

Citywide Affordable Housing Loan Committee

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

53 Colton

\$1,250,000 Bridge Loan

\$2,750,000 Permanent Loan

Total Request: Up to \$4,000,000

Evaluation of Request for:	Bridge and Gap Permanent Loan
Loan Committee Date:	August 21, 2020
Prepared By:	Joyce Slen
Source of Funds Recommended:	\$4,000,000 - AHF Inclusionary
NOFA/PROGRAM/RFP:	Development Agreement
Total Previous City Funds Committed:	\$0
Applicant/Sponsor Name:	Community Housing Partnership ("CHP") and Strada Investment Group ("Strada")
Total Funding (up to):	\$4,000,000

EXECUTIVE SUMMARY

Sponsor Information:

Project Name:	53 Colton	Sponsor(s):	Community Housing Partnership (“CHP”) and Strada Investment Group (“Strada”)
Project Address (w/ cross St):	53 Colton Street, San Francisco, CA 94103 (Between Brady St & Colusa Plaza) (Block 3505, Lot 052)	Ultimate Borrower Entity:	53 Colton, L.P.

Project Summary:

Community Housing Partnership (“CHP”) and Strada Investment Group (“Strada”), through 53 Colton, L.P. (the “Partnership”), are requesting up to \$4,000,000 in permanent financing for 53 Colton (the “Site” or the “Project”), a 96-unit new construction supportive housing project for formerly homeless adults. 53 Colton is part of a larger 2.2-acre mixed-use development at 1629 Market Street (the “Master Plan Development”) developed by Strada. As documented by a Development Agreement (DA) with the City and County of San Francisco (CCSF), Strada is contributing the Site, co-developing the Project with CHP, and contributing \$10MM to develop the Project at the discretion of the developer.

53 Colton will be comprised of 96 furnished studios, restricted at 60% Area Median Income (“MOHCD AMI”), and subsidized through the City’s Local Operating Subsidy Program (“LOSP”). Tenants will be referred to the Project through the Department of Homelessness and Supportive Housing (“HSH”) Coordinated Entry System (CES). Approximately 35 units at the Project will be reserved for permanent residents from the Civic Center Hotel.

The Project will be financed with State Tax Credits, 4% Federal Low-Income Housing Tax Credits, a State of California Housing & Community Development (HCD) Multifamily Housing Program (MHP) loan, tax-exempt bonds, general partner equity in developer fee and from Strada, and this MOHCD Loan. The Project is scheduled to start construction in October 2020 and complete construction in April 2022.

Project Description:

Construction Type:	Type V over two levels of Type I podium with basement	Project Type:	New Construction
Number of Stories:	6	Lot Size (acres and sf):	0.18 acres / 7,780 sf
Number of Units:	96	Architect:	David Baker Architects
Total Residential Area:	28,831 square feet (“sf”)	General Contractor:	Suffolk Construction
Total Commercial Area:	Not Applicable - 0 sf	Property Manager:	CHP
Total Building Area:	47,969 sf	Supervisor and District:	Matt Haney (D6)
Land Owner:	U.A. Local 38 Pension Trust Fund		
Total Development Cost (TDC):	\$51,778,619	Total Acquisition Cost:	\$171,697
TDC/unit:	\$539,361	TDC less land cost/unit:	\$537,676
Loan Amount Requested:	\$4,000,000	Request Amount / unit:	\$41,666
HOME Funds?	No	Parking?	None

