

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

MEMORANDUM

DATE: AUGUST 19, 2022
TO: CITYWIDE AFFORDABLE HOUSING LOAN COMMITTEE
FROM: ANNE ROMERO, SENIOR PROJECT MANAGER
RE: **2060 FOLSOM - ADDITIONAL \$499,999 GAP REQUEST DUE TO INCREASES IN CAPITAL DEVELOPMENT AND OPERATIONS COSTS**

1. Request Summary

Mission Economic Development Agency (MEDA) and Chinatown Community Development Center (CCDC), co-General Partners of **2060 Folsom Housing, L.P.** (Sponsor), request additional gap financing in the amount of \$499,999 for a 127-unit affordable housing development at 2060 Folsom Street (the "Project"). Upon lease up, the Project has experienced increased operating costs which has reduced cashflow and the permanent mortgage that the Project can leverage. In addition, rents for the Transition Age Youth (TAY) units have come in far lower than projected, resulting in a greater need for LOSP subsidy to support those units. Due to construction delays and complications with the community serving commercial space build-out, the Project has tax credit adjusters which has reduced equity, and the Project no longer has anticipated excess proceeds which would have offset this loss. The project must convert to permanent financing by September 22, 2022 to meet the construction loan maturity date or face additional loan extension fees and increased construction loan interest. MOHCD staff have been working closely with the Sponsors and support this request to allow a reduced permanent mortgage and make up for lost equity. If Loan Committee approves the loan increase, the loan amendment will not require Board of Supervisors' approval.

2. Project Overview and Project Status

a. Project Overview

CCDC and MEDA were selected to co-develop the affordable housing at the City-owned 2060 Folsom housing site based on a proposal submitted under the *17th & Folsom Request for Proposals (RFP)* issued on May 1, 2015. The site was dedicated for affordable housing and green space in response to the community organizing of *People Organizing to Demand Environmental and Economic Justice* (PODER) dating back to 2000. As part of the Eastern Neighborhoods Plan, the City agreed to transform the San Francisco Public Utilities Commission parking lot into a public park and affordable housing. The Recreation and Parks Department and Department of Public Works began construction of In Chan Kaajal Park in

2016 and it opened in 2017. Funding for the affordable housing wasn't available until 2015, when the RFP was issued. The housing site was developed into 9 stories of 127 units including 29 units for transition age youth. The ground floor contains community serving uses totaling 11,700 s.f. that face south onto a public paseo and the park. The Project was financed with tax exempt bonds and 4% low income housing tax credits, General Partner equity, Federal Home Loan Bank Affordable Housing Program (AHP) funds, State Affordable Housing and Sustainable Communities (AHSC) funding, and MOHCD permanent financing. Construction commenced in December 2018, and the Project received its Temporary Certificate of Occupancy (TCO) in April 2021. The MOHCD gap loan, approved at Loan Committee on November 2, 2018, was originally for \$32,716,103, and included a bridge AHP loan. The Sponsor was successful in obtaining the AHP award in the amount of \$1,260,000, which was repaid to MOHCD in June 2020, bringing the current total MOHCD loan balance to \$31,456,103.

Ground floor community serving uses make up an important component of the development, and have evolved since the original proposal. The entire ground floor includes an affordable child development center to be operated by **Good Samaritan Family Resource Center**, youth programming and office space for **Youth Speaks** and **First Exposures**, youth & adult leadership and civic engagement programs of **PODER**, and a small corner **café** with an adjacent **public restroom** that can be accessed by park users. Commercial uses are at different stages of completion and occupancy.

b. Project Completion Delays

The Project was originally scheduled to achieve TCO in October of 2020. The final date of TCO was delayed until April 30, 2021. The seven month completion delay is due to several factors, including early delays with sequencing challenges between the site work and concrete pours, which were complicated by rain delays. These early delays pushed the TCO date to January 23, 2021. In late 2020, as the Project was preparing for PGE energization of the building, the team was informed by PGE that, partly due to COVID-related staffing shortages, the inspection would be delayed by 2 months, pushing TCO into February of 2021. This setback then pushed out the State elevator inspection and other systems inspections that were dependent on electrification of the building for start-up. Impacts of the Covid-19 pandemic on this project included lower onsite staffing due to the need for physical distancing and fewer trades onsite at one time, which extended the construction period, and delays around DBI and DPW inspections. The Final Certificate of Occupancy was issued on December 8, 2021.

The Covid-19 pandemic affected lease up as well. The building was fully leased as of September 2021; however, prior to this time, the leasing office was forced to close multiple times due to staff exposures and illness. Some of these closures meant some of the information the team had gathered went stale and thus had to requalify applicants. Construction delays had a similar impact on the files. The lease up team also had an extremely difficult time verifying income as businesses were not adequately staffed and sometimes were temporarily closed.

While the Project was able to achieve 100% occupancy in 2021, the lease-up period shifted by 4 months (closing projection lease up period of Jan-Mar 2021 vs. actual May-Aug 2021), and reached stabilized occupancy between February and April 2022, resulting in a \$621,854 downward adjuster in tax credit proceeds. It also resulted in additional months of construction loan interest payments and payment of reserves that would have otherwise been returned to the City as excess proceeds as required in the Loan Agreement.

c. Commercial Space Update

The ground floor commercial space includes four neighborhood- and resident-serving organizations as well as a small café space on Folsom adjacent to the park with indoor and outdoor seating. There are public restrooms accessible to park users during the hours that the paseo is open. The commercial space is not subdivided and the 2060 Folsom, LP has leased the commercial space to the commercial space master tenant, MEDA, for a 35-year term. The annual rent is the greater of \$43,584 or 85% of the Net Sublease Income for the prior calendar year. MEDA, in turn, has subleased the individual tenant spaces to the individual commercial tenants. As allowed under the MOHCD Commercial Space Policy, because all subtenants are community serving, the nonprofits are being charged below-market rate rents. The tenants will also pay \$0.50 - \$1.45/SF for Common Area Maintenance (CAM) charges. Total annual rent plus CAM charges from subtenants is projected to be \$187K / year. A vacancy rate of 20% is budgeted, with an Effective Gross Income of \$149,835. Total operating expenses, including janitorial services and supplies for the public restroom is \$72,980. Commercial cashflow that goes to the residential Project is projected at \$43,584, as required by the Commercial Master Lease Agreement and shown in revenue in the operating budget. The delays in completion of the commercial spaces and lease up have resulted in additional vacancy loss and loss of rental income.

Rent terms with the commercial sub tenants are the following:

Tenant Space	Organization	Rent Rate	CAM Charge	Annual Rent (Base Rent + CAM)	Sublease Term
A	PODER	\$1.25/SF	\$0.52/SF	\$38,310	20 Years plus three 5-year options to extend (total 35 years)
B	Youth Speaks and First Exposures	\$1.25/SF	\$0.52/SF	\$100,762	20 Years plus three 5-year options to extend (total 35 years)
C	Good Samaritan	\$1.00/Year	\$0.43/SF	\$27,656	20 Years plus three 5-year options to extend (total 35 years)
D	Café	\$2.50/SF	\$1.45/SF	\$20,566	TBD
	TOTAL	11,704 SF	Excluding courtyard	\$187,294	

Current Status of Completion of Tenant Improvements

PODER

PODER will start construction in October 2022 and anticipates completion in February 2023. PODER's fundraising relies on a congressional earmark from Speaker Pelosi's appropriation funds, and in order to use the funds, they must first complete a federal Environmental Review. The funds are being administered through the HUD Economic Development Initiative (HUD EDI) grant, and are anticipated to be available in October 2022.

PODER will provide parent/youth community leadership programs, and will move its offices and programs to this hub. In addition to being a commercial tenant, PODER will be the program partner to provide *Bicis Del Pueblo*. This program develops bicycling skills and environmental justice awareness of low-income communities of color by engaging in bike based workshops, classes, and community activities. This program will be funded by Affordable Housing and Sustainable Communities (AHSC) funds.

Youth Speaks and First Exposures

Youth Speaks and First Exposures completed their tenant improvements and are in operations. They celebrated their grand opening on July 16, 2022.

Youth Speaks and First Exposures are two youth serving providers who are sharing the space. Youth Speaks provides youth development programs in the areas of Spoken Word performance, including youth poetry slams, festivals and literary arts education programs. First Exposures provides youth ages 11- 18 the opportunity to learn photography in a community based setting with mentoring and support, as well as academic year mentorships, summer groups, and summer artist residencies.

Good Samaritan Childcare

When Good Samaritan initiated this tenant improvement project, they anticipated fully funding the work through private fundraising. The Sponsors confirmed with MOHCD at the time that subtenant improvements would not need to require prevailing wages given that there were no public funds in the commercial buildout and it was a completely separate project from the residential project. After Good Samaritan started construction, the Office of Labor Standard Enforcement (OLSE) received a complaint that the tenant improvement project did not include prevailing wages. OLSE investigated and determined that the subtenant tenant improvement project would require prevailing wages since the overall project is built on a site with a City ground lease. OLSE calculated the back payment amount at \$241,859 to correct the contractor wage payments up to the date of the complaint. Good Samaritan and the General Contractor had an escalating conflict as Good Samaritan tried to resolve the issue of the back pay and make adjustments to the contract going forward to complete the project. There was a gap of sources due to increased labor costs, construction pause and the construction delays. With MOHCD staff approval, the project paid the \$241,859 billed amount to OLSE from project savings to address

the prevailing wage restitution from Good Samaritan's first phase of construction, and OLSE paid the funds directly to the workers. Ultimately the original General Contractor walked off the job and placed a mechanics' lien on the leasehold interest of the property. Good Samaritan procured a new General Contractor under MOHCD guidance, and was able to bond around the lien which had threatened to further delay conversion. Good Samaritan is now in arbitration with the former contractor.

To cover the cost of prevailing wages for the remaining scope and bidding to complete the tenant improvements, Good Samaritan submitted a request to the Community Development division of MOHCD under the *Mission Neighborhood Childcare in Affordable Housing Capital Project RFP*, due May 13, 2022, for an additional \$600,000, and is also pursuing additional sources to complete the build out. MOHCD Community Development has awarded the funds to Good Samaritan. The MOHCD Housing Development division intends to amend the commercial space policy to delineate that commercial tenant improvement buildouts on sites with a City Ground Lease must include prevailing wage, even if no public sources are funding the buildout. Project completion is anticipated early November 2022.

Café

MEDA's potential tenant for the Cafe space, Cafe de Olla, has been operating at the ground floor of Plaza Adelante (MEDA's office) since November 2019. However, after reviewing the costs of the potential tenant improvements in design and construction, Cafe de Olla decided to pursue another space. MEDA is currently working with a commercial broker consultant to lease the cafe space, and anticipates having a tenant by October 2022. .

Public Restroom and Paseo

The Memorandum of Understanding (MOU) agreement between the Limited Partnership and the City's Recreation and Parks Department is being finalized, as the restroom operation hours and paseo gate opening and closing responsibilities have been worked out. The parties are finalizing the last round of comments and plan on executing the MOU by mid-August 2022, which is an investor condition of permanent loan closing. The public restroom can then begin operations for park users, and the paseo will be open to the public during the park and public restroom open hours.

3. Development Cost Variance Analysis

a. Variance in Sources

Total development sources are less than were projected at construction loan closing, as necessitated by the reduced permanent loan that the Project can leverage and reduced tax credit equity due to tax credit adjusters caused by the delayed completion. Loss in sources total \$1.4 million between the reduced mortgage and the loss in tax credit equity. The Project needs an additional \$499,999 in MOHCD funds to meet the sources gap at

conversion. With the MOHCD additional amount, total sources are \$910,785 less than projected at construction loan closing.

Permanent Sources	Closing Budget	Closing Budget After AHP Pay Down	Cost Cert Budget	Variance of Cost Cert from Closing Budget after AHP Paydown
MOHCD	\$32,716,103	\$31,456,103	\$31,956,102	\$499,999
Perm Loan - A Tranche	\$ 8,853,000	\$8,853,000	\$8,064,000	\$(789,000)
FHLB - AHP		\$1,260,000	\$1,260,000	\$ -
AHSC	\$ 9,300,000	\$9,300,000	\$9,300,000	\$ -
Deferred Developer Fee	\$1,784,976	\$1,784,976	\$1,784,976	\$ -
Capital Contributions				
General Partner	\$100	\$ 100	\$100	\$ -
Limited Partner	\$ 35,214,507	\$35,214,507	\$34,592,723	\$(621,784)
TOTAL:	\$87,868,686	\$87,868,686	\$86,957,901	\$(910,785)

b. Variance in Uses

Total uses are reduced by \$910,785, primarily through savings in financing costs due to a very favorable construction loan variable rate term, as well as savings in soft costs. Savings in these areas make up for increases in other line items and provide an overall reduction. (This table summarizes the variance in the closing and cost cert budgets, which have some different line item categories from the MOHCD budget format, although the totals are the same.)

Permanent Uses	Closing Budget	Cost Cert Budget	Variance of Cost Cert from Closing Budget after AHP Paydown
Acquisition, Demolition & Remediation	\$ 1,229,465	\$ 1,081,617	\$ (147,848)
Construction	\$ 70,707,975	\$ 70,735,717	\$ 27,742
A&E, Construction Rep	\$ 3,855,050	\$ 4,544,181	\$ 689,131
Other Soft Costs	\$ 2,849,811	\$ 2,211,758	\$ (638,053)
Financing Costs	\$ 3,353,109	\$ 1,742,625	\$ (1,610,484)
Capitalized operating reserve	\$ 572,118	\$ 638,898	\$ 66,780
Commercial Start Up & Vac Loss	\$ 52,382	\$ 122,334	\$ 69,952
Commercial Prevail Wage Payment	\$ -	\$ 241,859	\$ 241,859
Developer Fee	\$ 4,250,000	\$ 4,250,000	\$ -
Bond issuance Costs	\$ 998,776	\$ 1,388,912	\$ 390,136
TOTAL:	\$ 87,868,686	\$ 86,957,901	\$ (910,785)

Significant variances are in the following line items:

- Acquisition, Demo and Environmental Remediation – savings in transfer tax and offsite improvements
- Construction – overall increases in construction costs due to delays and general conditions were covered by the hard cost contingency
- A&E – Increase in architecture, survey, engineering due to extended construction period
- Other Soft Costs – overall reduction in soft costs
- Financing costs - the original construction loan term started with variable rate at LIBOR in December 2018, which at the peak was at 4+%, and throughout construction the LIBOR was as low as 1.575%. The construction loan continued with LIBOR through the third loan amendment. At the fourth loan amendment that was executed in June 2022, the LIBOR rate was terminated and was under the Secured Overnight Financing Rate (SOFR). These variable historic low rates contributed to over \$1.6 million in construction loan interest savings, even with the construction loan extensions. The Sponsors also signed an interest rate lock letter for the permanent loan at 4.9% with the floor of 4.5% at the time of construction loan closing.
- Capitalized operating reserve is increased due to increased operating costs to maintain the required six months of operating cost reserve
- Commercial start-up costs and vacancy loss have increased due to delayed completion of the commercial spaces
- Commercial Prevailing wage payment was a new cost due to unanticipated prevailing wage requirement for the commercial tenant improvement build-out for Good Samaritan. MOHCD approved this payment as part of a workout, to be made out of excess proceeds, which have since been depleted.
- Total developer fee is the same at \$4,250,000, with the developer taking \$1,784,976 as deferred fee through operations. The Sponsor is requesting that a higher allocation be considered Commercial Developer Fee in order to comply with the original TCAC Reservation Letter for residential costs and to have a standard square footage proration, which is how other soft costs are allocated in the Cost Certification. However, the distribution between the co-developers will remain the same. Given that the total developer fee is the same, and the increase in commercial space fee is taken as deferred fee, MOHCD staff support this allocation.
- Bond issuance / Financing Fees have increased in part due to higher lender legal costs and construction loan extension fees

4. Increased Operating Costs

After the Project reached stabilized occupancy between February and April 2022, operating expenses were higher than projected. At the same time, rental income for the TAY units came in lower than projected, due to reasons outlined below. The revised operating budget reflects an increased LOSP subsidy to meet the gap in operating costs for the LOSP units given the increase in operating costs and reduced rents. The overall reduced cashflow, even with the increase in LOSP, means that the amount of permanent debt that can be leveraged is reduced from \$8,853,000 (at the time of construction closing) to \$8,064,000 in order to meet the required debt service coverage ratio (DSCR) of 1.2.

The operating budget was reviewed and approved at the LOSP funding request on September 18, 2020; total operating expenses were projected at \$1,559,061 for the initial year, or \$12,276 PUPA. TAY rents were assumed at \$200 / month, and all expenses were split on a prorated basis (23% LOSP / 77% Family) except for Desk Clerk Coverage, which was split 80% on LOSP units and 20% on Family.

a. Variance in Project Income

Operating Income	LOSP Approved Budget	Conversion Operating Budget	Variance
Residential Tenant Rents - TAY HH	\$ 69,456	\$ 18,084	\$ (51,372)
Residential Tenant Rent - Family	\$ 1,871,688	\$ 1,878,144	\$ 6,456
Residential - LOSP	\$ 401,374	\$ 465,343	\$ 63,969
Master Lease Payment	\$ 43,584	\$ 43,584	\$ -
Miss Rent Income	\$ 1,250	\$ 1,250	\$ -
Laundry & Vending	\$ 6,900	\$ 690	\$ (6,210)
Gross Potential Income	\$ 2,407,813	\$ 2,407,095	\$ (718)
Vacancy Loss - Tenant Rents	\$ (97,136)	\$ (94,811)	\$ 2,325
Effective Gross Income	\$ 2,310,677	\$ 2,312,284	\$ 1,607

- Rental Income - Upon stabilization, rental income came in lower than projected because TAY PSH households have a much higher percentage of zero income tenants than projected. TAY annualized rents total \$18,084 (an average of \$51 PUPM) versus the projection of \$69,456 (\$200 PUPM). This represents a rental income loss of \$51K in Year 1. While this variance does not result in a loss of rental income due to the LOSP contract, it does mean the LOSP contract annual amounts will need to be adjusted (see below).

