard Debt - First Lender HCD - MHP Provide additional comments here, if needed. Hard Debt - Third Lender (Other HCD Program D) Provide additional comments here, if needed. Hard Debt - First Lender HCD - MHP Provide additional comments here, if needed. Hard Debt - First Lender HCD - MHP Provide additional comments here, if needed. Hard Debt - First Lender HCD Dett - Third Lender (Other HCD Program D) Provide additional comments here, if needed. Hard Debt - First Lender HCD Dett - First Dett - First Herder HCD Dett - First Herder HCD De
TOTAL OPERATING EXPENSES Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Bond Monitoring Fee Replacement Reserve Deposit Operating Reserve Deposit Other Kequider Reserve Deposit Other Kequider Reserve Deposit Cher Kequider Reserve Scher Kenter Sub-total Reserves/GL Base Rent/ Bond Fees) NET OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees) NET OPERATING INCOME (INCOME minus OP EXPENSES) DEBT SERVICEMUST PAY PAYMENTS ("hard debt"/amontized leans) Hard Det- First Lender Hard Det- Second Lender (HCD Program 0.42% pymt, or other 2nd Lef Hard Det- Second Lender (HCD Program, or other 3rd Lender) Hard Det- Tind Lender (Cher HCD Program, or other 3rd Lender) Hard Det- Tind Lender (Det HCD Program, or other 3rd Lender) Hard Det- Second Lender (HCD Program, or other 3rd Lender) Hard Det- Second Lender (HCD Program, or other 3rd Lender) Hard Det- Second Lender (HCD Program, or other 3rd Lender) Hard Det- Tind Lender (Ditter HCD Program, or other 3rd Lender) Hard Det- Tind Lender (Ditter HCD Program, or other 3rd Lender) Hard Det- Second Lender (HCD Program, Or other 3rd Lender) Hard Det- Tind Lender (Ditter HCD Program, or other 3rd Lender) Hard Det- First Lender Commercial Mard DetB SErVICE) Commercial Mard DetB SERVICE) Commercial Only Cash Flow Altication of Commercial Supuls to LOPS/Inon-LOSP (residual income) AVALABLE CASH FLOW BLLOW (This row also shows DSCR.) USES DT CASH HLOW BELOW (This row also shows DSCR.) USES DT CASH FLOW BELOW (This row also shows DSCR.) USES DT CASH FLOW BELOW (This row also shows DSCR.) USES DT CASH FLOW BELOW (This row also shows DSCR.) USES DT CASH FLOW SEAK MIST Fee (See policy for limits)	3.000 500 13.400 0 13.400 0 146,900 344,789 21,842 0 16,800 0 0 16,800 5,042 648 5,690	1,362,808 12,000 2,000 53,600 0 0 67,600 1,430,408 183,815 0 0 67,200 0 67,200 0 67,200 116,615 2,592 119,207 0 18,760 0 18,760	360 1,691,057 15,000 2,500 67,000 0 84,000 1,775,557 208,897 0 0 84,000 0 0 124,897 3,240 124,897 3,240	from 'Commercial Op. Budget Worksheet, Commercial to Residential allocation: 40% PUPA: 12,620 Ground lease with MOHCD Provide additional comments here, if needed. S500/unit required by HCD Replacement Reserve Deposit Other Required Reserve 1 Deposit PUPA: 631 Min DSCR PUPA: 13,250 Term (Years): 30 PUPA: 13,559 Supportable 1st Mortgage Antt: \$2,075,054 PUPA: 13,559 Supportable 1st Mortgage Antt: \$2,0,00,000 Atternative LOSP Split HCD - MHP Provide additional comments here, if needed. Hard Debt-: First Lender Provide additional comments here, if needed. Hard Debt-: First Lender Provide additional comments here, if needed. Hard Debt-: First Lender Provide additional comments here, if needed. Hard Debt-: First Lender Provide additional comments here, if needed. Hard Debt-: First Lender Provide additional comments here, if needed. Hard Debt-: First Lender Provide additional comments here, if needed. Hard Debt-: First Lender Provide additional comments here, if needed. Hard Debt-: First Lender Provide additional comments here, if needed. Hard Debt-: First Lender Provide additional comments here, if needed. Hard Debt-: First Lender Provide additional comments here, if needed. Hard Debt-: First Lender Provide additional comments here, if needed. Hard Debt-: First Lender Provide additional comments here, if needed. Hard Debt-: First Lender Provide additional comments here, if needed. Hard Debt-: First Lender Provide additional comments here, if needed. Hard Debt-: First Lender Provide additional comments here, if needed. Hard Debt-: First Lender Provide additional comments here, if needed. Hard Debt-: First Lender Provide additional comments here, if needed. Hard Debt-: First Lender Provide additional comments here, if needed. Hard Debt-: First Lender Provide additional comments here, if
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Owner Distributions/Incentive Management Fee Other Distributions/Uses Final Balance (should be zero)

Application Date:	10/1/2021
Total # Units:	134
First Year of Operations (provide data assuming that	
Year 1 is a full year, i.e. 12 months of operations):	2026

INCOME			
Residential - Tenant Rents		non-LOSP	Approved By (read)
	on-LOSP)	IIUII-LU3P	Approved By (requ)
Residential - LOSP Tenant Assistance Payments	di-LOSP)		
	ł		
Commercial Space			
Residential Parking	LOSP	non-LOSP	Approved By (reqd)
Miscellaneous Rent Income	0.00%	100.00%	
Supportive Services Income	0.00%	100.00%	
Interest Income - Project Operations			
Laundry and Vending	LOSP		(only acceptable if LOSP-specific expenses are being
Tenant Charges			tracked at entry level in the project's accounting system)
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	I		

vacancy Loss - Residential - Tenant Rents Vacancy Loss - Residential - Tenant Assistance Payments Vacancy Loss - Commercial EFFECTIVE GROSS INCOME

OPERATING EXPENSES

Management	LOSP	non-LOSP	Approved By (reqd)					
Management Fee								
Asset Management Fee								
Sub-total Management Expenses								
Salaries/Benefits	LOSP	non-LOSP	Approved By (reqd)					
Office Salaries	20.00%	80.00%						
Manager's Salary	20.00%	80.00%						
Health Insurance and Other Benefits	20.00%	80.00%						
Other Salaries/Benefits	20.00%	80.00%						
Administrative Rent-Free Unit								
Sub-total Salaries/Benefits								
Administration								
Advertising and Marketing	T							
Office Expenses	1							
Office Rent	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being					
Legal Expense - Property	75.00%	25.00%	tracked at entry level in the project's accounting system)					
Audit Expense								
Bookkeeping/Accounting Services	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being					
Bad Debts			tracked at entry level in the project's accounting system)					
Miscellaneous		1	1					
Sub-total Administration Expenses	1							
Utilities	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being					
Electricity	25.00%	75.00%	tracked at entry level in the project's accounting system)					
Water	20.0070	70.0070						
Gas	†							
Sewer	†							
	1							
Sub-total Utilities		non-LOSP	Approved By (read)					
	LOSP	non-LOSP	Approved By (reqd)					
Sub-total Utilities		non-LOSP	Approved By (reqd)					
Taxes and Licenses Real Estate Taxes	LOSP		Approved By (reqd)					
Taxes and Licenses Real Estate Taxes Payrol Taxes		non-LOSP 80.00%	Approved By (reqd)					
Taxes and Licenses Real Estate Taxes	LOSP 20.00%		Approved By (reqd)					
Sub-total Utilities Real Estate Taxes Payrol Taxes Miscelaneous Taxes, Licenses and Permits	LOSP 20.00%		Approved By (reqd)					
Sub-total Utilities Taxes and Licenses Real Estate Taxes Payroll Taxes Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses Insurance	LOSP 20.00%		Approved By (reqd)					
Taxes and Licenses Real Estate Taxes Payroli Taxes Miscelaneous Taxes, Licenses and Permits Miscelaneous Taxes, Licenses and Permits Insurance Property and Liability Insurance	20.00%	80.00%						
Sub-total Utilities Taxes and Licenses Real Estate Taxes Payroll Taxes Miscellaneous Taxes, Licenses and Permits Insurance Property and Liability Insurance Frideity Bond Insurance Fidelity Cond Insu	LOSP 20.00%		Approved By (reqd)					
Sub-total Utilities Taxes and Licenses Real Estate Taxes Payrol Taxes Miscelaneous Taxes, Licenses and Permits Miscelaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses Insurance Frogetry and Liability Insurance Fidelity Bond Insurance Fidelity Bond Insurance Worker's Compensation	20.00%	80.00%						
Sub-total Utilities Taxes and Licenses Real Estate Taxes Payroll Taxes Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses Insurance Frodetly and Insurance Frodetly and Insurance Worker's Compensation Director's A Offices' Liability Insurance	LOSP 20.00%	80.00%						
Sub-total Utilities Real Estate Taxes Real Estate Taxes Payrol Taxes Miscelianeous Taxes, Licenses and Permits Miscelianeous Taxes, Licenses and Permits Sub-total Taxes and Licenses Insurance Properly and Liability Insurance Fidelity Bond Insurance Worker's Compensation Director's & Officers' Liability Insurance Sub-total Insurance	LOSP 20.00%	80.00%	Approved By (reqd)					
Sub-total Utilities Taxes and Licenses Real Estate Taxes Payrol Taxes Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses Insurance Prodetly and Liability Insurance Fidetly Bond Insurance Worker's Compensation Director's & Officers' Liability Insurance Sub-total Insurance Maintenance & Repair	LOSP 20.00%	80.00% non-LOSP non-LOSP						
Sub-total Utilities Taxes and Licenses Real Estate Taxes Payrol Taxes Miscelianeous Taxes, Licenses and Permits Insurance Properly and Liability Insurance Fidelity Bond Insurance Worker's Compensation Director's & Officers' Liability Insurance Sub-total Insurance Waintenance & Repair Payroll	LOSP 20.00%	80.00% non-LOSP non-LOSP 80.00%	Approved By (reqd)					
Sub-total Utilitier Taxes and Licenses Real Estate Taxes Payrol Taxes Miscelaneous Taxes, Licenses and Permits Insurance Property and Liability Insurance Fidelity Bond Insurance Worker's Compensation Director's & Officers' Liability Insurance Maintenance & Repair Payrol Sub-total Insurance Sub-total Insurance Maintenance & Repair Payrol Supplies	LOSP 20.00%	80.00% non-LOSP non-LOSP	Approved By (reqd)					
Sub-total Utilities Taxes and Licenses Sub-total Utilities Real Estate Taxes Payool Taxes Miscelance Same Same Same Same Same Same Same Sam	LOSP 20.00%	80.00% non-LOSP non-LOSP 80.00% 80.00%	Approved By (reqd) Approved By (reqd) (LOBP specific expenses must be tracked at entry level in projects					
Sub-total Utilitier Taxes and Licenses Real Estate Taxes Payrol Taxes Miscelaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses Insurance Property and Liability Insurance Fidelity Bond Insurance Worker's Compensation Director's & Officers' Liability Insurance Maintenance & Repair Payrol Supplies Supplies Contracts Contract	LOSP 20.00%	80.00% non-LOSP non-LOSP 80.00%	Approved By (reqd)					
Sub-total Utilities Taxes and Licenses Real Estate Taxes Payroll Taxes Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses Insurance Property and Liability Insurance Fidelity Bond Insurance Director's & Offores' Liability Insurance Morker's Compensation Director's A Offores' Liability Insurance Maintenance & Repair Payrol Supples Contracts Garbage and Trash Removal Security PayrollContract	LOSP 20.00%	80.00% non-LOSP non-LOSP 80.00% 80.00%	Approved By (reqd) Approved By (reqd) (LOBP specific expenses must be tracked at entry level in projects					
Sub-total Utilities Taxes and Licenses Real Estate Taxes Payrol Taxes Miscelaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses Insurance Property and Liability Insurance Fidelity Bond Insurance Worker's Compensation Director's & Officers' Liability Insurance Maintenance & Repair Payroll Supplies Contracts Garbage and Trash Removal Security PayrollCantat HVAC Repair and Maintenance	LOSP 20.00%	80.00% non-LOSP non-LOSP 80.00% 80.00%	Approved By (reqd) Approved By (reqd) (LOBP specific expenses must be tracked at entry level in projects					
Sub-total Utilities Taxes and Licenses Real Estate Taxes Payrol Taxes Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses Insurance Property and Liability Insurance Worker's Compensation Director's A Officer's Liability Insurance Sub-total Insurance Maintenance & Repair Payroll Supplies Contracts Garbage and Trash Removal Security Payrol/Contract HVAC Repairs and Maintenance Vehicle and Maintenance Equipment Operation and Repairs	LOSP 20.00%	80.00% non-LOSP non-LOSP 80.00% 80.00%	Approved By (reqd) Approved By (reqd) (LOBP specific expenses must be tracked at entry level in projects					
Sub-total Utilities Taxes and Licenses Real Estate Taxes Payroll Taxes Miscelianeous Taxes, Licenses and Permits Sub-total Taxes and Licenses Insurance Property and Liability Insurance Fidelity Bond Insurance Worker's Compensation Director's & Officers' Liability Insurance Sub-total Insurance Worker's Compensation Dayroll Supplies Contracts Garbage and Trash Removal Security Payroll/Contact HVAC Reparis and Maintenance Equipment Operation and Repairs Whiscelaneous Operating and Maintenance Expenses	LOSP 20.00%	80.00% non-LOSP non-LOSP 80.00% 80.00%	Approved By (reqd) Approved By (reqd) (LOBP specific expenses must be tracked at entry level in projects					
Sub-total Utilities Taxes and Licenses Real Estate Taxes Payrol Taxes Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses Insurance Property and Liability Insurance Worker's Compensation Director's A Officer's Liability Insurance Sub-total Insurance Maintenance & Repair Payroll Supplies Contracts Garbage and Trash Removal Security Payrol/Contract HVAC Repairs and Maintenance Vehicle and Maintenance Equipment Operation and Repairs	LOSP 20.00%	80.00% non-LOSP 80.00% 80.00% non-LOSP	Approved By (reqd) Approved By (reqd) (LOSP-specific expenses must be tracked at entry level in projects Approved By (reqd)					
Sub-total Utilities Taxes and Licenses Real Estate Taxes Payroll Taxes Miscelaneous Taxes, Licenses and Permits Insurance Property and Liability Insurance Fidelity Bond Insurance Worker's Compensation Director's & Officers' Liability Insurance Sub-total Insurance Worker's Compensation Operator's & Officers' Liability Insurance Contracts Garbage and Tash Removal Security Payroll/Contract Vehicle and Maintenance Equipment Operation and Repairs Miscelaneous Operating and Maintenance Expenses Sub-total Maintenance & Repair Expenses	LOSP 20.00%	80.00% non-LOSP 80.00% 80.00% 80.00% non-LOSP	Approved By (reqd) Approved By (reqd) (LOBP specific expenses must be tracked at entry level in projects					
Sub-total Utilities Taxes and Licenses Real Estate Taxes Payroll Taxes Miscelianeous Taxes, Licenses and Permits Sub-total Taxes and Licenses Insurance Property and Liability Insurance Fidelity Bond Insurance Worker's Compensation Director's & Officers' Liability Insurance Sub-total Insurance Worker's Compensation Dayroll Supplies Contracts Garbage and Trash Removal Security Payroll/Contact HVAC Reparis and Maintenance Equipment Operation and Repairs Whiscelaneous Operating and Maintenance Expenses	LOSP 20.00%	80.00% non-LOSP 80.00% 80.00% non-LOSP	Approved By (reqd) Approved By (reqd) (LOSP-specific expenses must be tracked at entry level in projects Approved By (reqd)					