PRINCIPAL DEVELOPMENT ISSUES

- 1. Bond & Tax Credit Allocation Expiration Date** – The Project received a bond and tax credit allocation award from the California Tax Credit Allocation Committee (TCAC) and California Debt Limit Allocation Committee (CDLAC) on April 14, 2020. The bond allocation needs to be assigned and issued within 180 days of the allocation date, which is October 13, 2020. The COVID-19 pandemic has impacted the Project's initial financing assumptions, in turn, reducing tax credit pricing and creating a gap in the Project's financing that MOHCD is funding; and a delay in selecting the Project's construction lender and tax credit investor (now selected as of July 2020). Closing calls are underway and all financing parties are aware of the short timeline to meet the October deadline. As a loan condition, the Sponsors must close on bond financing prior to MOHCD disbursement of funds to the Project. See Section 6.4.1 Permanent Sources Evaluation Narrative, and Section 11.3 Recommended conditions prior to financing gap.
- 2. Federal Home Loan Bank - Affordable Housing Program (FHLB -AHP)** – The Partnership will apply for AHP next March 2021 to repay MOHCD's \$1.25MM bridge loan. The lowest approved score from the latest 2020 AHP round is 72.68, deeming the Project's self-score of 81 highly competitive for a \$1.25MM AHP request. As a loan condition, the Partnership will apply for AHP funds in 2021 to repay MOHCD's bridge loan. See Section 6.4.1(2) MOHCD - AHP Bridge Loan for more information and Section 11.3 Recommended conditions prior to financing gap.
- 3. Accessibility Review** – MOHCD funds were not anticipated to fund the Project. The building was designed to meet California Building Code (CBC) Chapters 11(A) and 11(B), per TCAC regulations. Projects receiving MOHCD funding are reviewed and approved by the Mayor's Office on Disability ("MOD"). MOD can delegate accessibility review of the Project to the Department of Building Inspections (DBI), but is not required to do so. Sponsors are working closely with MOHCD staff to obtain a letter from MOD delegating review to DBI prior to the Project's Addendum 3 for Mechanical, Electrical, and Plumbing (MEP) and Architectural resubmittal. Sponsors should consider the potential impact on the Project should MOD choose not to delegate their accessibility review authority to DBI. Any cost increase associated with MOD changes will not be paid by MOHCD. See Section 4.3 Construction Representative's Evaluation and Section 11.3 Recommended conditions prior to financing gap.
- 4. Permit Status** – The Project team has not received permit approval on their Addendum 1 (Excavation & Foundation) and Addendum 2 (Superstructure), and the necessary BART approvals required to close construction financing. Addendum 3 (MEP & Architectural) was recently submitted to DBI for review. With 60 days out from the CDLAC allocation deadline, the Sponsors will work with MOHCD and other City partners to obtain the necessary permit approvals for construction closing and MOD's review deferral letter to DBI prior to the Project's Addendum 3 resubmittal. See Section 4.3 Construction Representative's Evaluation and Section 11.3 Recommended conditions prior to financing gap.
- 5. LOSP Operating Budget** – The Project's per unit per annum ("PUPA") on operating cost is slightly higher compared to MOHCD's LOSP portfolio. As a loan condition, CHP will work with MOHCD to lower operating costs prior to the Project's LOSP contract approval request. See Section 7.3 Annual Operating Expenses Evaluation and Section 11.3 Recommended conditions prior to financing gap.

- 6. Land Ownership** - Given the atypical structure of this transaction, in which the City does not own the land, as well as MOHCD's late entry into the financing structure for this deal, MOHCD seeks an Option to Purchase the land upon the expiration of the Ground Lease in 97 years. Section 4.1.1 Proposed Property Ownership Structure and Section 11.3 Recommended conditions prior to financing gap.

SOURCES AND USES SUMMARY

Permanent Sources	Amount	Terms	Status
MOHCD - GAP	\$2,750,000	57 yrs @ 3.0% / Res Rec	This Request
MOHCD - AHP Bridge Loan	\$1,250,000	3 yrs @ 3.0% / Res Rec	This Request
HCD - MHP	\$11,530,497	55 yrs @ 3.0% / 0.42% & Res Rec	Committed
Tax Credit Equity	\$17,048,314	\$0.885 per Credit	LOI
Certified State Tax Credits	\$5,612,200	\$0.880 per Credit	LOI
General Partner Equity (Strada)	\$10,000,000		Committed
General Partner Equity (Developer Fee)	\$3,597,608		Committed
Total	\$51,788,619		

Permanent Uses	Amount	Per Unit	Per SF
Acquisition	\$171,697	\$1,789	\$4
Hard Costs	\$34,895,639	\$363,496	\$727
Soft Costs	\$10,132,111	\$105,543	\$211
Reserves	\$791,564	\$8,245	\$17
Developer Fee	\$5,797,608	\$60,392	\$121
Total	\$51,788,619	\$539,465	\$1,080

1. BACKGROUND

1.1. Project History Leading to This Request.

1629 Market Street Master Plan Development

Pursuant to [Ordinance No. 242-17](#) in 2017, the Board of Supervisors approved a Development Agreement between the City and County of San Francisco and Strada Brady, LLC, a California limited liability company (and affiliate to Strada Investment Group) for the mixed-use development project to an approximately 2.2-acre site located at Market, 12th, Stevenson, Chase Court, and Brady Streets, (the "Master Plan Area" or "Master Plan Development"). The Master Plan Area is owned by the U.A. Local 38 Pension Trust Fund and currently comprised of three buildings, four surface parking lots, the San Francisco Local 38 Plumbers Union Hall, existing retail uses, and residential

uses like the Civic Center Hotel, a Single Room Occupancy (“SRO”) Hotel-- operating as a 93-bed Navigation Center for individuals experiencing homelessness.