For some of the households with extremely large balances of rent due, Larkin Street Youth Services Support Services and CCDC were hopeful that the TAY tenants would be granted partial or full COVID rent relief, which did not come to fruition for the majority of the TAY tenants. Meetings between HSH, Larkin Street Youth Services, CCDC and MEDA revealed these findings:

- TAY tenants struggle to maintain or gain employment related to COVID-19, unforeseen circumstances, and/or personal reasons during the pandemic which made rent collection difficult;
- Behavioral health challenges have been a consistent barrier for TAY to engage with support services and/or property management in a consistent or timely manner;
- The eviction moratorium created a sense of housing security and many TAY tenants felt that they were protected from eviction, resulting in less pressure to engage with providers around their tenancy unless 'required'
- 17 of the 29 TAY households are reporting \$0 income
- 4 of the TAY households are in arrears on their payment plans
- Larkin Street Youth Services is working with TAY households to secure public assistance

CCDC and Larkin Street have been working with tenants who were not awarded COVID rent relief from the State to apply for SF Emergency Rental Assistance Program (ERAP). When ERAP is exhausted, the services team will work with them to secure other 3rd party assistance through CCYO RADCO Eviction Defense, and other rental assistance programs as available. The team will have a better idea of what outstanding balances look like by early Fall. The providers and HSH will reconvene in Fall 2022 to evaluate how rental support and rent payment have progressed, and report out to MOHCD for LOSP budgeting purposes per the recommended Loan Condition.

CCDC Asset Management will also consult their counterparts at TNDC, who also provide TAY units, to better understand their rental income for this population, so that the project can better forecast the cashflow in future years.

- Residential Income on family units is in line with projections
- LOSP Increase - due to the reduced TAY household rents and increased operating expenses, the need for LOSP has increased from \$401,374 in the LOSP Contract in Year 1 to \$465,343 in Year 1, an increase of \$63,969. The total LOSP Contract in place is \$8.9 million over 15 years, and can be relied on to provide the increased LOSP amounts at the current projections for 12 years. The LOSP amounts will need to be adjusted in the global LOSP budget. It is likely that TAY rents will increase upon further engagement and stabilization, which would require less of a LOSP increase in future years. The LOSP contract will be re-underwritten for renewal when it approaches 1 year from full contract utilization.

b. Variance in Operating Expenses

At stabilized occupancy, operating expenses have come in at \$1,606,104, or \$12,646 PUPA, a total operating budget increase of \$47,043 from when the 2020 LOSP Request when the project LOSP proforma was underwritten.

	LOSP Approval Budget	Conversion Operating Budget	Variance
Operating Expenses			
Management Fee	\$ 99,060	\$ 102,527	\$ 3,467
Asset Management Fee	\$ 14,365	\$ 14,365	\$ -
Salaries & Benefits	\$ 250,303	\$ 255,017	\$ 4,714
Administration	\$ 86,679	\$ 77,241	\$ (9,438)
Utilities	\$ 256,625	\$ 256,625	\$ -
Taxes & Licenses	\$ 59,377	\$ 47,674	\$ (11,703)
Insurance	\$ 134,460	\$ 227,556	\$ 93,096
Maint & Repair	\$ 520,135	\$ 509,184	\$ (10,951)
Supportive Services - Non LOSP	\$ 121,664	\$ 115,915	\$ (5,749)
TOTAL Operating Expenses	\$ 1,542,668	\$ 1,606,104	\$ 47,042
Reserves	\$ 73,969	\$ 73,969	\$ -
TL Op Expenses w Reserves	\$ 1,633,031	\$ 1,680,073	\$ 47,042
Net Operating Income	\$ 677,646	\$ 632,211	\$ (45,435)
Ground Lease Base Rent	\$ 15,000	\$ 15,000	
Debt Service - First Mortgage	\$ 542,375	\$ 482,222	\$ (60,153)
Debt Services - HCD Mandatory Interest	\$ 39,060	\$ 39,060	\$ -
TI GL and Debt Service	\$ 596,435	\$ 536,282	\$ (60,153)
Cash flow	\$ 81,211	\$ 95,929	\$ 14,718
Partnership Management Fee	\$ 29,425	\$ 29,425	\$ -
Investor Services Fee	\$ 5,000	\$ 5,150	\$ 150
Deferred Developer Fee	\$ 23,394	\$ 11,702	\$ (11,692)
Residual Receipts	\$ 23,392	\$ 49,652	\$ 26,260

DSCR Perm Mortgage

1.2

This operating cost increase is primarily due to Property and General Liability Insurance increasing by \$93,000 from \$134K to \$227K. Insurance costs for affordable housing providers have increased across the industry, due to the pandemic and other swings in the market.

The Sponsor was able to identify savings in other line items such as Administration, Maintenance & Repair, Services for Non-LOSP Households to make up for a portion of this increase. Net Operating Income was reduced by \$45,435, which reduced the amount of debt that could be leveraged with the required DSCR of 1.20.

5. PROPOSED LOAN CONDITIONS:

1. Property management and supportive services' teams continue to provide support to TAY households and service engagement efforts to increase rental income and rent payment among the TAY households. The team will report to HSH and MOHCD on the status of TAY rent payment by November 1, 2022 for LOSP budgeting purposes for 2022-23.
2. Subleases for all commercial subtenants will be submitted to MOHCD for review.
3. Monthly commercial space status updates to be provided to MOHCD on project Tenant Improvement completion, commercial revenue, and subleasing of café space by the 5th of the month until all commercial spaces are in operation. Deferred commercial developer fee will be held back until commercial spaces are complete and leased.
4. MOU with RPD will be executed prior to conversion.

6. LOAN COMMITTEE RECOMMENDATION

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

☐ APPROVE. ☐ DISAPPROVE. ☐ TAKE NO ACTION.

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

Date: _____

☐ APPROVE. ☐ DISAPPROVE. ☐ TAKE NO ACTION.

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

Date: _____

☐ APPROVE. ☐ DISAPPROVE. ☐ TAKE NO ACTION.

Thor Kaslofsky, Executive Director
Office of Community Investment and Infrastructure

Date: _____

☐ APPROVE. ☐ DISAPPROVE. ☐ TAKE NO ACTION.

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

Date: _____

Attachments: Sources and Uses
 Operating Budget
 Cashflow

Chavez, Rosanna (MYR)

From: Shaw, Eric (MYR)
Sent: Friday, August 19, 2022 11:35 AM
To: Chavez, Rosanna (MYR)
Subject: 2060 Folsom: Additional Gap

I approve

Eric D. Shaw
Director/ Interim Director HopeSF

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

Chavez, Rosanna (MYR)

From: Menjivar, Salvador (HOM)
Sent: Thursday, August 25, 2022 12:00 PM
To: Chavez, Rosanna (MYR); Shaw, Eric (MYR)
Subject: ADDITIONAL GAP FINANCING FOR 2060 FOLSOM

I approve an additional gap financing in the amount of \$499,999 for a 127-unit affordable housing development at 2060 Folsom Street.

Salvador Menjivar

Chavez, Rosanna (MYR)

From: Colomello, Elizabeth (CII)
Sent: Friday, August 19, 2022 11:33 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR); Kaslofsky, Thor (CII)
Subject: 2060 Folsom: Additional Gap \$499,999

Hi Rosie,
On behalf of OCII, I approve the request for funds for the subject project.
Thanks-
Elizabeth



Elizabeth Colomello
Housing Program Manager

📍 One South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
📞 415.749-2488, Cell 415.407-1908
🏠 www.sfocii.org

Application Date: 8/19/2020 # Units: 127
 Project Name: 2060 Folsom # Bedrooms:
 Project Address: 2060 Folsom Street N/A
 Project Sponsor: Chintown CDC & MEDA LOSP Project

SOURCES	31,956,192	8,064,000	9,300,000	1,260,000	1,784,976	-	100	34,592,723	Total Sources	86,957,901	Comments
	Residential - Tax Exempt Bond Loan	HCD-AHSC	FHLB AHP	Deferred Developer Fee	MOHCD Deferred Interest	General Partner Equity	Limited Partner Equity				

USE:

ACQUISITION

Acquisition cost or value									0	Title/Rec/Escrow/Transfer Tax - Acquisition
Legal / Closing costs / Broker's Fee									0	
Holding Costs									0	
Transfer Tax	8,438								8,438	
TOTAL ACQUISITION	8,438	0	0	0	0	0	0	0	8,438	

CONSTRUCTION (HARD COSTS)

Unit Construction/Rehab	5,081,654	8,064,000	9,300,000	1,260,000				34,592,723	58,298,377	
Commercial Shell Construction	2,530,480								2,530,480	Commercial Warm Shell & TI Allowance
Demolition	731,227								731,227	
Environmental Remediation									0	
Onsight Improvements/Landscaping	1,664,038								1,664,038	includes PV and FFE in contract
Office Improvements	341,652								341,652	
Infrastructure Improvements									0	
Parking									0	
GC Bond Premium/GC Insurance/GC Taxes	839,352								839,352	
GC Overhead & Profit	2,574,470								2,574,470	
CG General Conditions	4,587,141								4,587,141	
Sub-total Construction Costs	18,350,314	8,064,000	9,300,000	1,260,000	0	0	0	34,592,723	71,567,037	
Design Contingency (remove at DD)									0	\$45MM+
Bid Contingency (remove at bid)									0	\$45MM+
Plan Check Contingency (remove/reduce during Plan Review)									0	\$45MM+
Hard Cost Construction Contingency									0	5% new construction / 15% rehab
Sub-total Construction Contingencies	0	0	0	0	0	0	0	0	0	
TOTAL CONSTRUCTION COSTS	18,350,314	8,064,000	9,300,000	1,260,000	0	0	0	34,592,723	71,567,037	

SOFT COSTS

Architecture & Design										
Architect design fees	3,500,555								3,500,555	See MOHCD A&E Fee Guidelines: http://slmohcd.org/documents-reports-and-forms
Design Subconsultants to the Architect (incl. Fees)									0	
Architect Construction Admin									0	
Reimbursables									0	
Additional Services									0	
Sub-total Architect Contract	3,500,555	0	0	0	0	0	0	0	3,500,555	
Other Third Party design consultants (not included under Architect contract)									0	
	1,043,626								1,043,626	Consultants not covered under architect contract; name consultant type and contract amount
Total Architecture & Design	4,544,181	0	0	0	0	0	0	0	4,544,181	
Engineering & Environmental Studies										
Survey									0	
Geotechnical studies									0	
Phase I & II Reports									0	
CEQA / Environmental Review consultants									0	
NEPA / IOR Review									0	
CNA/PNA (rehab only)									0	
Other environmental consultants									0	
Total Engineering & Environmental Studies	0	0	0	0	0	0	0	0	0	
Financing Costs										
Construction Financing Costs										
Construction Loan Origination Fee	371,679								371,679	
Construction Loan Interest	1,398,724								1,398,724	
Title & Recording	90,562								90,562	
CDLAC & CGLAC fees									0	
Bond Issue Fees									0	
Other Bond Cost of Issuance									0	
Other Lender Costs (Construction Closing)	87,543								87,543	
Sub-total Const. Financing Costs	1,948,508	0	0	0	0	0	0	0	1,948,508	
Permanent Financing Costs										
Permanent Loan Origination Fee	143,530								143,530	
Credit Enhance & Appl. Fee									0	
Title & Recording	10,000								10,000	Based on similar projects
Sub-total Perm. Financing Costs	153,530	0	0	0	0	0	0	0	153,530	
Total Financing Costs	2,102,038	0	0	0	0	0	0	0	2,102,038	
Legal Costs										
Borrower Legal fees									0	
Land Use / CEQA Attorney fees									0	
Tax Credit Counsel									0	
Bond Counsel	106,500								106,500	
Construction Lender Counsel	75,000								75,000	
Permanent Lender Counsel	85,200								85,200	
Other Legal (specify)									0	
Total Legal Costs	266,700	0	0	0	0	0	0	0	266,700	
Other Development Costs										
Appraisal	8,200								8,200	
Market Study	9,831								9,831	
Insurance	695,401								695,401	insurance during construction
Property Taxes									0	
Accounting / Audit	44,920								44,920	
Organizational Costs	48,012								48,012	syndication cost, franchise tax
Entitlement / Permit Fees	1,106,764								1,106,764	
Marketing / Rent-up	440,403								440,403	Lease Up and community outreach costs spent during prev.
Furnishings	181,706								181,706	\$2,000/unit. See MOHCD UAW Guidelines on: http://slmohcd.org/documents-reports-and-forms
PG&E / Utility Fees									0	
TCAC App / Alloc / Monitor Fees	88,419								88,419	
Financial Consultant fees	75,000								75,000	
Construction Management fees / Owner's Rep									0	
Security during Construction									0	
Relocation									0	
Costs of Issuance	419,460								419,460	
Other (Prevailing Wage Monitor)	241,859								241,859	
Other (Perm Closing)	100,000								100,000	
Total Other Development Costs	3,458,275	0	0	0	0	0	0	0	3,458,275	
Soft Cost Contingency										
Contingency (Arch, Eng, Fin, Legal & Other Dev)		0	0	0	0	0	0	0	0	Should be either 10% or 5% of total soft costs.
TOTAL SOFT COSTS	10,371,194	0	0	0	0	0	0	0	10,371,194	
RESERVES										
Operating Reserves	638,898								638,898	
Replacement Reserves									0	
Tenant Improvements Reserves									0	
Commercial Start-up Account	122,334								122,334	
Other (specify)									0	
Other (specify)									0	
TOTAL RESERVES	761,232	0	0	0	0	0	0	0	761,232	
DEVELOPER COSTS										
Developer Fee - Cash-out Paid at Milestones	2,464,924								2,464,924	
Developer Fee - Cash-out At Risk									0	
Developer Fee - GP Equity (also show as source)							100		100	
Developer Fee - Deferred (also show as source)					1,784,976				1,784,976	
Development Consultant Fees									0	
Construction Management Fee									0	
TOTAL DEVELOPER COSTS	2,464,924	0	0	0	1,784,976	0	100	0	4,250,000	
TOTAL DEVELOPMENT COST	31,956,192	8,064,000	9,300,000	1,260,000	1,784,976	0	100	34,592,723	86,957,901	
Development Cost/Unit by Source	251,623	63,496	73,228	9,921	14,055	0	1	272,384	684,708	
Development Cost/Unit as % of TDC by Source	36.7%	9.3%	10.7%	1.4%	2.1%	0.0%	0.0%	39.8%	100.0%	
Acquisition Cost/Unit by Source	0	0	0	0	0	0	0	0	0	
Construction Cost (inc Const Contingency)/Unit by Source	144,491	63,496	73,228	9,921	0	0	0	272,384	563,526	
Construction Cost (inc Const Contingency)/SF	119.05	52.31	60.33	8.17	0.00	0.00	0.00	224.42	464.28	
City Subsidy/Unit	251,623									
Tax Credit Equity Pricing:	1.03									
Construction Bond Amount:	41,851,695									
Construction Loan Term (in months):	32 months									
Construction Loan Interest Rate (as %):	5.39%									

Application Date: 8/19/2020
 Total # Units: 127
 First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations): 2021

Non-LOSP Units	
LOSP Units	29
Non-LOSP Units	98

Project Name: 2060 Folsom
 Project Address: 2060 Folsom Street
 Project Sponsor: Chinatown CDC & MEDA

LOSP/non-LOSP Allocation		23% 77%	
INCOME	LOSP	non-LOSP	Total
Residential - Tenant Rents	18,084	1,878,144	1,896,228
Residential - Tenant Assistance Payments (Non-LOSP)	0	0	0
Residential - LOSP Tenant Assistance Payments	465,343		465,343
Commercial Space			43,584
Residential Parking	0	0	0
Miscellaneous Rent Income	288	963	1,250
Supportive Services Income	0	0	0
Interest Income - Project Operations	0	0	0
Laundry and Vending	159	531	690
Tenant Charges	0	0	0
Miscellaneous Residential Income	0	0	0
Other Commercial Income	0	0	0
Withdrawal from Capitalized Reserve (deposit to operating account)	0	0	0
Gross Potential Income	483,874	1,879,638	2,407,096
Vacancy Loss - Residential - Tenant Rents	(904)	(93,907)	(94,811)
Vacancy Loss - Residential - Tenant Assistance Payments	0	0	0
Vacancy Loss - Commercial	0	0	0
EFFECTIVE GROSS INCOME	482,969	1,785,731	2,312,284

OPERATING EXPENSES				
Management				
Management Fee	23,581	78,946	102,527	1st Year to be set according to HUD schedule - 2017 \$65 PUPM + escalation for 2022
Asset Management Fee	3,304	11,061	14,365	MAX HCD GP Fee out of cash flow (2020) is: \$34,425 less \$5,000 LP AM FEE = \$29,425
Sub-total Management Expenses	26,885	90,007	116,892	PUPA: 920

Salaries/Benefits				
Office Salaries	14,830	49,647	64,477	1 FTE PM Staff
Manager's Salary	15,250	51,055	66,305	1FTE Manager
Health Insurance and Other Benefits	24,141	80,822	104,963	Health insurance, 403b
Other Salaries/Benefits	0	0	0	
Administrative Rent-Free Unit	4,433	14,839	19,272	
Sub-total Salaries/Benefits	58,654	196,363	255,017	PUPA: 2,008