Supportive Services Commercial Expenses TOTAL OPERATING EXPENSES

erves/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 Deposit/s, 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)	LOSP	non-LOSP	Approved By (reqd)
Hard Debt - First Lender	0.00%	100.00%	
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Len	42% pymt, or other 2nd Lende		
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	n, 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			

choin Eon (normando BEBT GERTIGE)			
Commercial Only Cash Flow			
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)	n-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)	T		
Partnership Management Fee (see policy for limits)	T		
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	LOSP	non-LOSP	Approved By (reqd)
Other Payments			
Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)	lender in comments field)		
Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)			
Deferred Developer Fee (Enter amt <= Max Fee from cell I130)	0.00%	100.00%	

48,224 0.999991291

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 Darlo Developer Fee Will Project Darlo Developer FeeBorrower % of Residual Receipts in Yr 1: % of Residual Receipts available for distribution to soft debt lenders in

Soft Debt Lenders with Residual Receipts Obligation	ons

MORCD/OCII - Solt 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	

Other Distributions/Uses Final Balance (should be zero)

Attachment L: 20-year Operating Proforma

See attached.

MOHCD Proforma - 20 Year Cash Flow

1939 Market Street	LOSP	Non-LOSP											
Total # Units:	Units	Units			Voor 1			Voor 2			Voor 2		
134	27 20.00%	107 80.00%	1		Year 1 2026			Year 2 2027			Year 3 2028		
INCOME	% annua inc LOSF		Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non- LOSP	Total	LOSP	non- LOSP	Total	LOSP
Residential - Tenant Rents Residential - Tenant Assistance Payments (Non-LOSP)	1.0% n/a	2.5% n/a		58,872	1,187,676	1,246,548	59,461 -	1,217,368	1,276,829	60,055	1,247,802	1,307,857	60,656
Residential - LOSP Tenant Assistance Payments Commercial Space	n/a n/a	n/a 2.5%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%	309,100		309,100	319,683		319,683	331,098		331,098	342,927
Residential Parking Miscellaneous Rent Income	2.5%	2.5%		:			· ·	:	-		:	-	-
Supportive Services Income Interest Income - Project Operations	4.0%	4.0%			479,520	479,520	-	498,701	498,701		518,649	518,649	-
Laundry and Vending Tenant Charges	2.5% 2.5%	2.5% 2.5%		1,603	6,411	8,013	1,643	6,571	8,214	1,684	6,735	8,419	1,726
Miscellaneous Residential Income	2.5%	2.5%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%	-	-			-	-	•			-
Other Commercial Income Withdrawal from Capitalized Reserve (deposit to operating account)	n/a n/a	2.5% n/a	Commercial to Residential allocation: 40% Link from Reserve Section below, as applicable			7,200		-	7,380			7,565	
Gross Potential Income Vacancy Loss - Residential - Tenant Rents		n/a	Enter formulas manually per relevant MOH	369,575 (2,944)	1,673,607 (59,384)	2,050,382 (62,327)	380,786 (2,973)	1,722,640	2,110,806 (63,841)	392,837 (3,003)	1,773,186 (62,390)	2,173,587 (65,393)	405,309 (3,033)
Vacancy Loss - Residential - Tenant Assistance Payments Vacancy Loss - Commercial	n/a n/a	n/a n/a	policy; annual incrementing usually not appropriate	-	-	(3,600)	-	-	(1,476)	-	-	(1,513)	-
EFFECTIVE GROSS INCOME OPERATING EXPENSES				366,631	1,614,223	1,984,454	377,813	1,661,771	2,045,489	389,834	1,710,796	2,106,682	402,276
Management			1st Year to be set according to HUD										
Management Fee Asset Management Fee	3.5% 3.5%	3.5% 3.5%	schedule. per MOHCD policy	20,582 4,692	82,330 18,768	102,912 23,460	21,303 4,856	85,211 19,425	106,514 24,281	22,048 5,026	88, 194 20, 105	110,242 25,131	22,820 5,202
Sub-total Management Expenses Salaries/Benefits				25,274	101,098	126,372	26,159	104,636	130,795	27,075	108,298	135,373	28,022
Office Salaries Manager's Salary	3.5% 3.5%	3.5% 3.5%		42,016 16,640	168,064 66,560	210,080 83,200	43,487 17,222	173,946 68,890	217,433 86,112	45,009 17,825	180,034 71,301	225,043 89,126	46,584 18,449
Health Insurance and Other Benefits Other Salaries/Benefits	3.5% 3.5%	3.5% 3.5%		22,080	88,320	110,400	22,853	91,411	114,264	23,653	94,611	118,263	24,480
Administrative Rent-Free Unit Sub-total Salaries/Benefits	3.5%	3.5%		- 80,736	- 322,944	- 403,680	- 83,562	- 334,247	- 417,809	- 86,486	- 345,946	- 432,432	- 89,513
Administration Advertising and Marketing	3.5%	3.5%		1,000	4,000	5,000	1,035	4,140	5,175	1,071	4,285	5,356	1,109
Office Expenses Office Rent	3.5% 3.5%	3.5% 3.5% 3.5%		14,543	58,172	72,715	15,052	60,208	75,260	15,579	62,315	77,894	16,124
Legal Expense - Property Audit Expense	3.5% 3.5%	3.5%		3,750 2,044	1,250 8,176	5,000 10,220	3,881 2,116	1,294 8,462	5,175 10,578	4,017 2,190	1,339 8,758	5,356 10,948	4,158 2,266
Bookkeeping/Accounting Services Bad Debts Misself Research	3.5%	3.5% 3.5%		4,200	- 16,800	21,000	4,347	17,388	21,735	4,499	17,997 -	22,496	4,657
Miscellaneous Sub-total Administration Expenses Utilities	3.5%	3.5%		25,537	- 88,398	- 113,935	- 26,431	- 91,492	- 117,923	- 27,356	- 94,694	- 122,050	- 28,313
Utilites Electricity Water	3.5% 3.5%	3.5% 3.5%		25,000 20,000	75,000 80,000	100,000	25,875 20,700	77,625 82,800	103,500	26,781 21,425	80,342 85,698	107,123	27,718 22,174
Gas	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		20,000	-		20,700	82,800	103,500	21,425	85,698	107,123	22,174
Sewer Sub-total Utilities		0.076		45,000	- 155,000	200,000	46,575	- 160,425	207,000	48,205	- 166,040	214,245	49,892
Taxes and Licenses Real Estate Taxes Payroll Taxes	3.5% 3.5%	3.5% 3.5%		2,000	8,000 44,000	10,000	2,070 11,385	8,280 45,540	10,350 56,925	2,142 11,783	8,570 47,134	10,712 58,917	2,217 12,196
Payroll Taxes Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses	3.5%	3.5%		11,000 1,000 14,000	44,000 4,000 56,000	55,000 5,000 70,000	11,385 1,035 14,490	45,540 4,140 57,960	56,925 5,175 72,450	11,783 1,071 14,997	47,134 4,285 59,989	58,917 5,356 74,986	12,196 1,109 15,522
Insurance		3.5%											
Property and Liability Insurance Fidelity Bond Insurance Worker's Compensation	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		35,000 - 4,600	140,000 - 18,400	175,000 - 23,000	36,225 - 4,761	144,900 - 19,044	181,125 - 23,805	37,493 - 4,928	149,972 - 19,711	187,464 - 24,638	38,805 - 5,100
Worker's Compensation Director's & Officers' Liability Insurance Sub-total Insurance	3.5%	3.5%		4,600 - 39,600	18,400 - 158,400	- 198,000	4,761 - 40,986	19,044 - 163,944	23,805 - 204,930	4,928 - 42,421	19,711 - 169,682	24,638 - 212,103	5,100 - 43,905
Maintenance & Repair		2 59/											
Payroll Supplies Contracts	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		40,352 4,120 24,660	161,408 16,480 98,640	201,760 20,600 123,300	41,764 4,264 25,523	167,057 17,057 102,092	208,822 21,321 127,616	43,226 4,413 26,416	172,904 17,654 105,666	216,130 22,067 132,082	44,739 4,568 27,341
Garbage and Trash Removal Security Payroll/Contract	3.5% 3.5%	3.5% 3.5% 3.5%		24,660 14,000 3,000	98,640 56,000 12,000	70,000	25,523 14,490 3,105	102,092 57,960 12,420	72,450	26,416 14,997 3,214	105,666 59,989 12,855	74,986 16,068	27,341 15,522 3,326
HVAC Repairs and Maintenance Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		8,000 110	32,000 440	40,000	8,280	33,120	41,400	8,570 118	34,279 471	42,849	8,870 122
Miscellaneous Operating and Maintenance Expenses Sub-total Maintenance & Repair Expenses	3.5%	3.5%		3,500 97,742	14,000 390,968	17,500 488,710	3,623 101,163	14,490 404,652	18,113 505,815	3,749 104,704	14,997 418,815	18,746 523,518	3,881 108,368
Supportive Services	3.5%	3.5%		-	90,000	90,000	-	93,150	93,150	-	96,410	96,410	-