Administration				
Advertising and Marketing	64	216	280	
Office Expenses	7,951	26,620	34,571	Computer services, telephone & answering service & copier & offices supplies
Office Rent	0	0	0	
Legal Expense - Property	368	1,232	1,600	
Audit Expense	3,117	10,434	13,550	
Bookkeeping/Accounting Services	3,330	11,148	14,478	\$9.50 PUPM
Bad Debts	460	1,540	2,000	
Miscellaneous	2,475	8,287	10,762	Misc. Admin expenses less AM Fee-Sponsor \$14,365 less Office Expenses \$32,696
Sub-total Administration Expenses	17,765	59,476	77,241	PUPA: 608

Utilities				
Electricity	20,628	69,061	89,689	
Water	11,519	38,562	50,081	
Gas	0	0	0	
Sewer	26,877	89,978	116,855	
Sub-total Utilities	59,024	197,601	256,625	PUPA: 2,021

Taxes and Licenses				
Real Estate Taxes	2,300	7,700	10,000	
Payroll Taxes	7,103	23,780	30,883	7.65% of total payroll
Miscellaneous Taxes, Licenses and Permits	1,562	5,229	6,791	State of CA fees i.e. LLC Filing Fee, others
Sub-total Taxes and Licenses	10,965	36,709	47,674	PUPA: 375

Insurance				
Property and Liability Insurance	48,828	163,468	212,296	Original assumption \$75,693; updated 20-0313: \$128,945 including property (90,626),
Fidelity Bond Insurance	0	0	0	
Worker's Compensation	3,510	11,750	15,260	WC
Director's & Officers' Liability Insurance	0	0	0	
Sub-total Insurance	52,338	175,218	227,556	PUPA: 1,792

Maintenance & Repair				
Payroll	19,671	65,854	85,525	1.5 FTE maintenance payroll
Supplies	4,390	14,361	18,651	Cleaning supplies, decorating supplies, repairs supplies
Contracts	37,817	126,941	164,858	Repairs, Exterminating, Grounds, Elevator
Garbage and Trash Removal	9,896	32,467	42,165	
Security Payroll/Contract	158,388	39,597	197,985	24/7 Desk Clerk Salary
HVAC Repairs and Maintenance	0	0	0	
Vehicle and Maintenance Equipment Operation and Repairs	0	0	0	
Miscellaneous Operating and Maintenance Expenses	0	0	0	
Sub-total Maintenance & Repair Expenses	229,964	279,220	509,184	PUPA: 4,009

Supportive Services	0	115,915	115,915	1:0 FTE services coordinator and expenses on Family Units
Commercial Expenses	0	0	0	Links from 'Commercial Op. Budget' Worksheet

TOTAL OPERATING EXPENSES 455,595 1,150,509 1,606,104 PUPA: 12,646

Reserves/Ground Lease Base Rent/Bond Fees				
Ground Lease Base Rent	3,450	11,550	15,000	Ground lease with MOHCD Provide additional comments here, if needed.
Bond Monitoring Fee	2,408	8,061	10,469	125% of \$8,853,000 perm loan
Replacement Reserve Deposit	14,605	48,895	63,500	\$500 PUPY per HCD AHSC
Operating Reserve Deposit	0	0	0	
Other Required Reserve 1 Deposit	0	0	0	
Other Required Reserve 2 Deposit	0	0	0	
Required Reserve Deposit/s, Commercial	0	0	0	Links from 'Commercial Op. Budget' Worksheet
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	20,463	68,506	88,969	PUPA: 701

TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)	476,058	1,219,015	1,695,073	PUPA: 13,347
NET OPERATING INCOME (INCOME minus OP EXPENSES)	6,912	566,716	617,212	PUPA: 4,860

DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)				
Hard Debt - First Lender	0	482,222	482,222	TEX Perm Loan
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)	8,984	30,076	39,060	HCD-AHSC
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0	0	0	
Hard Debt - Fourth Lender	0	0	0	
Commercial Hard Debt Service	0	0	0	Links from 'Commercial Op. Budget' Worksheet
TOTAL HARD DEBT SERVICE	8,984	512,298	521,282	PUPA: 4,105

CASH FLOW (NOI minus DEBT SERVICE)	(2,072)	54,418	95,930	
Commercial Only Cash Flow			43,584	
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)	10,024	33,560		Allocation of Commercial Surplus to LOSP/non-
AVAILABLE CASH FLOW	7,952	87,977	95,930	
USES OF CASH FLOW BELOW (This row also shows DSCR.)			1.18	

USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL				
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	0	0	0	
Partnership Management Fee (see policy for limits)	6,768	22,657	29,425	GP Management Fee
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	1,185	3,966	5,150	LP Asset Management Fee
Other Payments	0	0	0	
Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)	0	0	0	Provide additional comments here, if needed.
Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)	0	0	0	Provide additional comments here, if needed.
Deferred Developer Fee (Enter amt <= Max Fee from cell I130)	0	11,702	11,702	Def. Develop. Fee split: 19%
TOTAL PAYMENTS PRECEDING MOHCD	7,952	38,324	46,277	PUPA: 364

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)	(0)	49,653	49,653	
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2060 Folsom

Total # Units:

LOSP Units	Non-LOSP Units
127	29
	98
23.00%	77.00%

	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 1 2021			Year 2 2022		
				LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME									
Residential - Tenant Rents	1.0%	2.5%		18,084	1,878,144	1,896,228	18,265	1,925,098	1,943,362
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a		-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a		465,343		465,343	481,385		481,385
Commercial Space	n/a	0.0%		-	43,584		-		43,584
Residential Parking	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		288	963	1,250	295	987	1,282
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		159	531	690	163	545	707
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-
Other Commercial Income	n/a	3.5%		-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-	-	-	-	-
Gross Potential Income				483,874	1,879,638	2,407,096	500,107	1,926,629	2,470,320
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(904)	(93,907)	(94,811)	(913)	(96,255)	(97,168)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a		-	-	-	-	-	-
EFFECTIVE GROSS INCOME				482,969	1,785,731	2,312,284	499,194	1,830,374	2,373,152
OPERATING EXPENSES									
Management									
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	23,581	78,946	102,527	24,407	81,709	106,115
Asset Management Fee	3.5%	3.5%	per MOHCD policy	3,304	11,061	14,365	3,420	11,448	14,868
Sub-total Management Expenses				26,885	90,007	116,892	27,826	93,157	120,983
Salaries/Benefits									
Office Salaries	3.5%	3.5%		14,830	49,647	64,477	15,349	51,385	66,734
Manager's Salary	3.5%	3.5%		15,250	51,055	66,305	15,784	52,842	68,626
Health Insurance and Other Benefits	3.5%	3.5%		24,141	80,822	104,963	24,986	83,650	108,637
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		4,433	14,839	19,272	4,588	15,359	19,947
Sub-total Salaries/Benefits				58,654	196,363	255,017	60,707	203,236	263,943
Administration									
Advertising and Marketing	3.5%	3.5%		64	216	280	67	223	290
Office Expenses	3.5%	3.5%		7,951	26,620	34,571	8,230	27,551	35,781
Office Rent	3.5%	3.5%		-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		368	1,232	1,600	381	1,275	1,656
Audit Expense	3.5%	3.5%		3,117	10,434	13,550	3,226	10,799	14,024
Bookkeeping/Accounting Services	3.5%	3.5%		3,330	11,148	14,478	3,446	11,538	14,985
Bad Debts	3.5%	3.5%		460	1,540	2,000	476	1,594	2,070
Miscellaneous	3.5%	3.5%		2,475	8,287	10,762	2,562	8,577	11,139
Sub-total Administration Expenses				17,765	59,476	77,241	18,387	61,557	79,944
Utilities									
Electricity	3.5%	3.5%		20,628	69,061	89,689	21,350	71,478	92,828
Water	3.5%	3.5%		11,519	38,562	50,081	11,922	39,912	51,834
Gas	3.5%	3.5%		-	-	-	-	-	-
Sewer	3.5%	3.5%		26,877	89,978	116,855	27,817	93,128	120,945
Sub-total Utilities				59,024	197,601	256,625	61,090	204,517	265,607
Taxes and Licenses									
Real Estate Taxes	3.5%	3.5%		2,300	7,700	10,000	2,381	7,970	10,350
Payroll Taxes	3.5%	3.5%		7,103	23,780	30,883	7,352	24,612	31,964
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		1,562	5,229	6,791	1,617	5,412	7,029
Sub-total Taxes and Licenses				10,965	36,709	47,674	11,349	37,994	49,343
Insurance									
Property and Liability Insurance	3.5%	3.5%		48,828	163,468	212,296	50,537	169,189	219,726
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		3,510	11,750	15,260	3,633	12,161	15,794
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-
Sub-total Insurance				52,338	175,218	227,556	54,170	181,351	235,520
Maintenance & Repair									
Payroll	3.5%	3.5%		19,671	65,854	85,525	20,359	68,159	88,518
Supplies	3.5%	3.5%		4,290	14,361	18,651	4,440	14,864	19,304
Contracts	3.5%	3.5%		37,917	126,941	164,858	39,244	131,384	170,628
Garbage and Trash Removal	3.5%	3.5%		9,698	32,467	42,165	10,037	33,603	43,641
Security Payroll/Contract	3.5%	3.5%		158,388	39,597	197,985	163,932	40,983	204,914
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		-	-	-	-	-	-
Sub-total Maintenance & Repair Expenses				229,964	279,220	509,184	238,013	288,993	527,005
Supportive Services	3.5%	3.5%		-	115,915	115,915	-	119,972	119,972
Commercial Expenses				-	-	-	-	-	-
TOTAL OPERATING EXPENSES				455,595	1,150,509	1,606,104	471,541	1,190,777	1,662,318
PUPA (w/o Reserves/GL Base Rent/Bond Fees)									
Reserves/Ground Lease Base Rent/Bond Fees						12,646			
Ground Lease Base Rent				3,450	11,550	15,000	3,450	11,550	15,000
Bond Monitoring Fee				2,408	8,061	10,469	2,408	8,061	10,469
Replacement Reserve Deposit				14,605	48,895	63,500	14,605	48,895	63,500
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				20,463	68,506	88,969	20,463	68,506	88,969

Note: Hidden cc

Total # Units:

	LOSP Units	Non-LOSP Units
	127	29
	23.00%	77.00%

	Year 1 2021			Year 2 2022		
	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME						
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)	476,058	1,219,015	1,695,073	492,004	1,259,283	1,751,286
PUPA (w/ Reserves/GL Base Rent/Bond Fees)			13,347			
NET OPERATING INCOME (INCOME minus OP EXPENSES)	6,912	566,716	617,212	7,190	571,091	621,865
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)						
Hard Debt - First Lender		482,222	482,222		482,222	482,222
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)	8,984	30,076	39,060	8,984	30,076	39,060
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	-	-	-	-	-	-
Hard Debt - Fourth Lender	-	-	-	-	-	-
Commercial Hard Debt Service			-			-
TOTAL HARD DEBT SERVICE	8,984	512,298	521,282	8,984	512,298	521,282
CASH FLOW (NOI minus DEBT SERVICE)	(2,072)	54,418	95,930	(1,794)	58,793	100,583
Commercial Only Cash Flow			43,584			43,584
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)	10,024	33,560		10,024	33,560	
AVAILABLE CASH FLOW	7,952	87,977	95,930	8,231	92,353	100,583

USES OF CASH FLOW BELOW (This row also shows DSCR.)

DSCR: 1.18 1.19

USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL

"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	per MOHCD policy	6,768	22,657	29,425	7,005	23,450	30,455
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	1,185	3,966	5,150	1,226	4,104	5,330
Other Payments				-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-	-	-	-	-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	11,702	11,702	-	25,920	25,920
TOTAL PAYMENTS PRECEDING MOHCD				7,952	38,324	46,277	8,231	53,475	61,705
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				(0)	49,653	49,653	(0)	38,878	38,878

Does Project have a MOHCD Residual Receipt Obligation?

Yes Year 15 is year indicated below:

Will Project Defer Developer Fee?

Yes 2035

1st Residual Receipts Split - Lender/Deferred Developer Fee

50% / 50% 2nd Residual Receipts Split Begins:

2nd Residual Receipts Split - Lender/Owner

67% / 33% 2036

Max Deferred Developer Fee Amt (Use for data entry above. Do not link.): Max Deferred Developer Fee Amt: 30,677

32,399

Dist. Soft Active Deferred Developer Fee Earned Cum. Deferred Developer Fee: 11,702

37,622

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

81.85%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy
	Proposed Total MOHCD Amt Due less Loan Repayment

40,640	31,821
9,381	31,821
31,259	-

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE

HCD Residual Receipts Amount Due
Lender 4 Residual Receipts Due
Lender 5 Residual Receipts Due

18.15%	loans, and HCD residual receipt policy.
0.00%	
0.00%	

9,014	7,058
-	-
-	-

Total Non-MOHCD Residual Receipts Debt Service

9,014 7,058

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

-	63,500
63,500	63,500
-	-

RR Running Balance

RR Balance/Unit

63,500 \$500 127,000 \$1,000

OPERATING RESERVE - RUNNING BALANCE

Operating Reserve Starting Balance
Operating Reserve Deposits
Operating Reserve Withdrawals
Operating Reserve Interest

-	-
-	-

OR Running Balance

OR Balance as a % of Prior Yr Op Exps + Debt Service

- 0.0%

OTHER REQUIRED RESERVE 1 - RUNNING BALANCE

Other Reserve 1 Starting Balance
Other Reserve 1 Deposits
Other Reserve 1 Withdrawals
Other Reserve 1 Interest

-	-
-	-

Other Required Reserve 1 Running Balance

-

OTHER RESERVE 2 - RUNNING BALANCE

Other Reserve 2 Starting Balance
Other Reserve 2 Deposits
Other Reserve 2 Withdrawals
Other Reserve 2 Interest

-	-
-	-

Other Required Reserve 2 Running Balance

-

2060 Folsom

Total # Units:
 127 29 98
 23.00% 77.00%

	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 3 2023			Year 4 2024		
				LOSP	non- LOSP	Total	LOSP	non-LOSP	Total
INCOME									
Residential - Tenant Rents	1.0%	2.5%		18,447	1,973,225	1,991,673	18,632	2,022,556	2,041,188
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a		-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a		497,992		497,992	515,184		515,184
Commercial Space	n/a	0.0%			43,584				43,584
Residential Parking	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		302	1,012	1,314	310	1,037	1,347
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		167	558	725	171	572	743
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-
Other Commercial Income	n/a	3.5%		-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-	-	-	-	-
Gross Potential Income				516,908	1,974,795	2,535,287	534,297	2,024,165	2,602,046
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(922)	(98,661)	(99,584)	(932)	(101,128)	(102,059)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a		-	-	-	-	-	-
EFFECTIVE GROSS INCOME				515,986	1,876,134	2,435,703	533,365	1,923,037	2,499,986
OPERATING EXPENSES									
Management									
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	25,261	84,569	109,829	26,145	87,529	113,674
Asset Management Fee	3.5%	3.5%	per MOHCD policy	3,539	11,849	15,388	3,663	12,264	15,927
Sub-total Management Expenses				28,800	96,418	125,218	29,808	99,792	129,600
Salaries/Benefits									
Office Salaries	3.5%	3.5%		15,886	53,183	69,069	16,442	55,045	71,487
Manager's Salary	3.5%	3.5%		16,336	54,691	71,028	16,908	56,605	73,514
Health Insurance and Other Benefits	3.5%	3.5%		25,861	86,578	112,439	26,766	89,608	116,374
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		4,748	15,896	20,645	4,914	16,453	21,367
Sub-total Salaries/Benefits				62,832	210,349	273,181	65,031	217,711	282,742
Administration									
Advertising and Marketing	3.5%	3.5%		69	231	300	71	239	310
Office Expenses	3.5%	3.5%		8,518	28,516	37,033	8,816	29,514	38,329
Office Rent	3.5%	3.5%		-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		394	1,320	1,714	408	1,366	1,774
Audit Expense	3.5%	3.5%		3,338	11,177	14,515	3,455	11,568	15,023
Bookkeeping/Accounting Services	3.5%	3.5%		3,567	11,942	15,509	3,692	12,360	16,052
Bad Debts	3.5%	3.5%		493	1,650	2,142	510	1,707	2,217
Miscellaneous	3.5%	3.5%		2,652	8,877	11,529	2,744	9,188	11,932
Sub-total Administration Expenses				19,031	63,712	82,742	19,697	65,942	85,638
Utilities									
Electricity	3.5%	3.5%		22,098	73,979	96,077	22,871	76,569	99,440
Water	3.5%	3.5%		12,339	41,309	53,648	12,771	42,755	55,526
Gas	3.5%	3.5%		-	-	-	-	-	-
Sewer	3.5%	3.5%		28,791	96,387	125,178	29,799	99,761	129,559
Sub-total Utilities				63,228	211,675	274,903	65,441	219,084	284,525
Taxes and Licenses									
Real Estate Taxes	3.5%	3.5%		2,464	8,248	10,712	2,550	8,537	11,087
Payroll Taxes	3.5%	3.5%		7,609	25,474	33,083	7,875	26,365	34,241
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		1,673	5,602	7,275	1,732	5,798	7,529
Sub-total Taxes and Licenses				11,746	39,324	51,070	12,157	40,700	52,857
Insurance									
Property and Liability Insurance	3.5%	3.5%		52,306	175,111	227,417	54,137	181,240	235,376
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		3,760	12,587	16,347	3,891	13,028	16,919
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-
Sub-total Insurance				56,066	187,698	243,764	58,028	194,267	252,295
Maintenance & Repair									
Payroll	3.5%	3.5%		21,072	70,545	91,617	21,809	73,014	94,823
Supplies	3.5%	3.5%		4,595	15,384	19,979	4,756	15,923	20,679
Contracts	3.5%	3.5%		40,618	135,982	176,600	42,040	140,741	182,781
Garbage and Trash Removal	3.5%	3.5%		10,389	34,780	45,168	10,752	35,997	46,749
Security Payroll/Contract	3.5%	3.5%		169,669	42,417	212,086	175,608	43,902	219,510
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		-	-	-	-	-	-
Sub-total Maintenance & Repair Expenses				246,343	299,108	545,451	254,965	309,576	564,541
Supportive Services	3.5%	3.5%		-	124,171	124,171	-	128,517	128,517
Commercial Expenses				-	-	-	-	-	-
TOTAL OPERATING EXPENSES				488,045	1,232,454	1,720,499	505,126	1,275,590	1,780,716
PUPA (w/o Reserves/GL Base Rent/Bond Fees)									
Reserves/Ground Lease Base Rent/Bond Fees									
Ground Lease Base Rent				3,450	11,550	15,000	3,450	11,550	15,000
Bond Monitoring Fee				2,408	8,061	10,469	2,408	8,061	10,469
Replacement Reserve Deposit				14,605	48,895	63,500	14,605	48,895	63,500
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				20,463	68,506	88,969	20,463	68,506	88,969

Columns are in between total columns. To update/delete values in yellow cells, manipulate each cell r

Total # Units:
 127 29 98
 23.00% 77.00%

	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 3 2023			Year 4 2024		
				LOSP	non- LOSP	Total	LOSP	non-LOSP	Total
INCOME									
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				508,507	1,300,960	1,809,468	525,589	1,344,096	1,869,685
PUPA (w/ Reserves/GL Base Rent/Bond Fees)									
NET OPERATING INCOME (INCOME minus OP EXPENSES)				7,478	575,174	626,236	7,776	578,941	630,301

DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)

Hard Debt - First Lender	Enter comments re: annual increase, etc.	-	482,222	482,222	-	482,222	482,222
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)	Enter comments re: annual increase, etc.	8,984	30,076	39,060	8,984	30,076	39,060
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	Enter comments re: annual increase, etc.	-	-	-	-	-	-
Hard Debt - Fourth Lender	Enter comments re: annual increase, etc.	-	-	-	-	-	-
Commercial Hard Debt Service				-			-

TOTAL HARD DEBT SERVICE**CASH FLOW (NOI minus DEBT SERVICE)**

Commercial Only Cash Flow									
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				10,024	33,560		10,024	33,560	
AVAILABLE CASH FLOW				8,519	96,435	104,954	8,817	100,202	109,019

USES OF CASH FLOW BELOW (This row also shows DSCR.)

DSCR:

1.2

1.21

USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL

"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	per MOHCD policy	7,250	24,271	31,521	7,504	25,120	32,624
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	1,269	4,248	5,517	1,313	4,397	5,710
Other Payments				-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-	-	-	-	-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	28,311	28,311	-	30,558	30,558

TOTAL PAYMENTS PRECEDING MOHCD**RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)**

Does Project have a MOHCD Residual Receipt Obligation?	Yes	Year 15 is year indicated below:							
Will Project Defer Developer Fee?	Yes	2035							
1st Residual Receipts Split - Lender/Deferred Developer Fee	50% / 50%	2nd Residual Receipts Split Begins:							
2nd Residual Receipts Split - Lender/Owner	67% / 33%	2036							
Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):						33,958			35,343
Dist. Soft Debt Loans		Active Deferred Developer Fee Earned				65,933			96,491

MOHCD RESIDUAL RECEIPTS DEBT SERVICE

MOHCD Residual Receipts Amount Due									
Proposed MOHCD Residual Receipts Amount to Loan Repayment	81.85%					32,416			32,843
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease						32,416			32,843
						-			-

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE

HCD Residual Receipts Amount Due	18.15%					7,190			7,284
Lender 4 Residual Receipts Due	0.00%					-			-
Lender 5 Residual Receipts Due	0.00%					-			-
Total Non-MOHCD Residual Receipts Debt Service						7,190			7,284

REMAINDER (Should be zero unless there are distributions below)

Owner Distributions/Incentive Management Fee						-			-
Other Distributions/Uses						-			-
Final Balance (should be zero)						-			-

REPLACEMENT RESERVE - RUNNING BALANCE

Replacement Reserve Starting Balance						127,000			190,500
Replacement Reserve Deposits						63,500			63,500
Replacement Reserve Withdrawals (ideally tied to CNA)						-			-
Replacement Reserve Interest						-			-
RR Running Balance						190,500			254,000
						\$1,500			\$2,000

OPERATING RESERVE - RUNNING BALANCE

Operating Reserve Starting Balance						-			-
Operating Reserve Deposits						-			-
Operating Reserve Withdrawals						-			-
Operating Reserve Interest						-			-
OR Running Balance						-			-

OR Balance as a % of Prior Yr Op Exps + Debt Service

0.0%

0.0%

OTHER REQUIRED RESERVE 1 - RUNNING BALANCE

Other Reserve 1 Starting Balance						-			-
Other Reserve 1 Deposits						-			-
Other Reserve 1 Withdrawals						-			-
Other Reserve 1 Interest						-			-
Other Required Reserve 1 Running Balance						-			-

OTHER RESERVE 2 - RUNNING BALANCE

Other Reserve 2 Starting Balance						-			-
Other Reserve 2 Deposits						-			-
Other Reserve 2 Withdrawals						-			-
Other Reserve 2 Interest						-			-
Other Required Reserve 2 Running Balance						-			-

2060 Folsom

Total # Units:
 127 29 98
 23.00% 77.00%

				Year 5 2025			Year 6 2026		
	% annual inc LOSP	% annual increase	Comments	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME			(related to annual inc assumptions)						
Residential - Tenant Rents	1.0%	2.5%		18,818	2,073,120	2,091,938	19,006	2,124,948	2,143,954
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a		-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a		532,983		532,983	551,410		551,410
Commercial Space	n/a	0.0%			43,584				43,584
Residential Parking	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		317	1,063	1,380	325	1,089	1,415
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		175	586	762	180	601	781
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-
Other Commercial Income	n/a	3.5%				-			-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-		-	-	
Gross Potential Income				552,294	2,074,769	2,670,647	570,921	2,126,638	2,741,143
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(941)	(103,656)	(104,597)	(950)	(106,247)	(107,198)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a		-	-	-	-	-	-
EFFECTIVE GROSS INCOME				551,353	1,971,113	2,566,050	569,971	2,020,391	2,633,946
OPERATING EXPENSES									
Management									
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	27,060	90,592	117,652	28,007	93,763	121,770
Asset Management Fee	3.5%	3.5%	per MOHCD policy	3,791	12,693	16,484	3,924	13,137	17,061
Sub-total Management Expenses				30,851	103,285	134,136	31,931	106,900	138,831
Salaries/Benefits									
Office Salaries	3.5%	3.5%		17,017	56,971	73,989	17,613	58,965	76,578
Manager's Salary	3.5%	3.5%		17,500	58,587	76,087	18,112	60,637	78,750
Health Insurance and Other Benefits	3.5%	3.5%		27,703	92,745	120,447	28,673	95,991	124,663
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		5,086	17,029	22,115	5,264	17,625	22,889
Sub-total Salaries/Benefits				67,307	225,331	292,638	69,662	233,218	302,889
Administration									
Advertising and Marketing	3.5%	3.5%		74	247	321	76	256	333
Office Expenses	3.5%	3.5%		9,124	30,547	39,671	9,444	31,616	41,060
Office Rent	3.5%	3.5%		-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		422	1,414	1,836	437	1,463	1,900
Audit Expense	3.5%	3.5%		3,576	11,973	15,549	3,701	12,392	16,093
Bookkeeping/Accounting Services	3.5%	3.5%		3,821	12,793	16,614	3,955	13,240	17,195
Bad Debts	3.5%	3.5%		528	1,767	2,295	546	1,829	2,375
Miscellaneous	3.5%	3.5%		2,840	9,509	12,350	2,940	9,842	12,782
Sub-total Administration Expenses				20,386	68,250	88,636	21,100	70,638	91,738
Utilities									
Electricity	3.5%	3.5%		23,672	79,249	102,920	24,500	82,022	106,522
Water	3.5%	3.5%		13,218	44,251	57,469	13,681	45,800	59,481
Gas	3.5%	3.5%		-	-	-	-	-	-
Sewer	3.5%	3.5%		30,842	103,252	134,094	31,921	106,866	138,787
Sub-total Utilities				67,731	226,752	294,483	70,102	234,688	304,790
Taxes and Licenses									
Real Estate Taxes	3.5%	3.5%		2,639	8,836	11,475	2,732	9,145	11,877
Payroll Taxes	3.5%	3.5%		8,151	27,288	35,439	8,436	28,243	36,679
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		1,792	6,000	7,793	1,855	6,210	8,066
Sub-total Taxes and Licenses				12,583	42,124	54,707	13,023	43,599	56,622
Insurance									
Property and Liability Insurance	3.5%	3.5%		56,031	187,583	243,615	57,992	194,149	252,141
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		4,028	13,484	17,511	4,169	13,956	18,124
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-
Sub-total Insurance				60,059	201,067	261,126	62,161	208,104	270,265
Maintenance & Repair									
Payroll	3.5%	3.5%		22,573	75,569	98,142	23,363	78,214	101,577
Supplies	3.5%	3.5%		4,923	16,480	21,402	5,095	17,057	22,152
Contracts	3.5%	3.5%		43,511	145,667	189,178	45,034	150,766	195,800
Garbage and Trash Removal	3.5%	3.5%		11,129	37,257	48,385	11,518	38,561	50,079
Security Payroll/Contract	3.5%	3.5%		181,754	45,438	227,192	188,115	47,029	235,144
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		-	-	-	-	-	-
Sub-total Maintenance & Repair Expenses				263,889	320,412	584,300	273,125	331,626	604,751
Supportive Services	3.5%	3.5%		-	133,015	133,015	-	137,671	137,671
Commercial Expenses						-			-
TOTAL OPERATING EXPENSES				522,806	1,320,236	1,843,041	541,104	1,366,444	1,907,548
PUPA (w/o Reserves/GL Base Rent/Bond Fees)									
Reserves/Ground Lease Base Rent/Bond Fees									
Ground Lease Base Rent					3,450	11,550		3,450	11,550
Bond Monitoring Fee					2,408	8,061		2,408	8,061
Replacement Reserve Deposit					14,605	48,895		14,605	48,895
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				20,463	68,506	88,969	20,463	68,506	88,969

rather than dragging across multiple cells.

		LOSP Units		Non-LOSP Units							
Total # Units:		127	29	98							
		23.00%	77.00%								
		% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 5 2025			Year 6 2026			
					LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	
INCOME											
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)					543,268	1,388,742	1,932,010	561,567	1,434,950	1,996,516	
PUPA (w/ Reserves/GL Base Rent/Bond Fees)											
NET OPERATING INCOME (INCOME minus OP EXPENSES)					8,085	582,371	634,040	8,404	585,441	637,429	
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)					other than dragging across multiple cells.						
Hard Debt - First Lender					Enter comments re: annual increase, etc.	-	482,222	482,222	-	482,222	
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)					Enter comments re: annual increase, etc.	8,984	30,076	39,060	8,984	30,076	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)					Enter comments re: annual increase, etc.	-	-	-	-	-	
Hard Debt - Fourth Lender					Enter comments re: annual increase, etc.	-	-	-	-	-	
Commercial Hard Debt Service											
TOTAL HARD DEBT SERVICE					8,984	512,298	521,282	8,984	512,298	521,282	
CASH FLOW (NOI minus DEBT SERVICE)					(899)	70,073	112,758	(580)	73,143	116,147	
Commercial Only Cash Flow							43,584			43,584	
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)					10,024	33,560		10,024	33,560		
AVAILABLE CASH FLOW					9,125	103,633	112,758	9,445	106,702	116,147	
USES OF CASH FLOW BELOW (This row also shows DSCR.)					DSCR:			1.22			
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL					other than dragging across multiple cells.						
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-	-		-	-			
Partnership Management Fee (see policy for limits)	3.5%	3.5%	per MOHCD policy	7,766	26,000	33,766	8,038	26,910	34,948		
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	1,359	4,551	5,910	1,407	4,710	6,117		
Other Payments				-	-		-	-			
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-	-		-	-			
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-	-		-	-			
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	32,649	32,649	-	34,573	34,573		
TOTAL PAYMENTS PRECEDING MOHCD					9,125	63,199	72,325	9,445	66,192	75,637	
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)					0	40,433	40,433	0	40,510	40,510	
Does Project have a MOHCD Residual Receipt Obligation?					Yes	Year 15 is year indicated below:					
Will Project Defer Developer Fee?					Yes	2035					
1st Residual Receipts Split - Lender/Deferred Developer Fee					50% / 50%	2nd Residual Receipts Split Begins:					
2nd Residual Receipts Split - Lender/Owner					67% / 33%	2036					
Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):							36,541			37,541	
MOHCD Residual Receipts Debt Service					Dist. Soft Debt Loans		129,140			163,713	
MOHCD Residual Receipts Amount Due					81.85%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy					
Proposed MOHCD Residual Receipts Amount to Loan Repayment						33,094					
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease						33,094					
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE					18.15%	loans, and HCD residual receipt policy.					
HCD Residual Receipts Amount Due						7,340					
Lender 4 Residual Receipts Due						-					
Lender 5 Residual Receipts Due					0.00%	-					
Total Non-MOHCD Residual Receipts Debt Service					0.00%	7,340					
REMAINDER (Should be zero unless there are distributions below)							0			0	
Owner Distributions/Incentive Management Fee							-			-	
Other Distributions/Uses							-			-	
Final Balance (should be zero)							-			-	
REPLACEMENT RESERVE - RUNNING BALANCE											
Replacement Reserve Starting Balance							254,000			317,500	
Replacement Reserve Deposits							63,500			63,500	
Replacement Reserve Withdrawals (ideally tied to CNA)							-			-	
Replacement Reserve Interest							-			-	
RR Running Balance							317,500			381,000	
							\$2,500			\$3,000	
OPERATING RESERVE - RUNNING BALANCE											
Operating Reserve Starting Balance							-			-	
Operating Reserve Deposits							-			-	
Operating Reserve Withdrawals							-			-	
Operating Reserve Interest							-			-	
OR Running Balance							-			-	
					OR Balance as a % of Prior Yr Op Exps + Debt Service			0.0%			
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE											
Other Reserve 1 Starting Balance							-			-	
Other Reserve 1 Deposits							-			-	
Other Reserve 1 Withdrawals							-			-	
Other Reserve 1 Interest							-			-	
Other Required Reserve 1 Running Balance							-			-	
OTHER RESERVE 2 - RUNNING BALANCE											
Other Reserve 2 Starting Balance							-			-	
Other Reserve 2 Deposits							-			-	
Other Reserve 2 Withdrawals							-			-	
Other Reserve 2 Interest							-			-	
Other Required Reserve 2 Running Balance							-			-	

2060 Folsom

Total # Units:

LOSP Units	Non-LOSP Units
127	29
	98
23.00%	77.00%

	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 7 2027			Year 8 2028		
				LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME									
Residential - Tenant Rents	1.0%	2.5%		19,197	2,178,071	2,197,268	19,388	2,232,523	2,251,912
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a		-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a		570,486		570,486	590,234		590,234
Commercial Space	n/a	0.0%			43,584				43,584
Residential Parking	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		334	1,117	1,450	342	1,144	1,486
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		184	616	800	189	632	820
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-
Other Commercial Income	n/a	3.5%				-			-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-		-	-	
Gross Potential Income				590,200	2,179,804	2,813,588	610,153	2,234,299	2,888,036
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(960)	(108,904)	(109,863)	(969)	(111,626)	(112,596)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a		-	-	-	-	-	-
EFFECTIVE GROSS INCOME				589,240	2,070,900	2,703,724	609,184	2,122,673	2,775,441
OPERATING EXPENSES									
Management									
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	28,987	97,045	126,032	30,002	100,441	130,443
Asset Management Fee	3.5%	3.5%	per MOHCD policy	4,061	13,597	17,658	4,204	14,073	18,276
Sub-total Management Expenses				33,049	110,641	143,690	34,205	114,514	148,719
Salaries/Benefits									
Office Salaries	3.5%	3.5%		18,230	61,029	79,259	18,868	63,165	82,033
Manager's Salary	3.5%	3.5%		18,746	62,759	81,506	19,402	64,956	84,358
Health Insurance and Other Benefits	3.5%	3.5%		29,676	99,350	129,026	30,715	102,828	133,542
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		5,449	18,241	23,690	5,639	18,880	24,519
Sub-total Salaries/Benefits				72,101	241,380	313,481	74,624	249,829	324,453
Administration									
Advertising and Marketing	3.5%	3.5%		79	265	344	82	274	356
Office Expenses	3.5%	3.5%		9,774	32,722	42,497	10,116	33,868	43,984
Office Rent	3.5%	3.5%		-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		452	1,514	1,967	468	1,567	2,036
Audit Expense	3.5%	3.5%		3,831	12,825	16,656	3,965	13,274	17,239
Bookkeeping/Accounting Services	3.5%	3.5%		4,093	13,704	17,797	4,237	14,183	18,420
Bad Debts	3.5%	3.5%		565	1,893	2,459	585	1,959	2,545
Miscellaneous	3.5%	3.5%		3,043	10,187	13,229	3,149	10,543	13,692
Sub-total Administration Expenses				21,838	73,111	94,949	22,603	75,670	98,272
Utilities									
Electricity	3.5%	3.5%		25,358	84,893	110,251	26,245	87,864	114,109
Water	3.5%	3.5%		14,159	47,403	61,562	14,655	49,062	63,717
Gas	3.5%	3.5%		-	-	-	-	-	-
Sewer	3.5%	3.5%		33,038	110,606	143,645	34,195	114,478	148,672
Sub-total Utilities				72,555	242,902	315,458	75,095	251,404	326,499
Taxes and Licenses									
Real Estate Taxes	3.5%	3.5%		2,827	9,465	12,293	2,926	9,797	12,723
Payroll Taxes	3.5%	3.5%		8,732	29,232	37,963	9,037	30,255	39,292
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		1,920	6,428	8,348	1,987	6,653	8,640
Sub-total Taxes and Licenses				13,479	45,125	58,604	13,951	46,704	60,655
Insurance									
Property and Liability Insurance	3.5%	3.5%		60,022	200,944	260,966	62,123	207,977	270,100
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		4,314	14,444	18,758	4,465	14,950	19,415
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-
Sub-total Insurance				64,337	215,388	279,724	66,588	222,926	289,515
Maintenance & Repair									
Payroll	3.5%	3.5%		24,180	80,952	105,132	25,027	83,785	108,812
Supplies	3.5%	3.5%		5,273	17,654	22,927	5,458	18,272	23,729
Contracts	3.5%	3.5%		46,610	156,042	202,653	48,241	161,504	209,745
Garbage and Trash Removal	3.5%	3.5%		11,921	39,910	51,832	12,339	41,307	53,646
Security Payroll/Contract	3.5%	3.5%		194,699	48,675	243,374	201,514	50,378	251,892
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		-	-	-	-	-	-
Sub-total Maintenance & Repair Expenses				282,684	343,233	625,917	292,578	355,246	647,824
Supportive Services	3.5%	3.5%		-	142,489	142,489	-	147,476	147,476
Commercial Expenses						-			-
TOTAL OPERATING EXPENSES				560,042	1,414,269	1,974,312	579,644	1,463,769	2,043,413
PUPA (w/o Reserves/GL Base Rent/Bond Fees)									
Reserves/Ground Lease Base Rent/Bond Fees									
Ground Lease Base Rent				3,450	11,550	15,000	3,450	11,550	15,000
Bond Monitoring Fee				2,408	8,061	10,469	2,408	8,061	10,469
Replacement Reserve Deposit				14,605	48,895	63,500	14,605	48,895	63,500
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				20,463	68,506	88,969	20,463	68,506	88,969

Total # Units:		LOSP Units	Non-LOSP Units							
		127	29	98						
		23.00%	77.00%							
		% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME										
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)					580,505	1,482,775	2,063,281	600,107	1,532,275	2,132,382
PUPA (w/ Reserves/GL Base Rent/Bond Fees)										
NET OPERATING INCOME (INCOME minus OP EXPENSES)					8,735	588,125	640,444	9,077	590,398	643,059
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)										
Hard Debt - First Lender				Enter comments re: annual increase, etc.	-	482,222	482,222	-	482,222	482,222
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)				Enter comments re: annual increase, etc.	8,984	30,076	39,060	8,984	30,076	39,060
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)				Enter comments re: annual increase, etc.	-	-	-	-	-	-
Hard Debt - Fourth Lender				Enter comments re: annual increase, etc.	-	-	-	-	-	-
Commercial Hard Debt Service										
TOTAL HARD DEBT SERVICE					8,984	512,298	521,282	8,984	512,298	521,282
CASH FLOW (NOI minus DEBT SERVICE)					(249)	75,827	119,162	93	78,100	121,777
Commercial Only Cash Flow							43,584			43,584
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)					10,024	33,560		10,024	33,560	
AVAILABLE CASH FLOW					9,775	109,387	119,162	10,117	111,660	121,777
USES OF CASH FLOW BELOW (This row also shows DSCR.)					DSCR:			1.23		
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL										
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)		3.5%	3.5%	per MOHCD policy	-	-		-	-	
Partnership Management Fee (see policy for limits)		3.5%	3.5%	per MOHCD policy	8,319	27,852	36,171	8,610	28,826	37,437
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)				per MOHCD policy no annual increase	1,456	4,875	6,331	1,507	5,045	6,552
Other Payments					-	-		-	-	
Non-amortizing Loan Pmnt - Lender 1				Enter comments re: annual increase, etc.	-	-		-	-	
Non-amortizing Loan Pmnt - Lender 2				Enter comments re: annual increase, etc.	-	-		-	-	
Deferred Developer Fee (Enter amt <= Max Fee from row 131)					-	36,319	36,319	-	37,873	37,873
TOTAL PAYMENTS PRECEDING MOHCD					9,775	69,045	78,821	10,117	71,745	81,862
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)					0	40,341	40,341	0	39,915	39,915
Does Project have a MOHCD Residual Receipt Obligation?		Yes		Year 15 is year indicated below:						
Will Project Defer Developer Fee?		Yes		2035						
1st Residual Receipts Split - Lender/Deferred Developer Fee		50% / 50%		2nd Residual Receipts Split Begins:						
2nd Residual Receipts Split - Lender/Owner		67% / 33%		2036						
Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):					38,330			38,894		
Active Deferred Developer Fee Earned					200,032			237,905		
MOHCD RESIDUAL RECEIPTS DEBT SERVICE										
MOHCD Residual Receipts Amount Due				81.85%						
Proposed MOHCD Residual Receipts Amount to Loan Repayment					33,018			32,669		
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease					33,018			32,669		
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE										
HCD Residual Receipts Amount Due				18.15%	7,323			7,246		
Lender 4 Residual Receipts Due					-			-		
Lender 5 Residual Receipts Due					-			-		
Total Non-MOHCD Residual Receipts Debt Service					7,323			7,246		
REMAINDER (Should be zero unless there are distributions below)					0			0		
Owner Distributions/Incentive Management Fee					-			-		
Other Distributions/Uses					-			-		
Final Balance (should be zero)					-			-		
REPLACEMENT RESERVE - RUNNING BALANCE										
Replacement Reserve Starting Balance					381,000			444,500		
Replacement Reserve Deposits					63,500			63,500		
Replacement Reserve Withdrawals (ideally tied to CNA)					-			-		
Replacement Reserve Interest					-			-		
RR Running Balance					444,500			508,000		
					\$3,500			\$4,000		
OPERATING RESERVE - RUNNING BALANCE										
Operating Reserve Starting Balance					-			-		
Operating Reserve Deposits					-			-		
Operating Reserve Withdrawals					-			-		
Operating Reserve Interest					-			-		
OR Running Balance					-			-		
OR Balance as a % of Prior Yr Op Exps + Debt Service					0.0%			0.0%		
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE										
Other Reserve 1 Starting Balance					-			-		
Other Reserve 1 Deposits					-			-		
Other Reserve 1 Withdrawals					-			-		
Other Reserve 1 Interest					-			-		
Other Required Reserve 1 Running Balance					-			-		
OTHER RESERVE 2 - RUNNING BALANCE										
Other Reserve 2 Starting Balance					-			-		
Other Reserve 2 Deposits					-			-		
Other Reserve 2 Withdrawals					-			-		
Other Reserve 2 Interest					-			-		
Other Required Reserve 2 Running Balance					-			-		

2060 Folsom

Total # Units:
 127 29 98
 23.00% 77.00%

				Year 9 2029			Year 10 2030		
	% annual inc LOSP	% annual increase	Comments	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME			(related to annual inc assumptions)						
Residential - Tenant Rents	1.0%	2.5%		19,582	2,288,336	2,307,918	19,778	2,345,544	2,365,323
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a		-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a		610,678		610,678	631,843		631,843
Commercial Space	n/a	0.0%			43,584			43,584	
Residential Parking	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		350	1,173	1,523	359	1,202	1,562
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		193	647	841	198	664	862
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-
Other Commercial Income	n/a	3.5%				-			-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-		-	-	
Gross Potential Income				630,805	2,290,157	2,964,545	652,178	2,347,410	3,043,173
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(979)	(114,417)	(115,396)	(989)	(117,277)	(118,266)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a		-	-	-	-	-	-
EFFECTIVE GROSS INCOME				629,825	2,175,740	2,849,149	651,190	2,230,133	2,924,907
OPERATING EXPENSES									
Management									
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	31,052	103,957	135,008	32,139	107,595	139,734
Asset Management Fee	3.5%	3.5%	per MOHCD policy	4,351	14,565	18,916	4,503	15,075	19,578
Sub-total Management Expenses				35,403	118,522	153,924	36,642	122,670	159,312
Salaries/Benefits									
Office Salaries	3.5%	3.5%		19,528	65,376	84,904	20,211	67,664	87,876
Manager's Salary	3.5%	3.5%		20,082	67,229	87,311	20,784	69,583	90,367
Health Insurance and Other Benefits	3.5%	3.5%		31,790	106,426	138,216	32,902	110,151	143,054
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		5,837	19,541	25,378	6,041	20,225	26,266
Sub-total Salaries/Benefits				77,236	258,573	335,809	79,939	267,623	347,562
Administration									
Advertising and Marketing	3.5%	3.5%		85	284	369	88	294	382
Office Expenses	3.5%	3.5%		10,470	35,053	45,523	10,837	36,280	47,117
Office Rent	3.5%	3.5%		-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		485	1,622	2,107	502	1,679	2,181
Audit Expense	3.5%	3.5%		4,104	13,739	17,843	4,247	14,220	18,467
Bookkeeping/Accounting Services	3.5%	3.5%		4,385	14,680	19,065	4,538	15,194	19,732
Bad Debts	3.5%	3.5%		606	2,028	2,634	627	2,099	2,726
Miscellaneous	3.5%	3.5%		3,259	10,912	14,171	3,374	11,294	14,668
Sub-total Administration Expenses				23,394	78,318	101,712	24,212	81,059	105,272
Utilities									
Electricity	3.5%	3.5%		27,164	90,940	118,103	28,114	94,122	122,237
Water	3.5%	3.5%		15,168	50,779	65,947	15,699	52,557	68,255
Gas	3.5%	3.5%		-	-	-	-	-	-
Sewer	3.5%	3.5%		35,391	118,484	153,876	36,630	122,631	159,261
Sub-total Utilities				77,723	260,203	337,926	80,443	269,310	349,754
Taxes and Licenses									
Real Estate Taxes	3.5%	3.5%		3,029	10,139	13,168	3,135	10,494	13,629
Payroll Taxes	3.5%	3.5%		9,353	31,314	40,667	9,681	32,410	42,090
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		2,057	6,886	8,942	2,129	7,127	9,255
Sub-total Taxes and Licenses				14,439	48,339	62,778	14,944	50,031	64,975
Insurance									
Property and Liability Insurance	3.5%	3.5%		64,297	215,256	279,553	66,548	222,790	289,338
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		4,622	15,473	20,095	4,783	16,014	20,798
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-
Sub-total Insurance				68,919	230,729	299,648	71,331	238,804	310,135
Maintenance & Repair									
Payroll	3.5%	3.5%		25,903	86,717	112,620	26,809	89,753	116,562
Supplies	3.5%	3.5%		5,649	18,911	24,560	5,846	19,573	25,419
Contracts	3.5%	3.5%		49,930	167,157	217,087	51,677	173,007	224,685
Garbage and Trash Removal	3.5%	3.5%		12,770	42,753	55,523	13,217	44,249	57,467
Security Payroll/Contract	3.5%	3.5%		208,567	52,142	260,708	215,867	53,967	269,833
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		-	-	-	-	-	-
Sub-total Maintenance & Repair Expenses				302,818	367,680	670,498	313,417	380,549	693,966
Supportive Services	3.5%	3.5%		-	152,638	152,638	-	157,980	157,980
Commercial Expenses						-			-
TOTAL OPERATING EXPENSES				599,932	1,515,001	2,114,932	620,929	1,568,026	2,188,955
PUPA (w/o Reserves/GL Base Rent/Bond Fees)									
Reserves/Ground Lease Base Rent/Bond Fees									
Ground Lease Base Rent				3,450	11,550	15,000	3,450	11,550	15,000
Bond Monitoring Fee				2,408	8,061	10,469	2,408	8,061	10,469
Replacement Reserve Deposit				14,605	48,895	63,500	14,605	48,895	63,500
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				20,463	68,506	88,969	20,463	68,506	88,969

Total # Units:		LOSP Units	Non-LOSP Units							
		127	29	98						
		23.00%	77.00%							
		% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME					Year 9 2029			Year 10 2030		
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)					620,394	1,583,507	2,203,901	641,392	1,636,532	2,277,924
PUPA (w/ Reserves/GL Base Rent/Bond Fees)										
NET OPERATING INCOME (INCOME minus OP EXPENSES)					9,431	592,233	645,248	9,798	593,601	646,983
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)										
Hard Debt - First Lender					-	482,222	482,222	-	482,222	482,222
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)					8,984	30,076	39,060	8,984	30,076	39,060
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)					-	-	-	-	-	-
Hard Debt - Fourth Lender					-	-	-	-	-	-
Commercial Hard Debt Service					-	-	-	-	-	-
TOTAL HARD DEBT SERVICE					8,984	512,298	521,282	8,984	512,298	521,282
CASH FLOW (NOI minus DEBT SERVICE)					447	79,935	123,966	814	81,303	125,701
Commercial Only Cash Flow										
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)					10,024	33,560		10,024	33,560	
AVAILABLE CASH FLOW					10,472	113,494	123,966	10,838	114,863	125,701
USES OF CASH FLOW BELOW (This row also shows DSCR.)					DSCR:			1.24		
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL										
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-	
Partnership Management Fee (see policy for limits)	3.5%	3.5%	per MOHCD policy	8,912	29,835	38,747	9,224	30,880	40,103	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	1,560	5,222	6,782	1,614	5,405	7,019	
Other Payments				-	-	-	-	-	-	
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-	-	-	-	-	-	
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-	-	-	-	-	-	
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	39,222	39,222	-	40,354	40,354	
TOTAL PAYMENTS PRECEDING MOHCD					10,472	74,279	84,751	10,838	76,638	87,476
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)					(0)	39,215	39,215	(0)	38,225	38,225
Does Project have a MOHCD Residual Receipt Obligation?					Yes	Year 15 is year indicated below:				
Will Project Defer Developer Fee?					Yes	2035				
1st Residual Receipts Split - Lender/Deferred Developer Fee					50% / 50%	2nd Residual Receipts Split Begins:				
2nd Residual Receipts Split - Lender/Owner					67% / 33%	2036				
Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):					39,219					
Dist. Soft Debt Loans					ative Deferred Developer Fee Earned					
MOHCD Residual Receipts Amount Due					32,097					
Proposed MOHCD Residual Receipts Amount to Loan Repayment					32,097					
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease					-					
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE										
HCD Residual Receipts Amount Due					7,119					
Lender 4 Residual Receipts Due					-					
Lender 5 Residual Receipts Due					-					
Total Non-MOHCD Residual Receipts Debt Service					7,119					
REMAINDER (Should be zero unless there are distributions below)					0					
Owner Distributions/Incentive Management Fee					-					
Other Distributions/Uses					-					
Final Balance (should be zero)					-					
REPLACEMENT RESERVE - RUNNING BALANCE										
Replacement Reserve Starting Balance					508,000					
Replacement Reserve Deposits					63,500					
Replacement Reserve Withdrawals (ideally tied to CNA)					-					
Replacement Reserve Interest										
RR Running Balance					571,500					
OPERATING RESERVE - RUNNING BALANCE										
Operating Reserve Starting Balance					-					
Operating Reserve Deposits					-					
Operating Reserve Withdrawals										
Operating Reserve Interest										
OR Running Balance					-					
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE					OR Balance as a % of Prior Yr Op Exps + Debt Service					
Other Reserve 1 Starting Balance					0.0%					
Other Reserve 1 Deposits					-					
Other Reserve 1 Withdrawals					-					
Other Reserve 1 Interest										
Other Required Reserve 1 Running Balance					-					
OTHER RESERVE 2 - RUNNING BALANCE										
Other Reserve 2 Starting Balance					-					
Other Reserve 2 Deposits					-					
Other Reserve 2 Withdrawals										
Other Reserve 2 Interest										
Other Required Reserve 2 Running Balance					-					

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Total # Units:
 127 29 98
 23.00% 77.00%