Commercial Expenses			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%						373			386	
TOTAL OPERATING EXPENSES PUPA (w/o Reserves/GL Base Rent/Bond Fees)			327,889	1,362,808	1,691,057 12,620	339,366	1,410,506	1,750,244	351,243	1,459,874	1,811,503	363,537
Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent	1			3,000	12,000	15,000	3,000	12,000	Note: Hidden c 15,000	olumns are in b 3,000	etween total col 12,000		a/delete values ir 3,000
Bond Monitoring Fee Replacement Reserve Deposit				500 13,400	2,000 53,600	2,500 67,000	500 13,400	2,000 53,600	2,500 67,000	500 13,400	2,000 53,600	2,500 67,000	500 13,400
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: 40%				-					-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			dominations to record inter an observer. Ho re	16,900	67,600	84,500	16,900	67,600	84,500	16,900	67,600	84,500	16,900
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond PUPA (w/ Reserves/GL Base Rent/Bond Fees				344,789	1,430,408	1,775,557 13,250	356,266	1,478,106	1,834,744	368, 143	1,527,474	1,896,003	380,437
NET OPERATING INCOME (INCOME minus OP EXPENSES)	>			21,842	183,815	208,897	21,548	183,665	210,745	21,691	183,322	210,679	21,839
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loan Hard Debt - First Lender Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender			Enter comments re: annual increase, etc.	- 16,800	- 67,200	- 84,000	- 16,800	- 67,200	Note: Hidden c - 84,000	olumns are in b - 16,800	etween total col - 67,200	4,000	a/delete values ir - 16,800
Hard Debt - Third Lender (NCD Program or other 3rd Lender) Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			Enter comments re: annual increase, etc. Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-		-
Commercial Hard Debt Service	-		from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%		-		-	-	-			-	-
TOTAL HARD DEBT SERVICE CASH FLOW (NOI minus DEBT SERVICE)				16,800 5,042	67,200 116,615	84,000 124,897	16,800 4,748	67,200 116,465	84,000 126,745	16,800 4,891	67,200 116,122	84,000 126,679	16,800 5,039
Commercial Only Cash Flow						3,240			5,531			5,666	
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income AVAILABLE CASH FLOW	e)			648 5,690	2,592 119,207	124,897	1,106 5,854	4,425 120,890	126,745	1,133 6,024	4,533 120,655	126,679	1,161 6,200
USES OF CASH FLOW BELOW (This row also shows DSCR.) USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL			DSCR:			2.487			2.509 Note: Hidden ci	olumns are in b	etween total col	2.508 umns. To update	/delete values ir
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy) Partnership Management Fee (see policy for limits)	3.5% 3.5%	3.5% 3.5%	per MOHCD policy per MOHCD policy	- 4,690	- 18,760	- 23,450	- 4,854	- 19,417	24,271	- 5,024	- 20,096	25,120	- 5,200
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits) Other Payments			per MOHCD policy no annual increase	1,000	4,000	5,000	1,000	4,000	5,000	1,000	4,000	5,000	1,000
Non-amortizing Loan Pmnt - Lender 1 Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc. Enter comments re: annual increase, etc.		-	-		-	-	-		-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131) TOTAL PAYMENTS PRECEDING MOHCD				- 5,690	48,224 70,984	48,224 76,674	- 5,854	48,737 72,154	48,737 78,008	- 6,024	48,279 72,375	48,279 78,399	- 6,200
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING			Manual Places	0	48,223	48,223	0	48,737	48,737	-	48,280	48,280	0
Does Project have a MOHCD Residual Receipt Obligation? Will Project Defer Developer Fee?		Yes	Year 15 is year indicated below: 2040	-									
1st Residual Receipts Split - Lender/Deferred Developer Fee 2nd Residual Receipts Split - Lender/Owner Max Defe	med D -: '	67%/33%	2nd Residual Receipts Split Begins: 2034 Use for data entry above. Do not link.):	May Def	unlong - F	48.224			48.737			48.279	
	neu Develo	Dist. Soft	Use for data entry above. Do not link.): lative Deferred Developer Fee Earned			48,224 48,224			48,737 96,961			48,279 145,240	
MOHCD RESIDUAL RECEIPTS DEBT SERVICE	1	Debt Loans	Allocation per pro rata share of all soft debt]	[[]		
MOHCD Residual Receipts Amount Due Proposed MOHCD Residual Receipts Amount to Loan Repayment	-	55.16%	loans, and MOHCD residual receipts policy	-		26,602 26,602			26,885 26,885			26,633 26,633	
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease			Proposed Total MOHCD Amt Due less Loan Repayment									-	
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE	Т	44 91%	Allocation per pro rata share of all soft debt	1	r	21.621	1	r	21.851		i	21.647	
Lender 5 Residual Receipts Due	1	44.84% 0.00% 0.00%	, . p.c. tall anaro or an soit udbl	1		- 1,021			- 1,001				
Total Non-MOHCD Residual Receipts Debt Service	1			-	L	21,621		l	21,851		I	21,647	
REMAINDER (Should be zero unless there are distributions below)	T					(0)	1		(0)			(0)	
Owner Distributions/Incentive Management Fee Other Distributions/Uses	1					-			-			-	
Final Balance (should be zero) REPLACEMENT RESERVE - RUNNING BALANCE						-			-			-	
Replacement Reserve Starting Balance Replacement Reserve Deposits]					- 67,000		ļ	67,000 67,000			134,000 67,000	
Replacement Reserve Deposits Replacement Reserve Withdrawals (ideally tied to CNA) Replacement Reserve Interest	1					-			-			-	
RR Running Balance	7		RR Balance/Unit	-	L	67,000 \$500		l	134,000 \$1,000		I	201,000 \$1,500	
OPERATING RESERVE - RUNNING BALANCE Operating Reserve Starting Balance]				ſ	-	1	ſ	-		l		
Operating Reserve Withdrawals						-			-			-	
	1			1	t		l	t					
Operating Reserve Interest OR Running Balance									0.0%			0.0%	
Operating Reserve Interest OR Running Balance OTHER REQUIRED RESERVE 1 - RUNNING BALANCE		OR Balance as	s a % of Prior Yr Op Exps + Debt Service	-									
Cperating Reserve Interest OR Running Balance OTHER REQUIRED RESERVE 1 - RUNNING BALANCE Other Reserve 1 Starting Balance Other Reserve 1 Deposits		OR Balance as	s a % of Prior Yr Op Exps + Debt Service		ŀ	-		[-			•	
Operating Reserve Interest OR Running Balance OTHER REQUIRED RESERVE 1 - RUNNING BALANCE Other Reserve 1 Starting Balance Other Reserve 1 Oeposits Other Reserve 1 Ultidravals Other Reserve 1 Interest	-	OR Balance as	s a % of Prior Yr Op Exps + Debt Service			-			-			-	
Operating Reserve Interest OR Running Balance OTHER REQUIRED RESERVE 1 - RUNNING BALANCE Other Reserve 1 Starting Balance Other Reserve 1 Umbrdawals Other Reserve 1 Vilhidrawals Other Reserve 1 Interest Other Reserve 1 Running Balance OTHER RESERVE 2 - RUNNING BALANCE	-	OR Balance as	s a % of Prior Yr Op Exps + Debt Service			-			-			-	
Cperating Reserve Interest OR Running Balance OTHER REQUIRED RESERVE 1 - RUNNING BALANCE Other Reserve 1 Starting Balance Other Reserve 1 Deposits Other Reserve 1 Withdrawels Other Reserve 1 Interest Other Required Reserve 1 Running Balance OTHER RESERVE 2 - RUNNING BALANCE Other RESERVE 2 - Starting Balance	-	OR Balance at	s a % of Prior Yr Op Exps + Debt Service			-		[-			-	
Operating Reserve Interest OR Running Balance OTHER REQUIRED RESERVE 1 - RUNNING BALANCE Other Reserve 1 Deposits Other Reserve 1 Vimindrawals Other Reserve 1 Nimitrawals Other Reserve 2 - RUNNING BALANCE Other Reserve 2 Starting Balance Other Reserve 2 Starting Balance Other Reserve 2 Deposits Other Reserve 2 Ultindrawals Other Reserve 2 Interest		OR Balance as	s a % of Prior Yr Op Exps + Debt Service						-			- - - -	
Cperating Reserve Interest OR Running Balance OTHER RESURED RESERVE 1 - RUNNING BALANCE Other Reserve 1 Starting Balance Other Reserve 1 Ubindrawals Other Reserve 1 Withdrawals Other Reserve 1 Running Balance Other Reserve 2 Running Balance Other Reserve 2 Starting Balance Other Reserve 2 Ubindrawals		OR Balance as	s a % of Prior Yr Op Exps + Debt Service			-			- - - - - -				

MOHCD Proforma - 20 Year Cash Flow

			MOHCD Pr	oforma - 20 Year	Cash Flow								
1939 Market Street Total # Units:	LOSP Units	Non-LOSP Units											
134	27 20.00% % annua	107 80.00% % annual	Comments	Year 4 2029			Year 5 2030			Year 6 2031			Year 7 2032
INCOME Residential - Tenant Rents Residential - Tenant Assistance Payments (Non-LOSP)	inc LOSP 1.0% n/a		(related to annual inc assumptions)	non-LOSP 1,278,997	Total 1,339,653	LOSP 61,262	non-LOSP 1,310,972	Total 1,372,235	LOSP 61,875	non-LOSP 1,343,746	Total 1,405,621	LOSP 62,494	non-LOSP 1,377,340
Residential - LOSP Tenant Assistance Payments Commercial Space	n/a n/a	n/a 2.5%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%		342,927	355,185		355,185	367,888		367,888	381,050	
Residential Parking Miscellaneous Rent Income Supportive Services Income	2.5% 2.5% 4.0%	2.5% 2.5% 4.0%		- - 539,395	- - 539,395	-	- - 560,971	560,971		- - 583,409	- - 583,409	-	- - 606,746
Interest Income - Project Operations Laundry and Vending Tenant Charges	2.5% 2.5% 2.5%	2.5% 2.5% 2.5%		- 6,903 -	- 8,629 -	- 1,769 -	- 7,076 -	- 8,845 -	- 1,813 -	- 7,253 -	- 9,066 -	- 1,859 -	- 7,434 -
Miscellaneous Residential Income Other Commercial Income	2.5% n/a	2.5% 2.5%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40% Link from Reserve Section below, as		- 7,754	-		- 7,947		-	- 8,146		-
Withdrawal from Capitalized Reserve (deposit to operating account) Gross Potential Income Vacancy Loss - Residential - Tenant Rents	n/a n/a	n/a n/a	applicable Enter formulas manually per relevant MOH	- 1,825,295 (63,950)	2,238,358 (66,983)	- 418,217 (3,063)	- 1,879,019 (65,549)	2,305,183 (68,612)	- 431,576 (3,094)	- 1,934,409 (67,187)	2,374,131 (70,281)	- 445,402 (3,125)	- 1,991,520 (68.867)
Vacancy Loss - Residential - Tenant Assistance Payments Vacancy Loss - Commercial EFFECTIVE GROSS INCOME	n/a n/a	n/a n/a	policy; annual incrementing usually not appropriate	1,761,346	(1,551) 2,169,824	415,154	- 1,813,470	(1,589) 2,234,982	428,482	1,867,221	(1,629) 2,302,220	442,278	- 1,922,653
OPERATING EXPENSES Management		1	1st Year to be set according to HUD										
Management Fee Asset Management Fee Sub-total Management Expenses	3.5% 3.5%	3.5% 3.5%	schedule. per MOHCD policy	91,280 20,808 112,089	114,100 26,011 140,111	23,619 5,384 29,003	94,475 21,537 116,012	118,094 26,921 145,015	24,445 5,573 30,018	97,782 22,290 120,072	122,227 27,863 150,090	25,301 5,768 31,069	101,204 23,071 124,275
Salaries/Benefits Office Salaries Manager's Salary	3.5% 3.5%	3.5% 3.5%		186,336 73,796	232,919 92,245	48,214 19,095	192,857 76,379	241,072 95,474	49,902 19,763	199,607 79,052	249,509 98,816	51,648 20,455	206,594 81,819
Health Insurance and Other Benefits Other Salaries/Benefits Administrative Rent-Free Unit	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		97,922	122,402	25,337	101,349	126,687	26,224	104,896 - -	131,121	27,142	108,568
Sub-total Salaries/Benefits Administration Advertising and Marketing	3.5%	3.5%		358,054 4,435	447,567 5,544	92,646 1,148	370,586 4,590	463,232 5,738	95,889 1,188	383,556 4,751	479,445 5,938	99,245 1,229	396,981 4,917
Office Expenses Office Rent Legal Expense - Property	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		64,496 - 1,386	80,620 	16,688 - 4,303	66,754	83,442 - 5,738	17,273	69,090 - 1,485	86,363 - 5,938	4,610	71,508
Audit Expense Bookkeeping/Accounting Services	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		9,065	11,331 23,283	2,346 4,820	9,382 19,278	11,728 24,098	2,428 4,988	9,711 19,953	12,138 24,941	2,513 5,163	10,050 20,651
Bad Debts Miscellaneous Sub-total Administration Expenses Ittilities	3.5%	3.5%		- - 98,008	126,322	- - 29,304	- - 101,439	- - 130,743	- - 30,330	- - 104,989	- - 135,319	- - 31,391	- - 108,664
Utilities Electricity Water Cas	3.5% 3.5%	3.5% 3.5%		83, 154 88, 697	110,872 110,872	28,688 22,950	86,064 91,802	114,752 114,752	29,692 23,754	89,076 95,015	118,769 118,769	30,731 24,585	92, 194 98, 340
Gas Sewer Sub-total Utilities	3.5% 3.5%	3.5% 3.5%		- - 171,851	- - 221,744	- - 51,639	- - 177,866	229,505	- - 53,446	- - 184,091	- - 237,537	- - 55,316	- - 190,535
Taxes and Licenses Real Estate Taxes Payroll Taxes	3.5% 3.5%	3.5% 3.5%		8,870 48,784	11,087 60,979	2,295 12,623	9,180 50,491	11,475 63,114	2,375 13,065	9,501 52,258	11,877 65,323	2,459 13,522	9,834 54,087
Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses Insurance	3.5%	3.5%		4,435 62,088	5,544 77,610	1,148 16,065	4,590 64,261	5,738 80,327	1,188 16,628	4,751 66,510	5,938 83,138	1,229 17,210	4,917 68,838
Property and Liability Insurance Fidelity Bond Insurance Worker's Compensation	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		155,221 - 20,400	194,026 - 25,501	40,163 - 5,279	160,653 - 21,114	200,817 - 26,393	41,569 - 5,463	166,276 - 21,853	207,845 - 27,317	43,024 - 5,655	172,096 - 22,618
Director's & Officers' Liability Insurance Sub-total Insurance Maintenance & Repair	3.5%	3.5%		175,621	219,526	45,442	- 181,768	227,210	47,032	- 188,130	235,162	- 48,679	- 194,714
Payroll Supplies Contracts	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		178,956 18,272 109,364	223,695 22,840 136,705	46,305 4,728 28,298	185,219 18,911 113,192	231,524 23,639 141,490	47,926 4,893 29,288	191,702 19,573 117,153	239,628 24,466 146,442	49,603 5,065 30,313	198,412 20,258 121,254
Garbage and Trash Removal Security Payroll/Contract HVAC Repairs and Maintenance	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		62,088 13,305 35,479	77,610 16,631 44,349	16,065 3,443 9,180	64,261 13,770 36,721	80,327 17,213 45,901	16,628 3,563 9,501	66,510 14,252 38,006	83,138 17,815 47,507	17,210 3,688 9,834	68,838 14,751 39,336
Vehicle and Maintenance Equipment Operation and Repairs Miscellaneous Operating and Maintenance Expenses	3.5% 3.5%	3.5% 3.5%		488 15,522	610 19,403 541.842	126 4,016	505 16,065	631 20,082 560,806	131 4,157 116,087	523 16,628	653 20,785 580,434	135 4,302	541 17,210
Sub-total Maintenance & Repair Expenses Supportive Services	3.5%	3.5%	from 'Commercial Op. Budget' Worksheet;	433,473 99,785	99,785	- 112,161	448,645 103,277	103,277		464,347 106,892	106,892	120, 150	480,599 110,633
Commercial Expenses TOTAL OPERATING EXPENSES]		Commercial to Residential allocation: 40%	1,510,969	399 1,874,905	376,261	1,563,853	413 1,940,527	389,430	1,618,588	428 2,008,445	403,060	1,675,239
PUPA (w/o Reserves/GL Base Rent/Bond Fees) Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent]			1 yellow cells, ma 12,000	15,000	3,000	12,000	15,000	3,000	12,000	15,000	3,000	12,000
Bond Monitoring Fee Replacement Reserve Deposit Operating Reserve Deposit				2,000 53,600 -	2,500 67,000 -	500 13,400 -	2,000 53,600 -	2,500 67,000 -	500 13,400 -	2,000 53,600 -	2,500 67,000 -	500 13,400 -	2,000 53,600 -
Other Required Reserve 1 Deposit Other Required Reserve 2 Deposit Required Reserve Deposit/s, Commercial	-		from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%	-	-		· ·			-	-	-	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond F	ees)			67,600 1,578,569	84,500 1,959,405	16,900 393,161	67,600 1,631,453	84,500 2,025,027	16,900 406,330	67,600 1,686,188	84,500 2,092,945	16,900 419,960	67,600 1,742,839
PUPA (w/ Reserves/GL Base Rent/Bond Fees) NET OPERATING INCOME (INCOME minus OP EXPENSES)				182,776	210,419	21,993	182,017	209,955	22,152	181,033	209,275	22,318	179,815
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loar Hard Debt - First Lender Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender			Enter comments re: annual increase, etc. Enter comments re: annual increase, etc.	1 yellow cells, ma - 67,200	nipulate each ce - 84,000	Il rather than dra - 16,800	gging across mul - 67,200	tiple cells. - 84,000	- 16,800	- 67,200	- 84,000	- 16,800	- 67,200
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender) Hard Debt - Fourth Lender Commercial Hard Debt Service			Enter comments re: annual increase, etc. Enter comments re: annual increase, etc. from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%	-	-	-	•		•	-	-	-	-
TOTAL HARD DEBT SERVICE CASH FLOW (NOI minus DEBT SERVICE)	1			67,200 115,576	84,000 126,419	16,800 5,193	67,200 114,817	84,000 125,955	16,800 5,352	67,200 113,833	84,000 125,275	16,800 5,518	67,200 112,615
Commercial Only Cash Flow Allocation of Commercial Surplus to LOPS/non-LOSP (residual income AVAILABLE CASH FLOW)			4,643 120,219	5,804 126,419	1,189	4,756 119,573	5,945 125,955	1,218 6.570	4,871 118,705	6,089 125,275	1,247 6,765	4,990 117,604
USES OF CASH FLOW BELOW (This row also shows DSCR.) USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL			DSCR:	ז yellow cells, ma	2.505			2.499	-,		2.491	-,	
"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)	3.5% 3.5%	3.5% 3.5%	per MOHCD policy per MOHCD policy per MOHCD policy no annual increase	- 20,800 4,000	25,999 5,000	- 5,382 1,000	- 21,528 4,000	26,909 5,000	- 5,570 1,000	- 22,281 4,000	27,851 5,000	- 5,765 1,000	- 23,061 4,000
Other Payments Non-amortizing Loan Pmnt - Lender 1 Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc. 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				47,710 <u>72,510</u> 47,710	47,710 78,709 47,710	6,382	47,023 72,551 47.022	47,023 78,932 47.022	- 6,570	46,212 72,493 46,212	46,212 79,063 46,212	- 6,765 0	45,272 72,333 45,272
Does Project have a MOHCD Residual Receipt Obligation? Will Project Defer Developer Fee?	S MORCD)	Yes Yes	Year 15 is year indicated below: 2040	47,710	47,710	(0)	47,022	47,022	-	46,212	46,212	U	45,272
1st Residual Receipts Split - Lender/Deferred Developer Fee 2nd Residual Receipts Split - Lender/Owner Max Defer	red Develo	67% / 33% per Fee Amt (Use for data entry above. Do not link.):		47,710			47,023			46,212		
MOHCD RESIDUAL RECEIPTS DEBT SERVICE	1	Dist. Soft Debt Loans	lative Deferred Developer Fee Earned	י קרוק	192,950		ſ	239,973	1	Г	286,185		
MOHCD Residual Receipts Amount Due Proposed MOHCD Residual Receipts Amount to Loan Repayment	-	55.16%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	-	26,319 26,319			25,940 25,940			25,493 25,493		
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE			Proposed Total MOHCD Amt Due less Loan Repayment		-		Į				-		
HCD Residual Receipts Amount Due Lender 4 Residual Receipts Due Lender 5 Residual Receipts Due	-	44.84% 0.00% 0.00%	Allocation per pro rata share of all soft debt		21,391 - -			21,083		-	20,719 - -		
Total Non-MOHCD Residual Receipts Debt Service	-				21,391			21,083	1	L	20,719		
REMAINDER (Should be zero unless there are distributions below) Owner Distributions/Incentive Management Fee Other Distributions/Uses Final Balance (should be zero)]				(0) - -		[(0) - -]				
REPLACEMENT RESERVE - RUNNING BALANCE Replacement Reserve Starting Balance Replacement Reserve Deposits Replacement Reserve Withdrawals (ideally tied to CNA) Replacement Reserve Interest					201,000 67,000			268,000 67,000 -		-	335,000 67,000 -		
RR Running Balance OPERATING RESERVE - RUNNING BALANCE Operating Reserve Starting Balance Operating Reserve Deposits]		RR Balance/Unit		268,000 \$2,000 -		[335,000 \$2,500 - -]	F	402,000 \$3,000 -		
Operating Reserve Withdrawals Operating Reserve Interest OR Running Balance OTHER REQUIRED RESERVE 1 - RUNNING BALANCE		OR Balance a	s a % of Prior Yr Op Exps + Debt Service		0.0%			- 0.0%		-	0.0%		
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	1			ן ר			ſ		1	г			
Other Reserve 2 Deposits Other Reserve 2 Withdrawals Other Reserve 2 Interest													
Other Required Reserve 2 Running Balance					-			-		L	-		

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MOHCD Proforma - 20 Year Cash Flow