	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 11 2031			Year 12 2032		
				LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME									
Residential - Tenant Rents	1.0%	2.5%		19,976	2,404,183	2,424,159	20,176	2,464,288	2,484,463
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a		-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a		653,753		653,753	676,435		676,435
Commercial Space	n/a	0.0%			43,584				43,584
Residential Parking	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		368	1,232	1,601	377	1,263	1,641
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		203	680	883	208	697	905
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-
Other Commercial Income	n/a	3.5%				-			-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-	-	-	-	-
Gross Potential Income				674,300	2,406,096	3,123,980	697,196	2,466,248	3,207,028
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(999)	(120,209)	(121,208)	(1,009)	(123,214)	(124,223)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a		-	-	-	-	-	-
EFFECTIVE GROSS INCOME				673,301	2,285,887	3,002,772	696,187	2,343,034	3,082,805
OPERATING EXPENSES									
Management									
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	33,264	111,361	144,624	34,428	115,258	149,686
Asset Management Fee	3.5%	3.5%	per MOHCD policy	4,661	15,603	20,263	4,824	16,149	20,972
Sub-total Management Expenses				37,924	126,964	164,888	39,252	131,407	170,659
Salaries/Benefits									
Office Salaries	3.5%	3.5%		20,919	70,032	90,951	21,651	72,484	94,134
Manager's Salary	3.5%	3.5%		21,512	72,018	93,530	22,265	74,539	96,803
Health Insurance and Other Benefits	3.5%	3.5%		34,054	114,007	148,061	35,246	117,997	153,243
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		6,253	20,932	27,185	6,471	21,665	28,137
Sub-total Salaries/Benefits				82,737	276,990	359,727	85,633	286,684	372,317
Administration									
Advertising and Marketing	3.5%	3.5%		91	304	395	94	315	409
Office Expenses	3.5%	3.5%		11,216	37,550	48,766	11,609	38,864	50,473
Office Rent	3.5%	3.5%		-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		519	1,738	2,257	537	1,799	2,336
Audit Expense	3.5%	3.5%		4,396	14,717	19,114	4,550	15,233	19,783
Bookkeeping/Accounting Services	3.5%	3.5%		4,697	15,725	20,423	4,862	16,276	21,137
Bad Debts	3.5%	3.5%		649	2,172	2,821	672	2,248	2,920
Miscellaneous	3.5%	3.5%		3,492	11,689	15,181	3,614	12,098	15,712
Sub-total Administration Expenses				25,060	83,896	108,956	25,937	86,833	112,770
Utilities									
Electricity	3.5%	3.5%		29,098	97,417	126,515	30,117	100,826	130,943
Water	3.5%	3.5%		16,248	54,396	70,644	16,817	56,300	73,117
Gas	3.5%	3.5%		-	-	-	-	-	-
Sewer	3.5%	3.5%		37,912	126,923	164,836	39,239	131,366	170,605
Sub-total Utilities				83,259	278,736	361,995	86,173	288,492	374,665
Taxes and Licenses									
Real Estate Taxes	3.5%	3.5%		3,244	10,862	14,106	3,358	11,242	14,600
Payroll Taxes	3.5%	3.5%		10,020	33,544	43,564	10,370	34,718	45,088
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		2,203	7,376	9,579	2,280	7,634	9,915
Sub-total Taxes and Licenses				15,467	51,782	67,249	16,009	53,594	69,603
Insurance									
Property and Liability Insurance	3.5%	3.5%		68,877	230,588	299,464	71,288	238,658	309,946
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		4,951	16,575	21,526	5,124	17,155	22,279
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-
Sub-total Insurance				73,828	247,162	320,990	76,412	255,813	332,225
Maintenance & Repair									
Payroll	3.5%	3.5%		27,748	92,894	120,641	28,719	96,145	124,864
Supplies	3.5%	3.5%		6,051	20,258	26,309	6,263	20,967	27,230
Contracts	3.5%	3.5%		53,486	179,062	232,548	55,358	185,330	240,688
Garbage and Trash Removal	3.5%	3.5%		13,680	45,798	59,478	14,159	47,401	61,560
Security Payroll/Contract	3.5%	3.5%		223,422	55,855	279,277	231,242	57,810	289,052
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		-	-	-	-	-	-
Sub-total Maintenance & Repair Expenses				324,387	393,868	718,254	335,740	407,653	743,393
Supportive Services	3.5%	3.5%		-	163,510	163,510	-	169,232	169,232
Commercial Expenses						-			-
TOTAL OPERATING EXPENSES				642,662	1,622,907	2,265,568	665,155	1,679,708	2,344,863
PUPA (w/o Reserves/GL Base Rent/Bond Fees)									
Reserves/Ground Lease Base Rent/Bond Fees									
Ground Lease Base Rent				3,450	11,550	15,000	3,450	11,550	15,000
Bond Monitoring Fee				2,408	8,061	10,469	2,408	8,061	10,469
Replacement Reserve Deposit				14,605	48,895	63,500	14,605	48,895	63,500
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				20,463	68,506	88,969	20,463	68,506	88,969

Total # Units:				LOSP	Non-LOSP							
127				Units	Units							
23.00%				29	98							
77.00%												
				% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME												
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)												
PUPA (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						Enter comments re: annual increase, etc.	-	482,222	482,222	-	482,222	482,222
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)						Enter comments re: annual increase, etc.	8,984	30,076	39,060	8,984	30,076	39,060
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)						Enter comments re: annual increase, etc.	-	-	-	-	-	-
Hard Debt - Fourth Lender						Enter comments re: annual increase, etc.	-	-	-	-	-	-
Commercial Hard Debt Service							-	-	-	-	-	-
TOTAL HARD DEBT SERVICE							8,984	512,298	521,282	8,984	512,298	521,282
CASH FLOW (NOI minus DEBT SERVICE)							1,193	82,176	126,953	1,586	82,521	127,691
Commercial Only Cash Flow									43,584			43,584
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)							10,024	33,560		10,024	33,560	
AVAILABLE CASH FLOW							11,217	115,735	126,953	11,610	116,081	127,691
USES OF CASH FLOW BELOW (This row also shows DSCR.)						DSCR:			1.24			1.24
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL												
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)				3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)				3.5%	3.5%	per MOHCD policy	9,547	31,960	41,507	9,881	33,079	42,960
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)						per MOHCD policy no annual increase	1,671	5,594	7,265	1,729	5,790	7,519
Other Payments							-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 1						Enter comments re: annual increase, etc.	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2						Enter comments re: annual increase, etc.	-	-	-	-	-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)							-	41,254	41,254	-	41,906	41,906
TOTAL PAYMENTS PRECEDING MOHCD							11,217	78,808	90,025	11,610	80,774	92,384
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)							0	36,927	36,927	0	35,306	35,306
Does Project have a MOHCD Residual Receipt Obligation?						Yes	Year 15 is year indicated below:					
Will Project Defer Developer Fee?						Yes	2035					
1st Residual Receipts Split - Lender/Deferred Developer Fee						50% / 50%	2nd Residual Receipts Split Begins:					
2nd Residual Receipts Split - Lender/Owner						67% / 33%	2036					
Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):						39,091						
Dist. Soft Debt Loans						Active Deferred Developer Fee Earned						
MOHCD RESIDUAL RECEIPTS DEBT SERVICE						358,735						
MOHCD Residual Receipts Amount Due						400,641						
Proposed MOHCD Residual Receipts Amount to Loan Repayment						30,224						
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease						28,897						
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE						30,224						
HCD Residual Receipts Amount Due						-						
Lender 4 Residual Receipts Due						6,703						
Lender 5 Residual Receipts Due						-						
Total Non-MOHCD Residual Receipts Debt Service						-						
						6,703						
						6,409						
REMAINDER (Should be zero unless there are distributions below)						0						
Owner Distributions/Incentive Management Fee						-						
Other Distributions/Uses						-						
Final Balance (should be zero)						-						
REPLACEMENT RESERVE - RUNNING BALANCE						RR Running Balance						
Replacement Reserve Starting Balance						635,000						
Replacement Reserve Deposits						63,500						
Replacement Reserve Withdrawals (ideally tied to CNA)						-						
Replacement Reserve Interest						-						
RR Running Balance						698,500						
						RR Balance/Unit						
						\$5,500						
OPERATING RESERVE - RUNNING BALANCE						OR Balance as a % of Prior Yr Op Exps + Debt Service						
Operating Reserve Starting Balance						0.0%						
Operating Reserve Deposits						-						
Operating Reserve Withdrawals						-						
Operating Reserve Interest						-						
OR Running Balance						-						
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE						-						
Other Reserve 1 Starting Balance						-						
Other Reserve 1 Deposits						-						
Other Reserve 1 Withdrawals						-						
Other Reserve 1 Interest						-						
Other Required Reserve 1 Running Balance						-						
OTHER RESERVE 2 - RUNNING BALANCE						-						
Other Reserve 2 Starting Balance						-						
Other Reserve 2 Deposits						-						
Other Reserve 2 Withdrawals						-						
Other Reserve 2 Interest						-						
Other Required Reserve 2 Running Balance						-						

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Total # Units:
 127 29 98
 23.00% 77.00%

	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 13 2033			Year 14 2034		
				LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME									
Residential - Tenant Rents	1.0%	2.5%		20,378	2,525,895	2,546,272	20,581	2,589,042	2,609,624
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a		-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a		699,915		699,915	724,222		724,222
Commercial Space	n/a	0.0%			43,584				43,584
Residential Parking	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		387	1,295	1,682	396	1,327	1,724
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		213	715	928	219	732	951
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-
Other Commercial Income	n/a	3.5%							
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-		-	-	
Gross Potential Income				720,893	2,527,904	3,292,381	745,419	2,591,102	3,380,105
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(1,019)	(126,295)	(127,314)	(1,029)	(129,452)	(130,481)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a		-	-	-	-	-	-
EFFECTIVE GROSS INCOME				719,874	2,401,610	3,165,067	744,390	2,461,650	3,249,623
OPERATING EXPENSES									
Management									
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	35,633	119,293	154,925	36,880	123,468	160,348
Asset Management Fee	3.5%	3.5%	per MOHCD policy	4,992	16,714	21,707	5,167	17,299	22,466
Sub-total Management Expenses				40,625	136,007	176,632	42,047	140,767	182,814
Salaries/Benefits									
Office Salaries	3.5%	3.5%		22,409	75,020	97,429	23,193	77,646	100,839
Manager's Salary	3.5%	3.5%		23,044	77,147	100,191	23,851	79,848	103,698
Health Insurance and Other Benefits	3.5%	3.5%		36,479	122,127	158,606	37,756	126,401	164,158
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		6,698	22,423	29,121	6,932	23,208	30,141
Sub-total Salaries/Benefits				88,630	296,718	385,348	91,732	307,103	398,835
Administration									
Advertising and Marketing	3.5%	3.5%		97	326	423	101	337	438
Office Expenses	3.5%	3.5%		12,015	40,224	52,239	12,436	41,632	54,068
Office Rent	3.5%	3.5%		-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		556	1,862	2,418	576	1,927	2,502
Audit Expense	3.5%	3.5%		4,709	15,766	20,475	4,874	16,318	21,192
Bookkeeping/Accounting Services	3.5%	3.5%		5,032	16,845	21,877	5,208	17,435	22,643
Bad Debts	3.5%	3.5%		695	2,327	3,022	719	2,408	3,128
Miscellaneous	3.5%	3.5%		3,740	12,522	16,262	3,871	12,960	16,831
Sub-total Administration Expenses				26,845	89,872	116,716	27,784	93,017	120,802
Utilities									
Electricity	3.5%	3.5%		31,171	104,355	135,526	32,262	108,008	140,270
Water	3.5%	3.5%		17,405	58,270	75,676	18,015	60,310	78,324
Gas	3.5%	3.5%		-	-	-	-	-	-
Sewer	3.5%	3.5%		40,612	135,963	176,576	42,034	140,722	182,756
Sub-total Utilities				89,189	298,589	387,778	92,311	309,040	401,350
Taxes and Licenses									
Real Estate Taxes	3.5%	3.5%		3,475	11,635	15,111	3,597	12,042	15,640
Payroll Taxes	3.5%	3.5%		10,733	35,933	46,666	11,109	37,191	48,300
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		2,360	7,901	10,262	2,443	8,178	10,621
Sub-total Taxes and Licenses				16,569	55,470	72,039	17,149	57,411	74,560
Insurance									
Property and Liability Insurance	3.5%	3.5%		73,783	247,011	320,794	76,365	255,657	332,022
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		5,304	17,755	23,059	5,489	18,377	23,866
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-
Sub-total Insurance				79,086	264,767	343,853	81,854	274,033	355,888
Maintenance & Repair									
Payroll	3.5%	3.5%		29,724	99,510	129,234	30,764	102,993	133,757
Supplies	3.5%	3.5%		6,482	21,701	28,183	6,709	22,460	29,169
Contracts	3.5%	3.5%		57,296	191,816	249,112	59,301	198,530	257,831
Garbage and Trash Removal	3.5%	3.5%		14,654	49,060	63,714	15,167	50,777	65,944
Security Payroll/Contract	3.5%	3.5%		239,335	59,834	299,169	247,712	61,928	309,640
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		-	-	-	-	-	-
Sub-total Maintenance & Repair Expenses				347,491	421,921	769,412	359,653	436,688	796,341
Supportive Services	3.5%	3.5%		-	175,156	175,156	-	181,286	181,286
Commercial Expenses						-			-
TOTAL OPERATING EXPENSES				688,435	1,738,498	2,426,933	712,530	1,799,346	2,511,876
PUPA (w/o Reserves/GL Base Rent/Bond Fees)									
Reserves/Ground Lease Base Rent/Bond Fees									
Ground Lease Base Rent				3,450	11,550	15,000	3,450	11,550	15,000
Bond Monitoring Fee				2,408	8,061	10,469	2,408	8,061	10,469
Replacement Reserve Deposit				14,605	48,895	63,500	14,605	48,895	63,500
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				20,463	68,506	88,969	20,463	68,506	88,969

		LOSP Units	Non-LOSP Units	Year 13 2033			Year 14 2034				
Total # Units:		127	29	98							
		23.00%	77.00%								
		% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	
INCOME											
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)					708,898	1,807,004	2,515,902	732,993	1,867,852	2,600,845	
PUPA (w/ Reserves/GL Base Rent/Bond Fees)											
NET OPERATING INCOME (INCOME minus OP EXPENSES)					10,976	594,605	649,165	11,396	593,798	648,779	
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)											
Hard Debt - First Lender					Enter comments re: annual increase, etc.	-	482,222	482,222	-	482,222	482,222
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)					Enter comments re: annual increase, etc.	8,984	30,076	39,060	8,984	30,076	39,060
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)					Enter comments re: annual increase, etc.	-	-	-	-	-	-
Hard Debt - Fourth Lender					Enter comments re: annual increase, etc.	-	-	-	-	-	-
Commercial Hard Debt Service						-	-	-	-	-	-
TOTAL HARD DEBT SERVICE					8,984	512,298	521,282	8,984	512,298	521,282	
CASH FLOW (NOI minus DEBT SERVICE)					1,992	82,307	127,883	2,413	81,500	127,497	
Commercial Only Cash Flow											
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)					10,024	33,560	43,584	10,024	33,560	43,584	
AVAILABLE CASH FLOW					12,016	115,867	127,883	12,437	115,060	127,497	
USES OF CASH FLOW BELOW (This row also shows DSCR.)					DSCR:			1.25			
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL								1.24			
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-		
Partnership Management Fee (see policy for limits)	3.5%	3.5%	per MOHCD policy	10,227	34,237	44,463	10,584	35,435	46,019		
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	1,790	5,992	7,782	1,853	6,202	8,054		
Other Payments				-	-	-	-	-	-		
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-	-	-	-	-	-		
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-	-	-	-	-	-		
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	42,296	42,296	-	42,407	42,407		
TOTAL PAYMENTS PRECEDING MOHCD					12,016	82,525	94,541	12,437	84,044	96,481	
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)					0	33,342	33,342	0	31,016	31,016	
Does Project have a MOHCD Residual Receipt Obligation?					Yes	Year 15 is year indicated below:					
Will Project Defer Developer Fee?					Yes	2035					
1st Residual Receipts Split - Lender/Deferred Developer Fee					50% / 50%	2nd Residual Receipts Split Begins:			Def Dev Fee Exceeds Annual Limit!		
2nd Residual Receipts Split - Lender/Owner					67% / 33%	2036			Def Dev Fee Exceeds Annual Limit!		
Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):					37,819			36,711			
Dist. Soft Debt Loans					Active Deferred Developer Fee Earned			442,937			
MOHCD RESIDUAL RECEIPTS DEBT SERVICE											
MOHCD Residual Receipts Amount Due					81.85%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy			27,289		
Proposed MOHCD Residual Receipts Amount to Loan Repayment									27,289		
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease									-		
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE											
HCD Residual Receipts Amount Due					18.15%	loans, and HCD residual receipt policy.			6,053		
Lender 4 Residual Receipts Due					0.00%				-		
Lender 5 Residual Receipts Due					0.00%				-		
Total Non-MOHCD Residual Receipts Debt Service					6,053			5,630			
REMAINDER (Should be zero unless there are distributions below)					0			0			
Owner Distributions/Incentive Management Fee					-			-			
Other Distributions/Uses					-			-			
Final Balance (should be zero)					-			-			
REPLACEMENT RESERVE - RUNNING BALANCE											
Replacement Reserve Starting Balance					762,000			825,500			
Replacement Reserve Deposits					63,500			63,500			
Replacement Reserve Withdrawals (ideally tied to CNA)					-			-			
Replacement Reserve Interest					-			-			
RR Running Balance					825,500			889,000			
					\$6,500			\$7,000			
OPERATING RESERVE - RUNNING BALANCE											
Operating Reserve Starting Balance					-			-			
Operating Reserve Deposits					-			-			
Operating Reserve Withdrawals					-			-			
Operating Reserve Interest					-			-			
OR Running Balance					-			-			
					OR Balance as a % of Prior Yr Op Exps + Debt Service			0.0%			
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE											
Other Reserve 1 Starting Balance					-			-			
Other Reserve 1 Deposits					-			-			
Other Reserve 1 Withdrawals					-			-			
Other Reserve 1 Interest					-			-			
Other Required Reserve 1 Running Balance					-			-			
OTHER RESERVE 2 - RUNNING BALANCE											
Other Reserve 2 Starting Balance					-			-			
Other Reserve 2 Deposits					-			-			
Other Reserve 2 Withdrawals					-			-			
Other Reserve 2 Interest					-			-			
Other Required Reserve 2 Running Balance					-			-			