1939 Market Street			MOHCD Pro	oforma - 20 Yea	Cash Flow								
Total # Units:		Non-LOSP Units											
134	27 20.00%	107 80.00%		1		Year 8 2033			Year 9 2034			Year 10 2035	
INCOME Residential - Tenant Rents	% annual inc LOSP 1.0%	% annual increase 2.5%	Comments (related to annual inc assumptions)	Total 1,439,834	LOSP 63,119	non-LOSP 1,411,774	Total 1,474,892	LOSP 63,750	non-LOSP 1,447,068	Total 1,510,818	LOSP 64,387	non-LOSP 1,483,245	Total 1,547,632
Residential - Tenant Assistance Payments (Non-LOSP) Residential - LOSP Tenant Assistance Payments	n/a n/a	n/a n/a	from 'Commercial Op. Budget' Worksheet;	381,050	- 394,688		394,688	408,820	-	408,820	- 423,461	-	423,461
Commercial Space Residential Parking Miscellaneous Rent Income	n/a 2.5% 2.5%	2.5% 2.5% 2.5%	Commercial to Residential allocation: 40%		-	- -			· .	-	:	· ·	-
Supportive Services Income Interest Income - Project Operations	4.0%	4.0%		606,746 -	-	631,016 - 7,620	631,016	-	656,256	656,256	-	682,506	682,506
Laundry and Vending Tenant Charges Miscellaneous Residential Income	2.5% 2.5% 2.5%	2.5% 2.5% 2.5%		9,293	1,905 - -	7,620 - -	9,525 - -	1,953 - -	7,811 -	9,763 - -	2,001	8,006 - -	10,007 - -
Other Commercial Income	n/a n/a	2.5% n/a	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40% Link from Reserve Section below, as applicable	8,350			8,559			8,773			8,992
Withdrawal from Capitalized Reserve (deposit to operating account) Gross Potential Income Vacancy Loss - Residential - Tenant Rents		n/a n/a	Enter formulas manually per relevant MOH	2,445,272 (71,992)	- 459,712 (3,156)	- 2,050,409 (70,589)	2,518,680 (73,745)	474,522 (3,187)	- 2,111,135 (72,353)	2,594,430 (75,541)	- 489,850 (3,219)	- 2,173,757 (74,162)	2,672,599 (77,382)
Vacancy Loss - Residential - Tenant Assistance Payments Vacancy Loss - Commercial EFFECTIVE GROSS INCOME	n/a n/a	n/a n/a	policy; annual incrementing usually not appropriate	(1,670) 2,371,610	- 456,556	- 1,979,821	(1,712) 2,443,224	- 471,335	- 2,038,781	(1,755) 2,517,134	- 486,631	- 2,099,595	- (1,798) 2,593,419
OPERATING EXPENSES Management			I										
Management Fee Asset Management Fee	3.5% 3.5%	3.5% 3.5%	1st Year to be set according to HUD schedule. per MOHCD policy	126,505 28,838	26, 187 5,970	104,746 23,878	130,933 29,848	27, 103 6, 178	108,412 24,714	135,515 30,892	28,052 6,395	112,207 25,579	140,258 31,974
Sub-total Management Expenses Salaries/Benefits Office Salaries	3.5%	3.5%		155,343 258,242	32,156 53,456	128,624 213,824	160,780 267,280	33,282 55,327	133,126 221,308	166,408 276,635	34,446 57,263	137,786 229,054	172,232 286,317
Manager's Salary Health Insurance and Other Benefits Other Salaries/Benefits	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		102,274 135,710	21,171 28,092	84,683 112,368	105,854 140,460	21,912 29,075	87,647 116,301	109,559 145,376	22,679 30,093	90,714 120,371	113,393 150,464
Administrative Rent-Free Unit Sub-total Salaries/Benefits	3.5%	3.5%		496,226	- - 102,719	- - 410,875	- - 513,594	- - 106,314	- - 425,256	- - 531,569	- - 110,035	- - 440,140	- - 550,174
Administration Advertising and Marketing Office Expenses	3.5% 3.5%	3.5% 3.5%		6,146 89,385	1,272 18,503	5,089 74,011	6,361 92,514	1,317 19,150	5,267 76,601	6,584 95,752	1,363 19,821	5,452 79,282	6,814 99,103
Office Rent Legal Expense - Property	3.5% 3.5%	3.5% 3.5%		- 6,146	- 4,771	- 1,590	- 6,361	4,938	- 1,646	6,584	- 5,111	- 1,704	- 6,814
Audit Expense Bookkeeping/Accounting Services Bad Debts	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		12,563 25,814	2,601 5,344	10,402 21,374 -	13,003 26,718	2,692 5,531 -	10,766 22,122 -	13,458 27,653	2,786 5,724	11,143 22,897 -	13,929 28,621 -
Miscellaneous Sub-total Administration Expenses Utilities	3.5%	3.5%		- 140,055	32,490	- 112,467	- 144,957	- 33,627	116,403	- 150,031	34,804	120,477	- 155,282
Electricity Water	3.5% 3.5%	3.5% 3.5%		122,926 122,926	31,807 25,446	95,421 101,782	127,228 127,228	32,920 26,336	98,761 105,345	131,681 131,681	34,072 27,258	102,217 109,032	136,290 136,290
Gas Sewer Sub-total Utilities	3.5% 3.5%	3.5% 3.5%		245,851	- 57,253	- 197,203	254,456	- - 59,256	- - 204,105	- - 263,362	- 61,330	- - 211,249	- 272,579
Taxes and Licenses Real Estate Taxes	3.5%	3.5%		12,293	2,545	10,178	12,723	2,634	10,534	13,168	2,726	10,903	13,629
Payroll Taxes Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses	3.5% 3.5%	3.5% 3.5%		67,609 6,146 86,048	13,995 1,272 17,812	55,980 5,089 71,248	69,975 6,361 89,060	14,485 1,317 18,435	57,940 5,267 73,741	72,424 6,584 92,177	14,992 1,363 19,081	59,967 5,452 76,322	74,959 6,814 95,403
Insurance Property and Liability Insurance	3.5%	3.5%		215,120	44,530	178,119	222,649	46,088	184,353	230,442	47,701	190,806	238,507
Fidelity Bond Insurance Worker's Compensation Director's & Officers' Liability Insurance	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		28,273	- 5,852 -	- 23,410 -	- 29,262 -	- 6,057 -	- 24,229 -	- 30,287 -	- 6,269 -	- 25,077 -	- 31,347 -
Sub-total Insurance Maintenance & Repair	3.5%	3.5%		243,393 248,015	50,382 51.339	201,529	251,911 256.695	52,146 53,136	208,583	260,728 265,679	53,971 54,996	215,883 219.983	269,854 274.978
Payroll Supplies Contracts	3.5% 3.5%	3.5% 3.5% 3.5%		248,015 25,323 151,567	51,339 5,242 31,374	205,356 20,967 125,498	256,695 26,209 156,872	53,130 5,425 32,473	212,544 21,701 129,890	265,679 27,126 162,363	54,996 5,615 33,609	219,983 22,461 134,436	274,978 28,076 168,045
Garbage and Trash Removal Security Payroll/Contract HVAC Repairs and Maintenance	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		86,048 18,439 49,170	17,812 3,817 10,178	71,248 15,267 40,713	89,060 19,084 50,891	18,435 3,950 10,534	73,741 15,802 42,138	92,177 19,752 52,672	19,081 4,089 10,903	76,322 16,355 43,613	95,403 20,443 54,516
Vehicle and Maintenance Equipment Operation and Repairs Miscellaneous Operating and Maintenance Expenses	3.5% 3.5%	3.5% 3.5%		676 21,512	140 4,453	560 17,812	700 22,265	145 4,609	579 18,435	724 23,044	150 4,770	600 19,081	750 23,851
Sub-total Maintenance & Repair Expenses Supportive Services	3.5%	3.5%	from 'Commercial On Burlaet' Worksheet	600,749 110,633	124,355 -	497,420 114,505	621,776 114,505	128,708	514,830 118,513	643,538 118,513	133,212	532,849 122,661	666,062 122,661
Commercial Expenses TOTAL OPERATING EXPENSES			Commercial to Residential allocation: 40%	443 2.078.741	417.167	1.733.872	458 2.151.497	431.768	1.794.557	474 2.226.799	446.880	1.857.367	491 2.304.737
PUPA (w/o Reserves/GL Base Rent/Bond Fees) Reserves/Ground Lease Base Rent/Bond Fees)			,,		, , .	,.,.	.,		, ,,			,,
Ground Lease Base Rent Bond Monitoring Fee Replacement Reserve Deposit	-			15,000 2,500 67,000	3,000 500 13,400	12,000 2,000 53,600	15,000 2,500 67,000	3,000 500 13,400	12,000 2,000 53,600	15,000 2,500 67,000	3,000 500 13,400	12,000 2,000 53,600	15,000 2,500 67,000
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	1		from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%	84,500	- - 16,900	- - 67,600	- 84,500	- - 16,900	- - 67,600	- 84,500	- - 16,900	- - 67,600	- 84,500
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/Bond Fees PUPA (w/ Reserves/GL Base Rent/Bond Fees)	Fees)			2,163,241	434,067	1,801,472	2,235,997	448,668	1,862,157	2,311,299	463,780	1,924,967	2,389,237
NET OPERATING INCOME (INCOME minus OP EXPENSES) DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loar				208,370	22,489	178,349	207,227	22,667	176,624	205,835	22,851	174,628	204,182
Hard Debt - First Lender Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lend			Enter comments re: annual increase, etc. Enter comments re: annual increase, etc.	- 84,000	- 16,800	- 67,200	- 84,000	- 16,800	- 67,200	- 84,000	- 16,800	- 67,200	- 84,000
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender) Hard Debt - Fourth Lender			Enter comments re: annual increase, etc. Enter comments re: annual increase, etc. from 'Commercial Op. Budget' Worksheet;	-			-		•	-	•	•	-
Commercial Hard Debt Service TOTAL HARD DEBT SERVICE			Commercial to Residential allocation: 40%	- 84,000	16,800	67,200	- 84,000	16,800	67,200	- 84,000	16,800	67,200	- 84,000
CASH FLOW (NOI minus DEBT SERVICE) Commercial Only Cash Flow Allocation of Commercial Surplus to LOPS/non-LOSP (residual income	e)			124,370 6,237	5,689 1.278	5.111	123,227 6,389	5,867	109,424 5.235	121,835 6,544	6,051	107,428 5.362	120,182 6,703
AVAILABLE CASH FLOW USES OF CASH FLOW BELOW (This row also shows DSCR.)	-		DSCR:	124,370 2.481	6,967	116,260	123,227 2.467	7,176	114,659	121,835 2.45	7,392	112,790	120,182 2.431
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		-	-		-	-	20.070	-	-	
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits) Other Payments	3.5%	3.5%	per MOHCD policy per MOHCD policy no annual increase	28,826 5,000	5,967 1,000 -	23,868 4,000 -	29,835 5,000	6,176 1,000 -	24,703 4,000 -	30,879 5,000	6,392 1,000 -	25,568 4,000 -	31,960 5,000
Non-amortizing Loan Pmnt - Lender 1 Non-amortizing Loan Pmnt - Lender 2 Deferred Developer Fee (Enter amt <= Max Fee from row 131)	-		Enter comments re: annual increase, etc. Enter comments re: annual increase, etc.	45,272	-	- - 8,543	- 8,543	-		-			-
TOTAL PAYMENTS PRECEDING MOHCD RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING				79,098	<u>6,967</u>	36,411 79,849	43,378 79,849	<u>7,176</u>	28,703 85,956	<u>35,879</u> 85,956	7,392 0	29,568 83,222	<u>36,960</u> 83,222
Does Project have a MOHCD Residual Receipt Obligation? Will Project Defer Developer Fee?		Yes Yes	Year 15 is year indicated below: 2040	-0,272	0	. 0,040	. 0,040	5	56,000	50,000	5	JU,222	,
1st Residual Receipts Split - Lender/Deferred Developer Fee 2nd Residual Receipts Split - Lender/Owner Max Defer	rred Develor	67%/33%	2nd Residual Receipts Split Begins: 2034 Use for data entry above. Do not link.):	45,272			8,543			-			-
MOHCD RESIDUAL RECEIPTS DEBT SERVICE		Dist. Soft Debt Loans	lative Deferred Developer Fee Earned	45,272 331,457			340,000		-	340,000		-	340,000
MOHCD Residual Receipts Amount Due		55.16%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	24,974			44,048			31,611			30,606
Proposed MOHCD Residual Receipts Amount to Loan Repayment Proposed MOHCD Residual Receipts Amount to Residual Ground Lease	1		Proposed Total MOHCD Amt Due less Loan Repayment	24,974			44,048		ŀ	31,611 -		ľ	30,606
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE HCD Residual Receipts Amount Due]	44.84%	Allocation per pro rata share of all soft debt	20,298			35,801		[25,693		[24,875
Lender 4 Residual Receipts Due Lender 5 Residual Receipts Due Total Non-MOHCD Residual Receipts Debt Service	-	0.00% 0.00%		20,298					-	- 25,693		-	- 24,875
I otal Non-MUHCD Residual Receipts Debt Service REMAINDER (Should be zero unless there are distributions below)				20,298			33,601			25,693			24,875
Owner Distributions/Incentive Management Fee Other Distributions/Uses]			(U) -			(U) -		ſ	28,652		F	27,741
Final Balance (should be zero) REPLACEMENT RESERVE - RUNNING BALANCE	7								-	-			-
Replacement Reserve Starting Balance Replacement Reserve Deposits Replacement Reserve Withdrawals (ideally tied to CNA)				402,000 67,000			469,000 67,000 -		F	536,000 67,000 -		ľ	603,000 67,000 -
Replacement Reserve Interest RR Running Balance]		RR Balance/Unit	469,000			536,000		ŀ	603,000 \$4,500		ŀ	670,000 \$5,000
OPERATING RESERVE - RUNNING BALANCE Operating Reserve Starting Balance]		RR Balance/Unit	\$3,500		l	\$4,000		Г	\$4,500		٦	\$5,000
Operating Reserve Deposits Operating Reserve Withdrawals Operating Reserve Unterest	-			-			· .		e e e			ļ	
OR Running Balance		OR Balance a	s a % of Prior Yr Op Exps + Debt Service	0.0%		l	- 0.0%		L	- 0.0%		L	- 0.0%
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE Other Reserve 1 Starting Balance Other Reserve 1 Deposits]			-			<u> </u>		F			F	
Other Reserve 1 Withdrawals Other Reserve 1 Interest]			-			-					ľ	
Other Required Reserve 1 Running Balance OTHER RESERVE 2 - RUNNING BALANCE Other Reserve 2 Starting Balance	1			-		1	- 		г	- ,		r	-
Other Reserve 2 Starting Balance Other Reserve 2 Deposits Other Reserve 2 Withdrawals	1								-	-		-	-
Other Reserve 2 Interest Other Required Reserve 2 Running Balance	_			-			-		[[-

MOHCD Proforma - 20 Year Cash Flow

1939 Market Street	LOSP	Non-LOSP											
Total # Units: 134	Units 27	Units 107			Year 11 2036			Year 12			Year 13		
INCOME	20.00% % annual inc LOSP	80.00% % annual increase	Comments (related to annual inc assumptions)	LOSP	2036 non-LOSP	Total	LOSP	2037 non-LOSP	Total	LOSP	2038 non-LOSP	Total	LOSP
Residential - Tenant Rents Residential - Tenant Assistance Payments (Non-LOSP)	1.0% n/a	2.5% n/a	(related to annual inc assumptions)	65,031 -	1,520,326	1,585,357	65,682	1,558,334	1,624,015	66,338	1,597,292	1,663,631	67,002
Residential - LOSP Tenant Assistance Payments Commercial Space	n/a n/a	n/a 2.5%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%	438,632		438,632	454,349		454,349	470,633		470,633	487,503
Residential Parking Miscellaneous Rent Income Supportive Services Income	2.5% 2.5% 4.0%	2.5% 2.5% 4.0%		-	- - 709,807	- 709,807	-	- - 738, 199	- - 738,199		- - 767,727	- - 767,727	-
Interest Income - Project Operations Laundry and Vending	2.5% 2.5%	2.5%		- 2,052	- 8,206	- 10,258	- 2,103	- 8,411	- 10,514	- 2,155	- 8,621	- 10,777	- 2,209
Tenant Charges Miscellaneous Residential Income	2.5%	2.5%	from 'Commercial Op. Budget' Worksheet;	-	-	-	-	-	-		-	-	-
Other Commercial Income Withdrawal from Capitalized Reserve (deposit to operating account)	n/a n/a	2.5% n/a	Commercial to Residential allocation: 40% Link from Reserve Section below, as applicable			9,217			9,447			9,683	
Gross Potential Income Vacancy Loss - Residential - Tenant Rents Vacancy Loss - Residential - Tenant Assistance Payments	n/a n/a	n/a n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not	505,715 (3,252)	2,238,338 (76,016)	2,753,270 (79,268)	522,134 (3,284)	2,304,944 (77,917)	2,836,525 (81,201)	539,127 (3,317)	2,373,641 (79,865)	2,922,451 (83,182)	556,714 (3,350)
Vacancy Loss - Commercial EFFECTIVE GROSS INCOME	n/a	n/a	appropriate	502,463	2,162,322	(1,843) 2,672,158	518,849	2,227,027	(1,889) 2,753,434	535,810	2,293,776	(1,937) 2,837,332	553,364
OPERATING EXPENSES Management			1st Year to be set according to HUD										
Management Fee Asset Management Fee Sub-total Management Expenses	3.5% 3.5%	3.5% 3.5%	schedule. per MOHCD policy	29,034 6,619 35,652	116,134 26,474 142,608	145,168 33,093 178,260	30,050 6,850 36,900	120, 199 27,401 147,599	150,248 34,251 184,499	31,101 7,090 38,191	124,406 28,360 152,765	155,507 35,450 190,957	32,190 7,338 39,528
Salaries/Benefits Office Salaries	3.5%	3.5%		59,268	237,071	296,339	61,342	245,368	306,710	63,489	253,956	317,445	65,711
Manager's Salary Health Insurance and Other Benefits Other Salaries/Benefits	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		23,472 31,146 -	93,889 124,584 -	117,362 155,730 -	24,294 32,236 -	97,176 128,945 -	121,469 161,181 -	25,144 33,364 -	100,577 133,458 -	125,721 166,822 -	26,024 34,532 -
Administrative Rent-Free Unit Sub-total Salaries/Benefits	3.5%	3.5%		- 113,886	- 455,544	- 569,431	- 117,872	- 471,488	- 589,361	- 121,998	- 487,991	- 609,988	- 126,268
Administration Advertising and Marketing Office Expenses	3.5% 3.5%	3.5% 3.5%		1,411 20,514	5,642 82,057	7,053 102,572	1,460 21,232	5,840 84,929	7,300 106,162	1,511 21,975	6,044 87,902	7,555 109,877	1,564 22,745
Office Rent Legal Expense - Property Audit Expense	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		- 5,290 2,883	- 1,763 11,533	- 7,053 14,416	- 5,475 2.984	- 1,825 11,937	- 7,300 14,921	- 5,667 3.089	- 1,889 12,354	- 7,555 15,443	- <u>5,865</u> 3.197
Bookkeeping/Accounting Services Bad Debts	3.5% 3.5%	3.5% 3.5%		5,925	23,698	29,623	6,132	24,527	30,659	6,346	25,386	31,732	6,569
Miscellaneous Sub-total Administration Expenses Utilities	3.5%	3.5%		- 36,022	124,694	160,717	- 37,283	129,058	166,342	38,588	- 133,575	172,164	- 39,939
Electricity Water	3.5% 3.5%	3.5% 3.5%		35,265 28,212	105,795 112,848	141,060 141,060	36,499 29,199	109,498 116,798	145,997 145,997	37,777 30,221	113,330 120,885	151,107 151,107	39,099 31,279
Gas Sewer Sub-total Utilities	3.5% 3.5%	3.5% 3.5%		- - 63,477	- - 218,643		- 65,699	- - 226,295	- - 291,994	- 67,998	- - 234,216	- - 302,214	- - 70,378
Taxes and Licenses Real Estate Taxes	3.5%	3.5%		2,821	11,285	14,106	2,920	11,680	14,600	3,022	12,089	15,111	3, 128
Payroll Taxes Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses	3.5% 3.5%	3.5% 3.5%		15,517 1,411 19,748	62,066 5,642 78,994	77,583 7,053 98,742	16,060 1,460 20,440	64,239 5,840 81,758	80,298 7,300 102,198	16,622 1,511 21,155	66,487 6,044 84,620	83,109 7,555 105,775	17,204 1,564 21,895
Insurance Property and Liability Insurance	3.5%	3.5%		19,748 49,371	78,994 197,484	98,742 246,855	20,440 51,099	81,758 204,396	102,198 255,495	21,155 52,887	211,550	264,437	21,895 54,738
Fidelity Bond Insurance Worker's Compensation Director's & Officers' Liability Insurance	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		- 6,489 -	- 25,955 -	32,444	- 6,716	- 26,863 -	33,579	- 6,951 -	- 27,804 -	34,755	- 7,194
Maintenance & Repair				55,860	223,439	279,299	57,815	231,259	289,074	59,838	239,353	299,192	61,933
Payroll Supplies Contracts	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		56,920 5,812 34,785	227,682 23,247 139,141	284,602 29,058 173,927	58,913 6,015 36,003	235,651 24,060 144,011	294,563 30,075 180,014	60,975 6,226 37,263	243,899 24,902 149.052	304,873 31,128 186,315	63,109 6,443 38,567
Garbage and Trash Removal Security Payroll/Contract	3.5% 3.5%	3.5% 3.5% 3.5%		34,785 19,748 4,232	139,141 78,994 16,927	98,742 21,159	20,440 4,380	144,011 81,758 17,520	102,198 21,900	37,203 21,155 4,533	149,052 84,620 18,133	105,775 22,666	21,895 4,692
HVAC Repairs and Maintenance Vehicle and Maintenance Equipment Operation and Repairs Miscellaneous Operating and Maintenance Expenses	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		11,285 155 4,937	45,139 621 19,748	56,424 776 24,685	11,680 161 5,110	46,719 642 20,440	58,399 803 25,549	12,089 166	48,354 665 21,155	60,443 831 26,444	12,512 172 5,474
Sub-total Maintenance & Repair Expenses		3.5%		4,937 137,875	19,748 551,499 126,954	689,374 126,954	142,700	570,801 131,397	713,502 131,397	5,289 147,695	590,779 135,996	738,474 135,996	5,474 152,864
Supportive Services Commercial Expenses	3.5%	3.5%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%		126,954	126,954	-	131,397	526	•	130,996	544	-
TOTAL OPERATING EXPENSES PUPA (w/o Reserves/GL Base Rent/Bond Fees)				462,520	1,922,375	2,385,403	478,709	1,989,658	2,468,892	495,463	2,059,296	2,555,303	512,805
Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent Bond Monitoring Fee]			3,000	12,000	15,000	3,000	12,000	15,000	3,000	12,000	15,000	3,000
Replacement Reserve Deposit Operating Reserve Deposit				500 13,400 -	2,000 53,600 -	2,500 67,000 -	500 13,400 -	2,000 53,600 -	2,500 67,000 -	500 13,400 -	2,000 53,600 -	2,500 67,000 -	500 13,400 -
Other Required Reserve 1 Deposit Other Required Reserve 2 Deposit			from 'Commercial Op. Budget' Worksheet:	-	-	-		•	-		•	-	-
Required Reserve Deposit/s, Commercial Sub-total Reserves/Ground Lease Base Rent/Bond Fees	1		Commercial to Residential allocation: 40%	- 16,900	- 67,600	84,500	- 16,900	- 67,600	84,500	- 16,900	- 67,600	84,500	- 16,900
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond F PUPA (w/ Reserves/GL Base Rent/Bond Fees)				479,420	1,989,975	2,469,903	495,609	2,057,258	2,553,392	512,363	2,126,896	2,639,803	529,705
NET OPERATING INCOME (INCOME minus OP EXPENSES) DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loar	is)			23,043	172,347	202,256	23,241	169,770	200,042	23,446	166,880	197,529	23,660
Hard Debt - First Lender Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lend Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	der)		Enter comments re: annual increase, etc. Enter comments re: annual increase, etc. Enter comments re: annual increase, etc.	- 16,800 -	- 67,200 -	- 84,000	- 16,800	- 67,200 -	- 84,000	- 16,800 -	- 67,200 -	- 84,000 -	- 16,800 -
Hard Debt - Fourth Lender			Enter comments re: annual increase, etc. from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%			-	-		-	·		-	-
TOTAL HARD DEBT SERVICE CASH FLOW (NOI minus DEBT SERVICE)	1		<u></u>	16,800 6,243	67,200 105,147	84,000 118,256	16,800 6,441	67,200 102,570	84,000 116,042	16,800 6,646	67,200 99,680	84,000 113,529	16,800 6,860
Commercial Only Cash Flow Allocation of Commercial Surplus to LOPS/non-LOSP (residual income	e)			1,373	5,492	6,865	1,406	5,626	7,032	1,441	5,762	7,203	1,475
AVAILABLE CASH FLOW USES OF CASH FLOW BELOW (This row also shows DSCR.)			DSCR:	7,616	110,640	118,256 2.408	7,847	108, 195	116,042 2.381	8,087	105,442	113,529 2.352	8,335
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)	3.5% 3.5%	3.5% 3.5%	per MOHCD policy per MOHCD policy	- 6.616	- 26,463	33 079	- 6.847	- 27,389	34,236	- 7,087	- 28.348	35 435	- 7,335
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits) Other Payments	3.3%	3.3%	per MOHCD policy no annual increase	1,000	4,000	5,000	1,000	4,000	5,000	1,000	4,000	5,000	1,000
Non-amortizing Loan Pmnt - Lender 1 Non-amortizing Loan Pmnt - Lender 2 Deferred Developer Fee (Enter amt <= Max Fee from row 131)			Enter comments re: annual increase, etc. Enter comments re: annual increase, etc.	-	-	-		-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING			·	7,616	<u>30,463</u> 80,177	<u>38,079</u> 80,177		<u>31,389</u> 76,806	39,236 76,806		<u>32,348</u> 73,095	40,435 73,095	- 8,335 (0)
Does Project have a MOHCD Residual Receipt Obligation? Will Project Defer Developer Fee?		Yes	Year 15 is year indicated below: 2040	U	50,177	JU,177	(U)	10,000	10,006	(U)	13,095	, 3,095	(0)
1st Residual Receipts Split - Lender/Deferred Developer Fee 2nd Residual Receipts Split - Lender/Owner	red D '	50% / 50% 67% / 33%	2nd Residual Receipts Split Begins: 2034										
Max Defer	rea Develop		Use for data entry above. Do not link.): lative Deferred Developer Fee Earned			340,000			340,000			340,000	
MOHCD Residual Receipts Amount Due]	55.16%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy			29,486		ſ	28,246		ſ	26,881	
Proposed MOHCD Residual Receipts Amount to Loan Repayment Proposed MOHCD Residual Receipts Amount to Residual Ground]		Proposed Total MOHCD Amt Due less Loan			29,486			28,246			26,881	
Lease NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE HCD Residual Receipts Amount Due	1	11 0 100	Repayment Allocation per pro rata share of all soft debt		l ,			l -			[-	-	
HCD Residual Receipts Amount Due Lender 4 Residual Receipts Due Lender 5 Residual Receipts Due	1	44.84% 0.00% 0.00%	Allocation per pro rata share of all soft debt			23,965		ŀ	22,958		ŀ	21,848 - -	
Total Non-MOHCD Residual Receipts Debt Service						23,965		L	22,958		L	21,848	
REMAINDER (Should be zero unless there are distributions below) Owner Distributions/Incentive Management Fee Other Distributions/Uses Final Balance (should be zero)]					26,726 26,726			25,602 25,602			24,365 24,365 -	
REPLACEMENT RESERVE - RUNNING BALANCE Replacement Reserve Starting Balance]				[670,000		[737,000		[804,000	
Replacement Reserve Deposits Replacement Reserve Withdrawals (ideally tied to CNA) Replacement Reserve Interest	1					67,000 -			67,000 -			67,000 -	
RR Running Balance	7		RR Balance/Unit		L	737,000 \$5,500		L	804,000 \$6,000		L	871,000 \$6,500	
OPERATING RESERVE - RUNNING BALANCE Operating Reserve Starting Balance Operating Reserve Deposits]				[F	-		F		
Operating Reserve Withdrawals Operating Reserve Interest]					-							
OR Running Balance OTHER REQUIRED RESERVE 1 - RUNNING BALANCE		OR Balance a	s a % of Prior Yr Op Exps + Debt Service			0.0%			0.0%			0.0%	
Other Reserve 1 Starting Balance Other Reserve 1 Deposits					[-		[-		[-	
Other Reserve 1 Withdrawals Other Reserve 1 Interest Other Required Reserve 1 Running Balance	ł												
Other Reserve 2 Starting Balance Other Reserve 2 Starting Balance	1				r			г			г		
Other Reserve 2 Deposits Other Reserve 2 Withdrawals	1					-		-	-		-	-	
Other Reserve 2 Interest Other Required Reserve 2 Running Balance	L				[[-		[-	