2060 Folsom

Total # Units:
 127 29 98
 23.00% 77.00%

	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 15 2035			Year 16 2036		
				LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME									
Residential - Tenant Rents	1.0%	2.5%		20,787	2,653,768	2,674,555	20,995	2,720,113	2,741,107
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a		-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a		749,385		749,385	762,111		762,111
Commercial Space	n/a	0.0%			43,584				43,584
Residential Parking	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		406	1,360	1,767	417	1,394	1,811
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		224	751	975	230	769	999
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-
Other Commercial Income	n/a	3.5%				-			-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-		-	-	
Gross Potential Income				770,803	2,655,879	3,470,266	783,752	2,722,276	3,549,613
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(1,039)	(132,688)	(133,728)	(1,050)	(136,006)	(137,055)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a		-	-	-	-	-	-
EFFECTIVE GROSS INCOME				769,764	2,523,191	3,336,539	782,703	2,586,271	3,412,557
OPERATING EXPENSES									
Management									
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	38,171	127,789	165,960	39,507	132,262	171,768
Asset Management Fee	3.5%	3.5%	per MOHCD policy	5,348	17,904	23,253	5,535	18,531	24,066
Sub-total Management Expenses				43,519	145,694	189,212	45,042	150,793	195,835
Salaries/Benefits									
Office Salaries	3.5%	3.5%		24,005	80,364	104,369	24,845	83,177	108,021
Manager's Salary	3.5%	3.5%		24,685	82,642	107,328	25,549	85,535	111,084
Health Insurance and Other Benefits	3.5%	3.5%		39,078	130,825	169,903	40,445	135,404	175,850
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		7,175	24,021	31,195	7,426	24,861	32,287
Sub-total Salaries/Benefits				94,943	317,852	412,795	98,266	328,977	427,242
Administration									
Advertising and Marketing	3.5%	3.5%		104	349	453	108	361	469
Office Expenses	3.5%	3.5%		12,871	43,089	55,960	13,321	44,597	57,918
Office Rent	3.5%	3.5%		-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		596	1,994	2,590	617	2,064	2,681
Audit Expense	3.5%	3.5%		5,045	16,889	21,933	5,221	17,480	22,701
Bookkeeping/Accounting Services	3.5%	3.5%		5,390	18,045	23,435	5,579	18,677	24,256
Bad Debts	3.5%	3.5%		745	2,493	3,237	771	2,580	3,351
Miscellaneous	3.5%	3.5%		4,007	13,414	17,420	4,147	13,883	18,030
Sub-total Administration Expenses				28,757	96,273	125,030	29,763	99,642	129,406
Utilities									
Electricity	3.5%	3.5%		33,391	111,788	145,179	34,560	115,700	150,260
Water	3.5%	3.5%		18,645	62,421	81,066	19,298	64,605	83,903
Gas	3.5%	3.5%		-	-	-	-	-	-
Sewer	3.5%	3.5%		43,505	145,647	189,153	45,028	150,745	195,773
Sub-total Utilities				95,541	319,856	415,397	98,885	331,051	429,936
Taxes and Licenses									
Real Estate Taxes	3.5%	3.5%		3,723	12,464	16,187	3,853	12,900	16,753
Payroll Taxes	3.5%	3.5%		11,498	38,492	49,990	11,900	39,840	51,740
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		2,528	8,464	10,993	2,617	8,761	11,377
Sub-total Taxes and Licenses				17,749	59,421	77,170	18,370	61,500	79,871
Insurance									
Property and Liability Insurance	3.5%	3.5%		79,038	264,605	343,642	81,804	273,866	355,670
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		5,681	19,020	24,701	5,880	19,686	25,566
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-
Sub-total Insurance				84,719	283,625	368,344	87,684	293,551	381,236
Maintenance & Repair									
Payroll	3.5%	3.5%		31,841	106,598	138,439	32,955	110,329	143,284
Supplies	3.5%	3.5%		6,944	23,247	30,190	7,187	24,060	31,247
Contracts	3.5%	3.5%		61,377	205,478	266,855	63,525	212,670	276,195
Garbage and Trash Removal	3.5%	3.5%		15,698	52,554	68,252	16,247	54,394	70,641
Security Payroll/Contract	3.5%	3.5%		256,382	64,095	320,477	265,355	66,339	331,694
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		-	-	-	-	-	-
Sub-total Maintenance & Repair Expenses				372,241	451,972	824,213	385,270	467,791	853,061
Supportive Services	3.5%	3.5%		-	187,631	187,631	-	194,198	194,198
Commercial Expenses						-			-
TOTAL OPERATING EXPENSES				737,469	1,862,323	2,599,792	763,280	1,927,504	2,690,784
PUPA (w/o Reserves/GL Base Rent/Bond Fees)									
Reserves/Ground Lease Base Rent/Bond Fees									
Ground Lease Base Rent				3,450	11,550	15,000	3,450	11,550	15,000
Bond Monitoring Fee				2,408	8,061	10,469	2,408	8,061	10,469
Replacement Reserve Deposit				14,605	48,895	63,500	14,605	48,895	63,500
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				20,463	68,506	88,969	20,463	68,506	88,969

		LOSP Units	Non-LOSP Units	Year 15 2035			Year 16 2036			
Total # Units:		127	29	98						
		23.00%	77.00%							
		% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME										
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)					757,932	1,930,829	2,688,760	783,743	1,996,010	2,779,753
PUPA (w/ Reserves/GL Base Rent/Bond Fees)										
NET OPERATING INCOME (INCOME minus OP EXPENSES)					11,832	592,362	647,778	(1,041)	590,261	632,804
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)										
Hard Debt - First Lender					Enter comments re: annual increase, etc.	-	482,222	482,222	-	482,222
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)					Enter comments re: annual increase, etc.	8,984	30,076	39,060	8,984	30,076
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)					Enter comments re: annual increase, etc.	-	-	-	-	-
Hard Debt - Fourth Lender					Enter comments re: annual increase, etc.	-	-	-	-	-
Commercial Hard Debt Service						-	-	-	-	-
TOTAL HARD DEBT SERVICE					8,984	512,298	521,282	8,984	512,298	521,282
CASH FLOW (NOI minus DEBT SERVICE)					2,848	80,064	126,496	(10,024)	77,963	111,522
Commercial Only Cash Flow							43,584			43,584
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)					10,024	33,560		10,024	33,560	
AVAILABLE CASH FLOW					12,872	113,624	126,496	(0)	111,522	111,522
USES OF CASH FLOW BELOW (This row also shows DSCR.)					DSCR:			1.24		
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL										
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)		3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)		3.5%	3.5%	per MOHCD policy	10,955	36,675	47,630	-	-	-
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)				per MOHCD policy no annual increase	1,917	6,419	8,336	-	-	-
Other Payments					-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 1				Enter comments re: annual increase, etc.	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2				Enter comments re: annual increase, etc.	-	-	-	-	-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)					-	42,222	42,222	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD					12,872	85,316	98,188	-	-	-
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)					(0)	28,308	28,308	(0)	111,522	111,522
Does Project have a MOHCD Residual Receipt Obligation?		Yes	Year 15 is year indicated below:							
Will Project Defer Developer Fee?		Yes	2035							
1st Residual Receipts Split - Lender/Deferred Developer Fee		50% / 50%	2nd Residual Receipts Split Begins:							
2nd Residual Receipts Split - Lender/Owner		67% / 33%	2036		Def Dev Fee Exceeds Annual Limit!					
Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):					35,265					
Dist. Soft Debt Loans					Active Deferred Developer Fee Earned					
					527,566					
MOHCD RESIDUAL RECEIPTS DEBT SERVICE										
MOHCD Residual Receipts Amount Due		81.85%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy		23,169					
Proposed MOHCD Residual Receipts Amount to Loan Repayment					23,169					
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease					-					
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE										
HCD Residual Receipts Amount Due		18.15%	loans, and HCD residual receipt policy.		5,139					
Lender 4 Residual Receipts Due		0.00%			-					
Lender 5 Residual Receipts Due		0.00%			-					
Total Non-MOHCD Residual Receipts Debt Service					5,139					
REMAINDER (Should be zero unless there are distributions below)					0					
Owner Distributions/Incentive Management Fee					-					
Other Distributions/Uses					-					
Final Balance (should be zero)					-					
REPLACEMENT RESERVE - RUNNING BALANCE										
Replacement Reserve Starting Balance					889,000					
Replacement Reserve Deposits					63,500					
Replacement Reserve Withdrawals (ideally tied to CNA)					-					
Replacement Reserve Interest					-					
RR Running Balance					952,500					
					RR Balance/Unit					
					\$7,500					
OPERATING RESERVE - RUNNING BALANCE										
Operating Reserve Starting Balance					-					
Operating Reserve Deposits					-					
Operating Reserve Withdrawals					-					
Operating Reserve Interest					-					
OR Running Balance					-					
					OR Balance as a % of Prior Yr Op Exps + Debt Service					
					0.0%					
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE										
Other Reserve 1 Starting Balance					-					
Other Reserve 1 Deposits					-					
Other Reserve 1 Withdrawals					-					
Other Reserve 1 Interest					-					
Other Required Reserve 1 Running Balance					-					
OTHER RESERVE 2 - RUNNING BALANCE										
Other Reserve 2 Starting Balance					-					
Other Reserve 2 Deposits					-					
Other Reserve 2 Withdrawals					-					
Other Reserve 2 Interest					-					
Other Required Reserve 2 Running Balance					-					

2060 Folsom

Total # Units:
 127 29 98
 23.00% 77.00%

	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 17 2037			Year 18 2038		
				LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME									
Residential - Tenant Rents	1.0%	2.5%		21,205	2,788,115	2,809,320	21,417	2,857,818	2,879,235
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a		-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a		788,610		788,610	816,042		816,042
Commercial Space	n/a	0.0%			43,584				43,584
Residential Parking	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		427	1,429	1,856	438	1,465	1,903
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		236	789	1,024	241	808	1,050
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-
Other Commercial Income	n/a	3.5%				-			-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-		-	-	
Gross Potential Income				810,478	2,790,333	3,644,395	838,138	2,860,092	3,741,814
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(1,060)	(139,406)	(140,466)	(1,071)	(142,891)	(143,962)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a		-	-	-	-	-	-
EFFECTIVE GROSS INCOME				809,418	2,650,928	3,503,929	837,067	2,717,201	3,597,852
OPERATING EXPENSES									
Management									
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	40,889	136,891	177,780	42,321	141,682	184,003
Asset Management Fee	3.5%	3.5%	per MOHCD policy	5,729	19,180	24,909	5,930	19,851	25,781
Sub-total Management Expenses				46,618	156,071	202,689	48,250	161,533	209,783
Salaries/Benefits									
Office Salaries	3.5%	3.5%		25,715	86,088	111,802	26,615	89,101	115,715
Manager's Salary	3.5%	3.5%		26,444	88,528	114,972	27,369	91,627	118,996
Health Insurance and Other Benefits	3.5%	3.5%		41,861	140,143	182,004	43,326	145,048	188,375
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		7,686	25,731	33,417	7,955	26,632	34,587
Sub-total Salaries/Benefits				101,705	340,491	442,196	105,265	352,408	457,673
Administration									
Advertising and Marketing	3.5%	3.5%		112	374	486	116	387	503
Office Expenses	3.5%	3.5%		13,787	46,158	59,946	14,270	47,774	62,044
Office Rent	3.5%	3.5%		-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		638	2,136	2,774	660	2,211	2,871
Audit Expense	3.5%	3.5%		5,404	18,092	23,496	5,593	18,725	24,318
Bookkeeping/Accounting Services	3.5%	3.5%		5,774	19,331	25,105	5,976	20,007	25,983
Bad Debts	3.5%	3.5%		798	2,670	3,468	826	2,764	3,589
Miscellaneous	3.5%	3.5%		4,292	14,369	18,661	4,442	14,872	19,314
Sub-total Administration Expenses				30,805	103,130	133,935	31,883	106,739	138,623
Utilities									
Electricity	3.5%	3.5%		35,769	119,750	155,519	37,021	123,941	160,963
Water	3.5%	3.5%		19,973	66,867	86,840	20,672	69,207	89,879
Gas	3.5%	3.5%		-	-	-	-	-	-
Sewer	3.5%	3.5%		46,604	156,021	202,625	48,235	161,482	209,717
Sub-total Utilities				102,346	342,638	444,984	105,928	354,630	460,559
Taxes and Licenses									
Real Estate Taxes	3.5%	3.5%		3,988	13,352	17,340	4,128	13,819	17,947
Payroll Taxes	3.5%	3.5%		12,317	41,234	53,551	12,748	42,677	55,425
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		2,708	9,067	11,775	2,803	9,384	12,188
Sub-total Taxes and Licenses				19,013	63,653	82,666	19,679	65,881	85,559
Insurance									
Property and Liability Insurance	3.5%	3.5%		84,667	283,451	368,118	87,631	293,372	381,002
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		6,086	20,375	26,461	6,299	21,088	27,387
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-
Sub-total Insurance				90,753	303,826	394,579	93,930	314,460	408,389
Maintenance & Repair									
Payroll	3.5%	3.5%		34,109	114,190	148,299	35,303	118,187	153,490
Supplies	3.5%	3.5%		7,438	24,902	32,341	7,699	25,774	33,472
Contracts	3.5%	3.5%		65,748	220,113	285,861	68,049	227,817	295,867
Garbage and Trash Removal	3.5%	3.5%		16,816	56,297	73,114	17,405	58,268	75,672
Security Payroll/Contract	3.5%	3.5%		274,643	68,661	343,303	284,255	71,064	355,319
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		-	-	-	-	-	-
Sub-total Maintenance & Repair Expenses				398,754	484,164	882,918	412,710	501,110	913,820
Supportive Services	3.5%	3.5%		-	200,995	200,995	-	208,030	208,030
Commercial Expenses						-			-
TOTAL OPERATING EXPENSES				789,995	1,994,967	2,784,962	817,645	2,064,791	2,882,436
PUPA (w/o Reserves/GL Base Rent/Bond Fees)									
Reserves/Ground Lease Base Rent/Bond Fees									
Ground Lease Base Rent				3,450	11,550	15,000	3,450	11,550	15,000
Bond Monitoring Fee				2,408	8,061	10,469	2,408	8,061	10,469
Replacement Reserve Deposit				14,605	48,895	63,500	14,605	48,895	63,500
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				20,463	68,506	88,969	20,463	68,506	88,969

Total # Units:		LOSP Units	Non-LOSP Units				Year 17 2037			Year 18 2038			
		127	29	98									
		23.00%	77.00%										
		% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)			LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	
INCOME													
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)							810,458	2,063,473	2,873,931	838,108	2,133,296	2,971,404	
PUPA (w/ Reserves/GL Base Rent/Bond Fees)													
NET OPERATING INCOME (INCOME minus OP EXPENSES)							(1,041)	587,455	629,998	(1,041)	583,904	626,448	
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)													
Hard Debt - First Lender				Enter comments re: annual increase, etc.			-	482,222	482,222	-	482,222	482,222	
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)				Enter comments re: annual increase, etc.			8,984	30,076	39,060	8,984	30,076	39,060	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)				Enter comments re: annual increase, etc.			-	-	-	-	-	-	
Hard Debt - Fourth Lender				Enter comments re: annual increase, etc.			-	-	-	-	-	-	
Commercial Hard Debt Service							-	-	-	-	-	-	
TOTAL HARD DEBT SERVICE							8,984	512,298	521,282	8,984	512,298	521,282	
CASH FLOW (NOI minus DEBT SERVICE)							(10,024)	75,157	108,716	(10,024)	71,606	105,166	
Commercial Only Cash Flow									43,584			43,584	
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)							10,024	33,560		10,024	33,560		
AVAILABLE CASH FLOW							(0)	108,716	108,716	0	105,166	105,166	
USES OF CASH FLOW BELOW (This row also shows DSCR.)							DSCR:			1.21			
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL										1.2			
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)				3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-	
Partnership Management Fee (see policy for limits)				3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)						per MOHCD policy no annual increase	-	-	-	-	-	-	
Other Payments							-	-	-	-	-	-	
Non-amortizing Loan Pmnt - Lender 1						Enter comments re: annual increase, etc.	-	-	-	-	-	-	
Non-amortizing Loan Pmnt - Lender 2						Enter comments re: annual increase, etc.	-	-	-	-	-	-	
Deferred Developer Fee (Enter amt <= Max Fee from row 131)							-	-	-	-	-	-	
TOTAL PAYMENTS PRECEDING MOHCD							-	-	-	-	-	-	
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)							(0)	108,716	108,716	0	105,166	105,166	
Does Project have a MOHCD Residual Receipt Obligation?				Yes			Year 15 is year indicated below:						
Will Project Defer Developer Fee?				Yes			2035						
1st Residual Receipts Split - Lender/Deferred Developer Fee				50% / 50%			2nd Residual Receipts Split Begins:						
2nd Residual Receipts Split - Lender/Owner				67% / 33%			2036						
Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):							Dist. Soft Debt Loans						
MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
MOHCD Residual Receipts Amount Due				81.85%			Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy						
Proposed MOHCD Residual Receipts Amount to Loan Repayment							59,321						
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease							59,321						
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
HCD Residual Receipts Amount Due				18.15%			13,157						
Lender 4 Residual Receipts Due				0.00%			-						
Lender 5 Residual Receipts Due				0.00%			-						
Total Non-MOHCD Residual Receipts Debt Service							13,157						
REMAINDER (Should be zero unless there are distributions below)							36,239						
Owner Distributions/Incentive Management Fee							36,239						
Other Distributions/Uses							-						
Final Balance (should be zero)							-						
REPLACEMENT RESERVE - RUNNING BALANCE													
Replacement Reserve Starting Balance							1,016,000						
Replacement Reserve Deposits							63,500						
Replacement Reserve Withdrawals (ideally tied to CNA)							-						
Replacement Reserve Interest							-						
RR Running Balance							1,079,500						
OPERATING RESERVE - RUNNING BALANCE							RR Balance/Unit						
Operating Reserve Starting Balance							-\$8,500						
Operating Reserve Deposits							-						
Operating Reserve Withdrawals							-						
Operating Reserve Interest							-						
OR Running Balance							-						
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE							OR Balance as a % of Prior Yr Op Exps + Debt Service						
Other Reserve 1 Starting Balance							0.0%						
Other Reserve 1 Deposits							-						
Other Reserve 1 Withdrawals							-						
Other Reserve 1 Interest							-						
Other Required Reserve 1 Running Balance							-						
OTHER RESERVE 2 - RUNNING BALANCE													
Other Reserve 2 Starting Balance							-						
Other Reserve 2 Deposits							-						
Other Reserve 2 Withdrawals							-						
Other Reserve 2 Interest							-						
Other Required Reserve 2 Running Balance							-						