MOHCD Proforma - 20 Year Cash Flow

1939 Market Street	LOSP	Non-LOSP												
Total # Units: 134	27	Units 107		Year 14			Year 15			Year 16		Year 17		
INCOME	20.00% % annual inc LOSP		Comments (related to annual inc assumptions)	2039 non-LOSP	Total	LOSP	2040 non-LOSP	Total	LOSP	2041 non-LOSP	Total	LOSP	2042 non-LOSP	
Residential - Tenant Rents Residential - Tenant Assistance Payments (Non-LOSP)	1.0% n/a	2.5% n/a		1,637,224	1,704,226	67,672	1,678,155	1,745,827	68,349	1,720,109	1,788,458	69,032	1,763,112	
Residential - LOSP Tenant Assistance Payments Commercial Space	n/a n/a	n/a 2.5%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%		487,503	504,981		504,981	523,086		523,086 -	541,843		
Residential Parking Miscellaneous Rent Income	2.5% 2.5%	2.5% 2.5%		-	-	-		-	-	-	-	-	-	
Supportive Services Income Interest Income - Project Operations Laundry and Vending	4.0% 2.5% 2.5%	4.0% 2.5% 2.5%		798,436 - 8.837	798,436 - 11,046	- - 2,264	830,373 - 9,058	830,373 - 11,322	- - 2,321	863,588 - 9,284	863,588 - 11,606	- - 2,379	898,132 - 9,517	
Tenant Charges Miscellaneous Residential Income	2.5% 2.5%	2.5% 2.5%		-	-	-	-	-	-	-	-	-	-	
Other Commercial Income Withdrawal from Capitalized Reserve (deposit to operating account)	n/a n/a	2.5% n/a	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40% Link from Reserve Section below, as applicable		9,925			10,173			10,428			
Windrawa from Capitalized Reserve (deposit to operating account) Gross Potential Income Vacancy Loss - Residential - Tenant Rents		n/a	applicable Enter formulas manually per relevant MOH	- 2,444,498 (81,861)	3,011,137 (85,211)	- 574,917 (3,384)	- 2,517,587 (83,908)	3,102,677 (87,291)	- 593,756 (3,417)	- 2,592,982 (86,005)	3,197,166 (89,423)	- 613,254 (3,452)	- 2,670,760 (88,156)	
Vacancý Loss - Residential - Tenant Assistance Payments Vacancy Loss - Commercial EFFECTIVE GROSS INCOME	n/a n/a	n/a n/a	policy; annual incrementing usually not appropriate	2.362.636	(1,985) 2,923,941	571,533	-	(2,035)	-	-	(2,086) 3,105,657	- 609.803	-	
OPERATING EXPENSES Management				2,302,030	2,923,941	571,533	2,433,679	3,013,351	590,339	2,506,976	3,105,657	609,803	2,582,605	
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	128,760	160,950	33,317	133,266	166,583	34,483	137,931	172,413	35,690	142,758	
Asset Management Fee Sub-total Management Expenses Salaries/Benefits	3.5%	3.5%	per MOHCD policy	29,352 158,112	36,690 197,640	7,595 40,912	30,380 163,646	37,975 204,558	7,861 42,343	31,443 169,374	39,304 211,717	8,136 43,825	32,543 175,302	
Office Salaries Manager's Salary	3.5% 3.5%	3.5% 3.5%		262,845 104,097	328,556 130,121	68,011 26,935	272,044 107,740	340,055 134,675	70,391 27,878	281,566 111,511	351,957 139,389	72,855 28,854	291,421 115,414	
Health Insurance and Other Benefits Other Salaries/Benefits Administrative Rent-Free Linit	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		138, 129	172,661	35,741	142,963	178,704	36,992	147,967	184,959	38,286	153,146	
Administration	5	0.070	L	505,070	631,338	130,687	522,748	653,435	135,261	541,044	676,305	139,995	559,980	
Advertising and Marketing Office Expenses	3.5%	3.5% 3.5%		6,256 90,978	7,820 113,723	1,619 23,541	6,475 94,163	8,093 117,703	1,675 24,365	6,701 97,458	8,377 121,823	1,734 25,217	6,936 100,869	
Office Rent Legal Expense - Property Audit Expense	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		- 1,955 12,787	7,820 15,984	- 6,070 3,309	- 2,023 13,234	8,093 16,543	- 6,283 3,424	- 2,094 13,698	8,377 17,122	- 6,502 3,544	- 2,167 14,177	
Bookkeeping/Accounting Services Bad Debts	3.5% 3.5%	3.5% 3.5%		26,274	32,843	6,799	27,194	33,993	7,036	28,146	35,182	7,283	29,131	
Miscellaneous Sub-total Administration Expenses Utilities	3.5%	3.5%		- 138,251	- 178,189	- 41,337	- 143,089	184,426	42,783	- 148,097	- 190,881	- 44,281	- 153,281	
Electricity Water	3.5% 3.5%	3.5% 3.5%		117,297 125,116	156,396 156,396	40,467 32,374	121,402 129,496	161,869 161,869	41,884 33,507	125,651 134,028	167,535 167,535	43,350 34,680	130,049 138,719	
Gas Sewer Sub-total Utilities	3.5% 3.5%	3.5% 3.5%		-	-		-	-	- - 75 301	-		-	-	
Sub-total Utilities Taxes and Licenses Real Estate Taxes	3.5%	3.5%		242,413 12,512	312,791 15,640	72,841 3,237	250,898 12,950	323,739 16,187	75,391 3,351	259,679 13,403	335,070 16,753	78,029 3,468	268,768 13,872	
Payroll Taxes Miscellaneous Taxes, Licenses and Permits	3.5% 3.5%	3.5% 3.5%		68,814 6,256	86,018 7,820	17,806 1,619	71,223 6,475	89,028 8,093	18,429 1,675	73,715 6,701	92,144 8,377	19,074 1,734	76,295 6,936	
Sub-total Taxes and Licenses		0.5%	Γ	87,582	109,477	22,662	90,647	113,309	23,455	93,820	117,274	24,276	97,103	
Property and Liability Insurance Fidelity Bond Insurance Worker's Compensation	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		218,954 - 28,777	273,692 - 35,971	56,654 - 7,446	226,617 - 29,784	283,272	58,637 - 7,707	234,549 - 30,826	293,186 - 38,533	60,690 - 7,976	242,758 - 31,905	
Director's & Officers' Liability Insurance Sub-total Insurance	3.5%	3.5%		247,731	309,663	- 64, 100	256,401	320,502	- 66,344	265,375	331,719	- 68,666	- 274,663	
Maintenance & Repair Payroll Supplies	3.5% 3.5%	3.5% 3.5%		252,435 25.774	315,544 32.217	65,318 6,669	261,270 26.676	326,588 33,345	67,604 6.902	270,415	338,018 34,512	69,970 7,144	279,879 28.576	
Contracts Garbage and Trash Removal	3.5% 3.5%	3.5% 3.5%		154,269 87,582	192,836 109,477	39,917 22,662	159,668 90,647	199,585 113,309	41,314 23,455	165,256 93,820	206,571 117,274	42,760 24,276	171,040 97,103	
Security Payroll/Contract HVAC Repairs and Maintenance Volvide and Maintenance	3.5% 3.5% 3.5%	3.5% 3.5%		18,767 50,047 688	23,459 62,558	4,856 12,950 178	19,424 51,798 712	24,280 64,748 890	5,026 13,403 184	20,104 53,611	25,130 67,014 921	5,202 13,872 191	20,808 55,488	
Vehicle and Maintenance Equipment Operation and Repairs Miscellaneous Operating and Maintenance Expenses Sub-total Maintenance & Repair Expenses	3.5%	3.5% 3.5%		21,895 611,457	860 27,369 764,321	5,665 158,214	22,662 632,858	28,327 791,072	5,864 163,752	737 23,455 655,008	29,319 818,760	6,069 169,483	763 24,276 677,933	
Supportive Services	3.5%	3.5%	from 'Commercial Op. Budget' Worksheet;	140,756	140,756		145,683	145,683		150,781	150,781		156,059	
Commercial Expenses TOTAL OPERATING EXPENSES	1		Commercial to Residential allocation: 40%	2,131,371	563 2,644,739	530,753	2,205,969	583 2,737,305	549,329	2,283,178	603 2,833,110	568,556	2,363,089	
PUPA (w/o Reserves/GL Base Rent/Bond Fees) Reserves/Ground Lease Base Rent/Bond Fees)			_,,	_,_ ,,	,	_,,	_,,		_,,	_,,	,	_,,	
Ground Lease Base Rent Bond Monitoring Fee				12,000 2,000	15,000 2,500	3,000 500	12,000 2,000	15,000 2,500	3,000 500	12,000 2,000	15,000 2,500	3,000 500	12,000 2,000	
Replacement Reserve Deposit Operating Reserve Deposit Other Required Reserve 1 Deposit	-			53,600 - -	67,000 - -	13,400 - -	53,600 - -	67,000 - -	13,400 - -	53,600 - -	67,000 - -	13,400 - -	53,600 -	
Other Required Reserve 2 Deposit Required Reserve Deposit/s, Commercial			from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%			•	•	-			-	•	•	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				67,600	84,500	16,900	67,600	84,500	16,900	67,600	84,500	16,900	67,600	
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond I PUPA (w/ Reserves/GL Base Rent/Bond Fees) NET OPERATING INCOME (INCOME minus OP EXPENSES)				2,198,971 163,665	2,729,239	547,653 23,880	2,273,569	2,821,805	566,229 24,110	2,350,778	2,917,610 188,047	585,456 24,347	2,430,689 151,915	
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loar Hard Debt - First Lender	ns)		Enter comments re: annual increase, etc.	100,000	104,702	20,000	100,110	101,040	24,110	100,100	100,041	24,047	101,010	
Hard Debt - Frist Centeer Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Len Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	der)		Enter comments re: annual increase, etc. Enter comments re: annual increase, etc. Enter comments re: annual increase, etc.	67,200	84,000	- 16,800 -	67,200 -	84,000	- 16,800 -	67,200 -	84,000	- 16,800 -	67,200	
Hard Debt - Fourth Lender Commercial Hard Debt Service			Enter comments re: annual increase, etc. from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%		-	•		-			-			
TOTAL HARD DEBT SERVICE CASH FLOW (NOI minus DEBT SERVICE)			<u>[</u>	67,200 96,465	84,000 110,702	16,800 7,080	67,200 92,910	84,000 107,546	16,800 7,310	67,200 88,998	84,000 104,047	16,800 7,547	67,200 84,715	
Commercial Only Cash Flow Allocation of Commercial Surplus to LOPS/non-LOSP (residual income	a)			5,902	7,377	1,511	6,045	7,556	1,548	6,191	7,739	1.585	6,341	
AVAILABLE CASH FLOW USES OF CASH FLOW BELOW (This row also shows DSCR.)	-		DSCR:	102,367	110,702 2.318	8,592	98,954	107,546 2.28	8,857	95,189	104,047 2.239	9,132	91,056	
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	-	2.010			2.20			2.200	-		
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	3.5%	3.5%	per MOHCD policy per MOHCD policy no annual increase	29,340 4,000	36,675 5,000	7,592 1,000	30,367 4,000	37,958 5,000	7,857 1,000	31,430 4,000	39,287 5,000	8,132 1,000	32,530 4,000	
Other Payments Non-amortizing Loan Pmnt - Lender 1 Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc. Enter comments re: annual increase, etc.	-	-	-	-	<u> </u>	-		-	-	-	
Deferred Developer Fee (Enter ant <= Max Fee from row 131) TOTAL PAYMENTS PRECEDING MOHCD	,			- 33,340	- 41,675	- 8,592	- 34,367	- 42,958	- 8,857	- 35,430	- 44,287	- 9,132	- 36,530	
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING Does Project have a MOHCD Residual Receipt Obligation?		Var	Year 15 is year indicated below:	69,027	69,027	0	64,588	64,588	0	59,760	59,760	0	54,527	
Will Project Defer Developer Fee? 1st Residual Receipts Split - Lender/Deferred Developer Fee		Yes 50% / 50%	2040 2nd Residual Receipts Split Begins:	ļ										
2nd Residual Receipts Split - Lender/Owner Max Defer	rred Develo		2034 Use for data entry above. Do not link.): lative Deferred Developer Fee Farned]	- 340,000			- 340,000						
MOHCD RESIDUAL RECEIPTS DEBT SERVICE	1	Dist. Soft Debt Loans	lative Deferred Developer Fee Earned]	340,000	I	I	340,000	l	I				
MOHCD Residual Receipts Amount Due Proposed MOHCD Residual Receipts Amount to Loan Repayment	4	55.16%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy		25,386 25,386			23,753 23,753			21,977			
Proposed MONCD Residual Receipts Amount to Learn Repayment Proposed MOHCD Residual Receipts Amount to Residual Ground Lease]		Proposed Total MOHCD Amt Due less Loan Repayment			1		20,703			21,011			
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE HCD Residual Receipts Amount Due	1		Allocation per pro rata share of all soft debt]	20,632	I	i	19,306	l		17,863			
Lender 4 Residual Receipts Due Lender 5 Residual Receipts Due Total Non-MOHCD Residual Receipts Debt Service	1	0.00% 0.00%			20.632	ł		19.306			- 17.863			
	,													
REMAINDER (Should be zero unless there are distributions below) Owner Distributions/Incentive Management Fee Other Distributions/Uses	-				23,009 23,009	Į		21,529 21,529			19,920 19,920			
Final Balance (should be zero) REPLACEMENT RESERVE - RUNNING BALANCE	-			. I	-		I	-	1	I	-			
Replacement Reserve Starting Balance Replacement Reserve Deposits					871,000 67,000	I	1	938,000 67,000		1	1,005,000 67,000			
Replacement Reserve Withdrawals (ideally tied to CNA) Replacement Reserve Interest]				•	I		-			-			
RR Running Balance			RR Balance/Unit		938,000 \$7,000			1,005,000 \$7,500			1,072,000 \$8,000			
Operating Reserve Starting Balance Operating Reserve Deposits					-	I		-			-			
Operating Reserve Withdrawals Operating Reserve Interest	1					ł								
OR Running Balance OTHER REQUIRED RESERVE 1 - RUNNING BALANCE		OR Balance a	s a % of Prior Yr Op Exps + Debt Service		0.0%			- 0.0%			0.0%			
Other Reserve 1 Starting Balance Other Reserve 1 Deposits					-	I					-			
Other Reserve 1 Withdrawals Other Reserve 1 Interest Other Required Reserve 1 Running Balance	1					ł								
OTHER RESERVE 2 - RUNNING BALANCE	1			, ,	-	т		-	1		- ,			
Other Reserve 2 Starting Balance Other Reserve 2 Deposits Other Reserve 2 Withdrawals					-	ł					-			
Other Reserve 2 Interest Other Required Reserve 2 Running Balance]]		Ι					-			

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MOHCD Proforma - 20 Year Cash Flow