2060 Folsom

Total # Units:
 127 29 98
 23.00% 77.00%

	% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 19 2039			Year 20 2040		
				LOSP	non- LOSP	Total	LOSP	non- LOSP	Total
INCOME									
Residential - Tenant Rents	1.0%	2.5%		21,631	2,929,264	2,950,895	21,847	3,002,495	3,024,343
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a		-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a		844,439	-	844,439	873,836	-	873,836
Commercial Space	n/a	0.0%		-	43,584	-	-	-	43,584
Residential Parking	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		449	1,502	1,950	460	1,539	1,999
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		248	829	1,076	254	849	1,103
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-
Other Commercial Income	n/a	3.5%		-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-	-	-	-	-
Gross Potential Income				866,766	2,931,594	3,841,944	896,396	3,004,884	3,944,864
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(1,082)	(146,463)	(147,545)	(1,092)	(150,125)	(151,217)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a		-	-	-	-	-	-
EFFECTIVE GROSS INCOME				865,685	2,785,131	3,694,400	895,304	2,854,759	3,793,647
OPERATING EXPENSES									
Management									
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	43,802	146,641	190,443	45,335	151,773	197,108
Asset Management Fee	3.5%	3.5%	per MOHCD policy	6,137	20,546	26,683	6,352	21,265	27,617
Sub-total Management Expenses				49,939	167,187	217,126	51,687	173,038	224,725
Salaries/Benefits									
Office Salaries	3.5%	3.5%		27,546	92,219	119,765	28,510	95,447	123,957
Manager's Salary	3.5%	3.5%		28,327	94,834	123,161	29,318	98,153	127,471
Health Insurance and Other Benefits	3.5%	3.5%		44,843	150,125	194,968	46,412	155,379	201,792
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		8,233	27,564	35,798	8,522	28,529	37,050
Sub-total Salaries/Benefits				108,949	364,742	473,691	112,762	377,508	490,271
Administration									
Advertising and Marketing	3.5%	3.5%		120	400	520	124	414	538
Office Expenses	3.5%	3.5%		14,770	49,446	64,215	15,286	51,176	66,463
Office Rent	3.5%	3.5%		-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		684	2,288	2,972	707	2,369	3,076
Audit Expense	3.5%	3.5%		5,789	19,380	25,169	5,991	20,058	26,050
Bookkeeping/Accounting Services	3.5%	3.5%		6,185	20,707	26,893	6,402	21,432	27,834
Bad Debts	3.5%	3.5%		854	2,861	3,715	884	2,961	3,845
Miscellaneous	3.5%	3.5%		4,598	15,393	19,990	4,759	15,931	20,690
Sub-total Administration Expenses				32,999	110,475	143,474	34,154	114,342	148,496
Utilities									
Electricity	3.5%	3.5%		38,317	128,279	166,596	39,658	132,769	172,427
Water	3.5%	3.5%		21,396	71,629	93,025	22,145	74,136	96,281
Gas	3.5%	3.5%		-	-	-	-	-	-
Sewer	3.5%	3.5%		49,923	167,134	217,057	51,670	172,983	224,654
Sub-total Utilities				109,636	367,042	476,678	113,473	379,889	493,362
Taxes and Licenses									
Real Estate Taxes	3.5%	3.5%		4,272	14,303	18,575	4,422	14,803	19,225
Payroll Taxes	3.5%	3.5%		13,194	44,171	57,365	13,656	45,717	59,373
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		2,901	9,713	12,614	3,003	10,053	13,056
Sub-total Taxes and Licenses				20,367	68,187	88,554	21,080	70,573	91,653
Insurance									
Property and Liability Insurance	3.5%	3.5%		90,698	303,640	394,338	93,872	314,267	408,139
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		6,519	21,826	28,345	6,748	22,590	29,337
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-
Sub-total Insurance				97,217	325,466	422,683	100,620	336,857	437,477
Maintenance & Repair									
Payroll	3.5%	3.5%		36,538	122,324	158,862	37,817	126,605	164,422
Supplies	3.5%	3.5%		7,968	26,676	34,644	8,247	27,610	35,857
Contracts	3.5%	3.5%		70,431	235,791	306,222	72,896	244,044	316,940
Garbage and Trash Removal	3.5%	3.5%		18,014	60,307	78,321	18,644	62,418	81,062
Security Payroll/Contract	3.5%	3.5%		294,204	73,551	367,755	304,501	76,125	380,626
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		-	-	-	-	-	-
Sub-total Maintenance & Repair Expenses				427,155	518,649	945,804	442,106	536,801	978,907
Supportive Services	3.5%	3.5%		-	215,311	215,311	-	222,847	222,847
Commercial Expenses				-	-	-	-	-	-
TOTAL OPERATING EXPENSES				846,263	2,137,058	2,983,321	875,882	2,211,855	3,087,737
PUPA (w/o Reserves/GL Base Rent/Bond Fees)									
Reserves/Ground Lease Base Rent/Bond Fees									
Ground Lease Base Rent				3,450	11,550	15,000	3,450	11,550	15,000
Bond Monitoring Fee				2,408	8,061	10,469	2,408	8,061	10,469
Replacement Reserve Deposit				14,605	48,895	63,500	14,605	48,895	63,500
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				20,463	68,506	88,969	20,463	68,506	88,969

Total # Units:		LOSP Units	Non-LOSP Units							
		127	29	98						
		23.00%	77.00%							
		% annual inc LOSP	% annual increase	Comments (related to annual inc assumptions)	LOSP	non- LOSP	Total	LOSP	non- LOSP	Total
INCOME					Year 19 2039			Year 20 2040		
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)					866,725	2,205,564	3,072,290	896,345	2,280,361	3,176,706
PUPA (w/ Reserves/GL Base Rent/Bond Fees)										
NET OPERATING INCOME (INCOME minus OP EXPENSES)					(1,041)	579,567	622,110	(1,041)	574,398	616,941
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)										
Hard Debt - First Lender				Enter comments re: annual increase, etc.	-	482,222	482,222	-	482,222	482,222
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)				Enter comments re: annual increase, etc.	8,984	30,076	39,060	8,984	30,076	39,060
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)				Enter comments re: annual increase, etc.	-	-	-	-	-	-
Hard Debt - Fourth Lender				Enter comments re: annual increase, etc.	-	-	-	-	-	-
Commercial Hard Debt Service										
TOTAL HARD DEBT SERVICE					8,984	512,298	521,282	8,984	512,298	521,282
CASH FLOW (NOI minus DEBT SERVICE)					(10,024)	67,268	100,828	(10,024)	62,100	95,659
Commercial Only Cash Flow							43,584			43,584
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)					10,024	33,560		10,024	33,560	
AVAILABLE CASH FLOW					(0)	100,828	100,828	0	95,659	95,659
USES OF CASH FLOW BELOW (This row also shows DSCR.)					DSCR:			1.19		
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL										
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-	-
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	-	-	-	-	-	-	-
Other Payments				-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD					-	-	-	-	-	-
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)					(0)	100,828	100,828	0	95,659	95,659
Does Project have a MOHCD Residual Receipt Obligation?					Yes			Year 15 is year indicated below:		
Will Project Defer Developer Fee?					Yes			2035		
1st Residual Receipts Split - Lender/Deferred Developer Fee					50% / 50%			2nd Residual Receipts Split Begins:		
2nd Residual Receipts Split - Lender/Owner					67% / 33%			2036		
Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):										
MOHCD RESIDUAL RECEIPTS DEBT SERVICE					Dist. Soft Debt Loans			Active Deferred Developer Fee Earned		
MOHCD Residual Receipts Amount Due					81.85%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy				
Proposed MOHCD Residual Receipts Amount to Loan Repayment						55,017			52,196	
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease						-			-	
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE					18.15%	loans, and HCD residual receipt policy.				
HCD Residual Receipts Amount Due						12,202			11,577	
Lender 4 Residual Receipts Due						-			-	
Lender 5 Residual Receipts Due					0.00%	-			-	
Total Non-MOHCD Residual Receipts Debt Service					0.00%	12,202			11,577	
REMAINDER (Should be zero unless there are distributions below)					33,609			31,886		
Owner Distributions/Incentive Management Fee					33,609			31,886		
Other Distributions/Uses										
Final Balance (should be zero)					-			-		
REPLACEMENT RESERVE - RUNNING BALANCE										
Replacement Reserve Starting Balance					1,143,000			1,206,500		
Replacement Reserve Deposits					63,500			63,500		
Replacement Reserve Withdrawals (ideally tied to CNA)					-			-		
Replacement Reserve Interest										
RR Running Balance					1,206,500			1,270,000		
					\$9,500			\$10,000		
OPERATING RESERVE - RUNNING BALANCE										
Operating Reserve Starting Balance					-			-		
Operating Reserve Deposits					-			-		
Operating Reserve Withdrawals										
Operating Reserve Interest										
OR Running Balance					-			-		
					OR Balance as a % of Prior Yr Op Exps + Debt Service			0.0%		
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE										
Other Reserve 1 Starting Balance					-			-		
Other Reserve 1 Deposits					-			-		
Other Reserve 1 Withdrawals										
Other Reserve 1 Interest										
Other Required Reserve 1 Running Balance					-			-		
OTHER RESERVE 2 - RUNNING BALANCE										
Other Reserve 2 Starting Balance					-			-		
Other Reserve 2 Deposits					-			-		
Other Reserve 2 Withdrawals										
Other Reserve 2 Interest										
Other Required Reserve 2 Running Balance					-			-		

Application Date:	8/19/2020	LOSP Units	Non-LOSP Units
Total # Units:	127	29	98
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations):	2021	LOSP/non-LOSP Allocation	
		23%	77%

Project Name: 2060 Folsom
Project Address: 2060 Folsom Street
Project Sponsor: Chinatown CDC & MEDA

Residual Receipts Calculation

Does Project have a MOHCD Residual Receipt Obligation?

Will Project Defer Developer Fee?

Max **Deferred Developer Fee/Borrower** % of Residual Receipts in Yr 1:

% of Residual Receipts available for distribution to **soft debt lenders** is

Yes Project has MOHCD ground lease? **Yes**
Yes
 50% Max Deferred Developer Fee Amt (Use for data entry above. Do not link.): **30,677**
 50%

Sum of DD F from LOSP and non-LOSP:
 Ratio of Sum of DDF and calculated 50%:

Soft Debt Lenders with Residual Receipts Obligations		(Select lender name/program from drop down)	Total Principal Amt	Distrib. of Soft Debt Loans
MOHCD/OCII - Soft Debt Loans		All MOHCD/OCII Loans payable from res. rects	\$31,956,102	62.38%
MOHCD/OCII - Ground Lease Value or Land Acq Cost		Acquisition Cost	\$9,975,000	19.47%
HCD (soft debt loan) - Lender 3		HCD-AHSC	\$9,300,000	18.15%
Other Soft Debt Lender - Lender 4				0.00%
Other Soft Debt Lender - Lender 5				0.00%

MOHCD RESIDUAL RECEIPTS DEBT SERVICE

MOHCD Residual Receipts Amount Due	40,640	40,640	50% of residual receipts, multiplied by 81.85% -- MOHCD's pro rata share of all soft debt
Proposed MOHCD Residual Receipts Amount to Loan Repayment	9,381	9,381	Enter/override amount of residual receipts proposed for loan repayment.
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease	31,259	31,259	If applicable, MOHCD residual receipts amt due LESS amt proposed for loan repaymt.

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE

9,014

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE

HCD Residual Receipts Amount Due	9,014	50% of residual receipts, multiplied by 18.15% -- HCD-AHSC's pro rata share of all soft debt
Lender 4 Residual Receipts Due	0	
Lender 5 Residual Receipts Due	0	
Total Non-MOHCD Residual Receipts Debt Service	9,014	

REMAINDER (Should be zero unless there are distributions below)

Owner Distributions/Incentive Management Fee	0	
Other Distributions/Uses	0	
Final Balance (should be zero)	0	

Application Date: 8/19/2020
 Total # Units: 127
 First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations): 2021

INCOME

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

Gross Potential Income

Vacancy Loss - Residential - Tenant Rents	
Vacancy Loss - Residential - Tenant Assistance Payments	
Vacancy Loss - Commercial	

EFFECTIVE GROSS INCOME**OPERATING EXPENSES**

Management	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	23.00%	77.00%	
Manager's Salary	23.00%	77.00%	
Health Insurance and Other Benefits	23.00%	77.00%	
Other Salaries/Benefits			
Administrative Rent-Free Unit			

Sub-total Salaries/Benefits

Administration			
Advertising and Marketing			
Office Expenses			
Office Rent	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Legal Expense - Property	23.00%	77.00%	
Audit Expense			
Bookkeeping/Accounting Services	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Bad Debts	23.00%	77.00%	
Miscellaneous			

Sub-total Administration Expenses

Utilities	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Electricity	23.00%	77.00%	
Water			
Gas			
Sewer			

Sub-total Utilities

Taxes and Licenses	LOSP	non-LOSP	Approved By (reqd)
Real Estate Taxes			
Payroll Taxes	23.00%	77.00%	
Miscellaneous Taxes, Licenses and Permits			

Sub-total Taxes and Licenses

Insurance			
Property and Liability Insurance			
Fidelity Bond Insurance	LOSP	non-LOSP	Approved By (reqd)
Worker's Compensation	23.00%	77.00%	
Director's & Officers' Liability Insurance			

Sub-total Insurance

Maintenance & Repair			
Payroll	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Supplies	23.00%	77.00%	
Contracts	23.00%	77.00%	
Garbage and Trash Removal	LOSP	non-LOSP	Approved By (reqd)
Security Payroll/Contract	80.00%	20.00%	
HVAC Repairs and Maintenance			
Vehicle and Maintenance Equipment Operation and Repairs			
Miscellaneous Operating and Maintenance Expenses			

Sub-total Maintenance & Repair Expenses

Supportive Services	LOSP	non-LOSP	Approved By (reqd)
Commercial Expenses	0.00%	100.00%	

TOTAL OPERATING EXPENSES**Reserves/Ground Lease Base Rent/Bond Fees**

Ground Lease Base Rent			
Bond Monitoring Fee	LOSP	non-LOSP	Approved By (reqd)
Replacement Reserve Deposit			
Operating Reserve Deposit			
Other Required Reserve 1 Deposit			
Other Required Reserve 2 Deposit			
Required Reserve 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 Lender)	0.42% pymt, or other 2nd Lender		
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0.42% pymt, or other 3rd Lender		
Hard Debt - Fourth Lender			
Commercial Hard Debt Service			

TOTAL HARD DEBT SERVICE**CASH FLOW** (NOI minus DEBT SERVICE)

Commercial Only Cash Flow			
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)	LOSP (residual income)		

AVAILABLE CASH FLOW**USES OF CASH FLOW BELOW** (This row also shows DSCR.)**USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL**

"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)			
Partnership Management Fee (see policy for limits)			
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	LOSP	non-LOSP	Approved By (reqd)
Other Payments			
Non-amortizing Loan Pymt - Lender 1 (select lender in comments field)	lender in comments field		
Non-amortizing Loan Pymt - Lender 2 (select lender in comments field)			
Deferred Developer Fee (Enter amt <= Max Fee from cell I130)	0.00%	100.00%	

TOTAL PAYMENTS PRECEDING MOHCD

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)

Application Date: 8/19/2020
 Total # Units: 127
 First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations): 2021

Residual Receipts Calculation

Does Project have a MOHCD Residual Receipt Obligation?

Will Project Defer Developer Fee?

Max Deferred Developer Fee/Borrower % of Residual Receipts in Yr 1: 11,702
 % of Residual Receipts available for distribution to soft debt lenders in

2.621655927

Soft Debt Lenders with Residual Receipts Obligations

MOHCD/OCII - Soft Debt Loans
MOHCD/OCII - Ground Lease Value or Land Acq Cost
HCD (soft debt loan) - Lender 3
Other Soft Debt Lender - Lender 4
Other Soft Debt Lender - Lender 5

MOHCD RESIDUAL RECEIPTS DEBT SERVICE

MOHCD Residual Receipts Amount Due
Proposed MOHCD Residual Receipts Amount to Loan Repayment
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE**NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE**

HCD Residual Receipts Amount Due
Lender 4 Residual Receipts Due
Lender 5 Residual Receipts Due
Total Non-MOHCD Residual Receipts Debt Service

REMAINDER (Should be zero unless there are distributions below)

Owner Distributions/Incentive Management Fee
Other Distributions/Uses
Final Balance (should be zero)