1939 Market Street	LOSP	Non-LOSP											
Total # Units. 134	27	Units 107				Year 18 2043			Year 19 2044			Year 20 2045	
INCOME	20.00% % annua inc LOSF		Comments (related to annual inc assumptions)	Total	LOSP	2043 non-LOSP	Total	LOSP	2044 non- LOSP	Total	LOSP	2045 non- LOSP	Total
Residential - Tenant Rents Residential - Tenant Assistance Payments (Non-LOSP) Residential - LOSP Tenant Assistance Payments	1.0% n/a	2.5% n/a		1,832,144	69,722 -	1,807,189 -	1,876,912	70,420	1,852,369	1,922,789	71,124	1,898,678	1,969,802
Commercial Space	n/a n/a	n/a 2.5% 2.5%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%	541,843	561,274		561,274	581,401		581,401	602,251		602,251
Residential Parking Miscellaneous Rent Income Supportive Services Income	2.5% 4.0%	2.5% 4.0%		- 898,132	-	- - 934,057	934,057	-	- - 971,420	971,420		- - 1,010,276	1,010,276
Interest Income - Project Operations Laundry and Vending Tenant Charges	2.5% 2.5% 2.5%	2.5% 2.5% 2.5%		- 11,896 -	- 2,439 -	- 9,754 -	- 12,193 -	- 2,500 -	- 9,998 -	12,498	- 2,562 -	- 10,248 -	12,810
Miscellaneous Residential Income Other Commercial Income	2.5% n/a	2.5% 2.5%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%	- 10,688			- 10,956	•	·	- 11,230	•		- 11,510
Withdrawal from Capitalized Reserve (deposit to operating account) Gross Potential Income	n/a	n/a	Link from Reserve Section below, as applicable	3,294,703	633,435	- 2,751,001	3,395,391	- 654,321	2,833,787	3,499,337	- 675,937	- 2,919,203	3,606,651
Vacancy Loss - Residential - Tenant Rents Vacancy Loss - Residential - Tenant Assistance Payments Vacancy Loss - Commercial	n/a n/a n/a	n/a n/a n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(91,607)	(3,486) -	(90,359)	(93,846)	(3,521)	(92,618)	(96,139)	(3,556)	(94,934)	(98,490)
EFFECTIVE GROSS INCOME OPERATING EXPENSES				3,200,958	629,948	2,660,642	3,299,355	650,800	2,741,169	3,400,952	672,381	2,824,269	3,505,858
Management Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	178,448	36,939	147,755	184,694	38,232	152,926	191,158	39,570	158,279	197,848
Asset Management Fee Sub-total Management Expenses Salaries/Benefits	3.5% s	3.5%	per MOHCD policy	40,679 219,127	8,421 45,359	33,682 181,437	42,103 226,797	8,715 46,947	34,861 187,788	43,577 234,735	9,020 48,590	36,082 194,360	45,102 242,950
Office Salaries Manager's Salary	3.5% 3.5%	3.5% 3.5%		364,276 144,268	75,405 29,863	301,620 119,454	377,025 149,317	78,044 30,909	312, 177 123, 634	390,221 154,543	80,776 31,990	323, 103 127, 962	403,879 159,952
Health Insurance and Other Benefits Other Salaries/Benefits Administrative Rent-Free Unit	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		191,432	39,626	158,506	198,132 -	41,013	164,053 -	205,067	42,449	169,795 - -	212,244
Sub-total Salaries/Benefits	8		1	699,975	144,895	579,580	724,475	149,966	599,865	749,831	155,215	620,860	776,075
Advertising and Marketing Office Expenses Office Rent	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		8,670 126,087	1,795 26,100 -	7,179 104,400 -	8,973 130,500	1,857 27,013	7,430 108,054 -	9,287 135,067	1,923 27,959 -	7,690 111,836 -	9,613 139,795 -
Legal Expense - Property Audit Expense	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		8,670 17,721 36,414	6,730 3,668 7,538	2,243 14,673 30,151	8,973 18,342 37,688	6,966 3,797 7,801	2,322 15,187 31,206	9,287 18,984 39.007	7,209 3,930 8,075	2,403 15,718 32,298	9,613 19,648 40,373
Bookkeeping/Accounting Services Bad Debts Miscellaneous	3.5% 3.5%	3.5% 3.5% 3.5%		-	-	-	-	-	-	-	• •	-	-
Sub-total Administration Expenses Utilities	s 3.5%	3.5%		197,562	45,831	158,646	204,476	47,435	164,198	211,633	49,095	169,945	219,040
Electricity Water Gas	3.5% 3.5%	3.5% 3.5%		173,399 173,399 -	44,867 35,894 -	134,601 143,574 -	179,468 179,468 -	46,437 37,150 -	139,312 148,599 -	185,749 185,749 -	48,063 38,450 -	144,188 153,800 -	192,250 192,250 -
Sewer Sub-total Utilities	3.5% s	3.5%		- 346,797	- 80,760	- 278, 175	- 358,935	- 83,587	287,911	- 371,498	- 86,513	- 297,988	- 384,500
Real Estate Taxes Payroll Taxes	3.5%	3.5% 3.5%		17,340 95,369	3,589 19,741	14,357 78,966	17,947 98,707	3,715 20,432	14,860 81,730	18,575 102,162	3,845 21,148	15,380 84,590	19,225 105,738
Miscellaneous Taxes, Licenses and Permits Sub-total Taxes and Licenses Insurance	3.5% s	3.5%		8,670 121,379	1,795 25,125	7,179 100,502	8,973 125,627	1,857 26,005	7,430 104,019	9,287 130,024	1,923 26,915	7,690 107,660	9,613 134,575
Property and Liability Insurance Fidelity Bond Insurance	3.5% 3.5%	3.5% 3.5%		303,448	62,814	251,255	314,068	65,012	260,048	325,061	67,288	269, 150 -	336,438
Worker's Compensation Director's & Officers' Liability Insurance Sub-total Insurance	3.5% 3.5%	3.5% 3.5%		39,882 - 343,329	8,256 - 71,069	33,022 - 284,277	41,278 - 355,346	8,544 - 73,557	34,178 - 294,226	42,722	8,844 - 76,131	35,374 - 304,524	44,218 - 380,655
Maintenance & Repair Payroll	3.5%	3.5%		349,849	72,419	289,675	362,094	74,953	299,814	374,767	77,577	310,307	387,884
Supplies Contracts Garbage and Trash Removal	3.5% 3.5% 3.5%	3.5% 3.5% 3.5%		35,720 213,800 121,379	7,394 44,257 25,125	29,576 177,027 100,502	36,970 221,283 125,627	7,653 45,806 26,005	30,611 183,223 104,019	38,264 229,028 130,024	7,921 47,409 26,915	31,683 189,636 107,660	39,604 237,044 134,575
Security Payroll/Contract HVAC Repairs and Maintenance	3.5% 3.5% 3.5%	3.5% 3.5%		26,010 69,359 954	5,384 14,357 197	21,536 57,430	26,920 71,787 987	5,572 14,860 204	22,290 59,440 817	27,862 74,300	5,768 15,380 211	23,070 61,520 846	28,838 76,900 1,057
Vehicle and Maintenance Equipment Operation and Repairs Miscellaneous Operating and Maintenance Expenses Sub-total Maintenance & Repair Expenses	3.5%	3.5% 3.5%		30,345 847,416	6,281 175,415	790 25,125 701,661	31,407 877,076	6,501 181,555	26,005 726,219	1,022 32,506 907,774	6,729 187,909	26,915 751,636	33,644 939,546
Supportive Services	3.5%	3.5%	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%	156,059 624		161,521	161,521 646		167, 174	167,174 669		173,025	173,025 692
Commercial Expenses TOTAL OPERATING EXPENSES		ļ	commercian lo residential anocation, 40 %	2,932,269	588,455	2,445,797	3,034,899	609,051	2,531,400	3,141,120	630,368	2,619,999	3,251,059
PUPA (w/o Reserves/GL Base Rent/Bond Fees Reserves/Ground Lease Base Rent/Bond Fees Ground Lease Base Rent)			15.000	3,000	12.000	15.000	3.000	12,000	15.000	3.000	12,000	15.000
Bond Monitoring Fee Replacement Reserve Deposit				2,500 67,000	500 13,400	2,000 53,600	2,500 67,000	500 13,400	2,000 53,600	2,500 67,000	500 13,400	2,000 53,600	2,500 67,000
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	5		from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 40%	- 84,500	- 16,900	- 67,600	- 84,500	- 16,900	67,600	84,500	- 16,900	- 67,600	- 84,500
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond PUPA (w/ Reserves/GL Base Rent/Bond Fees				3,016,769	605,355	2,513,397	3,119,399	625,951	2,599,000	3,225,620	647,268	2,687,599	3,335,559
NET OPERATING INCOME (INCOME minus OP EXPENSES) DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loar	ns)			184,189	24,593	147,244	179,956	24,849	142,168	175,332	25,113	136,670	170,299
Hard Debt - First Lender Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Len Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			Enter comments re: annual increase, etc. Enter comments re: annual increase, etc. Enter comments re: annual increase, etc.	- 84,000	- 16,800	- 67,200	- 84,000	16,800	67,200	- 84,000	- 16,800	- 67,200	- 84,000
Hard Debt - Fourth Lender			Enter commercial Op. Budget' Worksheet; from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation; 40%	-			-					-	-
Commercial Hard Debt Service TOTAL HARD DEBT SERVICE CASH FLOW (NOI minus DEBT SERVICE)			commercianto residentital allocation, 40 %	- 84,000 100,189	16,800 7,793	67,200 80,044	- 84,000 95,956	16,800 8,049	67,200 74,968	84,000 91,332	16,800 8,313	67,200 69,470	- 84,000 86,299
Commercial Only Cash Flow Allocation of Commercial Surplus to LOPS/non-LOSP (residual incom	e)			7,927	1,624	6,495	8,118	1,663	6,652	8,315	1,703	6,813	8,516
AVAILABLE CASH FLOW USES OF CASH FLOW BELOW (This row also shows DSCR.)			DSCR:	100,189 <i>2.19</i> 3	9,417	86,539	95,956 2.142	9,712	81,620	91,332 2.087	10,017	76,283	86,299 2.027
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL "Below-the-line" Asset Mgt fee (uncommon in new projects, see policy) Determine Management Free (uncommon in lew for the line)	3.5%	3.5%	per MOHCD policy	40.000	-	-	10.005		-	40.550	-	-	45,000
Partnership Management Fee (see policy for limits) Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits) Other Payments	3.5%	3.5%	per MOHCD policy per MOHCD policy no annual increase	40,662 5,000	8,417 1,000 -	33,668 4,000 -	42,085 5,000	8,712 1,000	34,846 4,000	43,558 5,000	9,017 1,000 -	36,066 4,000 -	45,083 5,000
Non-amortizing Loan Pmnt - Lender 1 Non-amortizing Loan Pmnt - Lender 2 Deferred Developer Fee (Enter amt <= Max Fee from row 131)			Enter comments re: annual increase, etc. Enter comments re: annual increase, etc.	-	-		-		-	-		-	
TOTAL PAYMENTS PRECEDING MOHCE RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING				<u>45,662</u> 54,527	<u>9,417</u>	<u>37,668</u> 48,871	47,085	<u>9,712</u>	<u>38,846</u> 42,774	48,558	<u> </u>	40,066 36,216	<u>50,083</u> 36,216
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDIN Does Project have a MOHCD Residual Receipt Obligation? Will Project Defer Developer Fee?	S mortod)	Yes Yes	Year 15 is year indicated below: 2040	34,527	U	40,871	40,871	U	42,114	4 <i>2,11</i> 4	U	30,216	30,216
1st Residual Receipts Split - Lender/Deferred Developer Fee 2nd Residual Receipts Split - Lender/Owner	med Dover'	50% / 50% 67% / 33%	2nd Residual Receipts Split Begins: 2034]									
Max Defe			Use for data entry above. Do not link.): lative Deferred Developer Fee Earned										
MOHCD Residual Receipts Amount Due		55.16%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	20,053			17,973			15,731		ſ	13,319
Proposed MOHCD Residual Receipts Amount to Loan Repayment Proposed MOHCD Residual Receipts Amount to Residual Ground Lease	-		Proposed Total MOHCD Amt Due less Loan Repayment	20,053			17,973			15,731			13,319
Lease NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE HCD Residual Receipts Amount Due	י ר	44,84%	Allocation per pro rata share of all soft debt	- 16,298			- 14,608	r I		- 12,785	r I	L	- 10,825
Lender 4 Residual Receipts Due Lender 5 Residual Receipts Due]	0.00%		-			-			-		-	-
Total Non-MOHCD Residual Receipts Debt Service	8			16,298			14,608			12,785			10,825
REMAINDER (Should be zero unless there are distributions below) Owner Distributions/Incentive Management Fee Other Distributions/Uses	-			18,176 18,176			16,290 16,290			14,258 14,258		F	12,072 12,072
Final Balance (should be zero) REPLACEMENT RESERVE - RUNNING BALANCE	-			-		I	-		I	-		L	-
Replacement Reserve Starting Balance Replacement Reserve Deposits				1,072,000 67,000			1,139,000 67,000			1,206,000 67,000		[1,273,000 67,000
Replacement Reserve Withdrawals (ideally tied to CNA) Replacement Reserve Interest RR Running Balance	<u>,</u>			1,139,000			-			1,273,000		ł	- 1,340,000
OPERATING RESERVE - RUNNING BALANCE	٦		RR Balance/Unit	\$8,500		1	\$9,000	I	1	\$9,500	I	г	\$10,000
Operating Reserve Starting Balance Operating Reserve Deposits Operating Reserve Withdrawals												- T	-
Operating Reserve Interest OR Running Balance		OR Balanco -	s a % of Prior Yr Op Exps + Debt Service	- 0.0%		ļ	- 0.0%	l	ļ	- 0.0%	l	t	- 0.0%
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE Other Reserve 1 Starting Balance]	DuranCe a	Let the the service	-		l	-		1	-		[-
Other Reserve 1 Deposits Other Reserve 1 Withdrawals Other Reserve 1 Interest	-											F	-
Other Required Reserve 1 Running Balance OTHER RESERVE 2 - RUNNING BALANCE				-		I	·		I	-		L	-
Other Reserve 2 Starting Balance Other Reserve 2 Deposits Other Reserve 2 Withdrawals	-			-			· ·			· ·		F	-
Other Reserve 2 Wilhdrawals Other Reserve 2 Interest Other Required Reserve 2 Running Balance	,											ŀ	

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