The Master Plan Development will consist of five residential buildings with 580 units of market rate and 26-28% below market rate (“BMR”) units, including 96 supportive housing units at 53 Colton. There will be a below-grade parking garage to hold 316 parking spaces, 13,000 sf of ground-floor retail and restaurant use, 23,400 sf of privately-owned public open space, which includes the Joseph P. Mazzola Gardens, a plaza, and mid-block passes, and the 30,000 sf union facility replacement for the Local 38 Plumbers Union Hall. The Civic Center Hotel will be renovated as part of the Master Plan Area after the 53 Colton development is complete. Existing Civic Center Hotel residents will be relocated to 53 Colton in approximately 35 units to avoid off-site displacement.

The 53 Colton parcel is owned by the U.A. Local 38 Pension Trust Fund and ground leased to Strada Brady, LLC for a 99-year term and \$1 annual payment. In November 2017, Strada and CHP entered into a Limited Liability Company Agreement to co-develop, construct, own, and operate the 53 Colton permanently affordable, supportive housing project. Per this Agreement, Strada has committed to provide a \$10MM general partner contribution to the Project. Approximately 35 units at the Project will be reserved for permeant residents from the Civic Center Hotel. All tenants will income qualify under TCAC regulatory requirements and earn less than 60% TCAC AMI. As original tenants from Civic Center Hotel move out, units will be filled by referrals from the CES.

Building A, a 190-unit development on Market Street and Brady Street is now under construction, as the first development in the Master Plan Area. 53 Colton Street will follow as the second development to start in October 2020. The Master Plan Development is scheduled to complete construction in 2024.

1.2. Borrower/Grantee Profile. (See Attachment B for Borrower Org Chart; See Attachment C for Developer Resume and Attachment D for Asset Management Analysis)

The borrower entity is 53 Colton, L.P. CHP Colton, LLC is the managing General Partner/Managing member. At construction closing, Enterprise Community Partners, the Project’s tax-credit investor, will be the limited partner and own a 99.99% interest in the borrower entity.

Founded in 1990, Community Housing Partnership (CHP) is a San Francisco nonprofit dedicated to helping homeless people secure housing and become self-sufficient. CHP develops, property manages, provides services to supportive residential properties. CHP currently owns, manages and/or provides support services in 16 buildings in San Francisco – a total of over 1,100 units, with 303 more in development. Together they house more than 1,500 formerly homeless individuals. CHP also delivers comprehensive services to its residents. Through individualized case management, employment programs, health services, youth and family programs, and civic engagement initiatives, CHP helps residents become active members of their community.

Strada Investment Group is a real estate investment and development firm focused on urban infill, transit-oriented locations in California. The firm was founded in 2010 in San Francisco on the premise that successful real estate development in high barrier-to-

entry markets can best be achieved by applying a combination of public and private sector experience. Strada has experience in ground-up development and the adaptive reuse and repositioning of existing buildings. Strada has acquired and actively managed over \$250MM worth of real estate with top-tier capital partners. The firm has a fully integrated development team with deep experience entitling, financing, building, and operating a wide variety of asset types, including market-rate and affordable housing. Strada currently has more than 1,000 residential units under various stages of development in the Bay Area.

CHP and Strada co-manage the Project's entitlements and development process, and co-secure the Project's financing. CHP will manage all lease up and operational start up activities, while Strada will manage all construction close out and punch list issues. CHP will be the owner, property manager, and service provider of 53 Colton post permanent loan conversion. The Project's development fee percentage is split 33.33% to Strada and 66.67% to CHP, respectively.

The project management staffing breakdown are as follows:

Name	Role	FTE % of Time
Serena Callaway	Director of Real Estate Development (CHP)	20%
Danielle Thoe	Senior Project Manager (CHP)	40%
Will Goodman	Managing Director (Strada)	20%
Steven Danforth	VP of Construction (Strada)	30%
Lih-Chuin Loh	Director of Design & Development (Strada)	30%
Kathryn Hofstetter	Senior Associate (Strada)	30%

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

Site Description	
Zoning:	NCT-3 – Moderate Scale Neighborhood Commercial Transit District
Maximum units allowed by current zoning (N/A if rehab):	Block 3505, Lot 052 – N/A. Due to special use district zoning overlay, the building needs to fit 95-100 housing units.
Seismic (if applicable):	Seismic Zone 4
Soil type:	On June 24, 2016, Langan Treadwell Rollo completed an Environmental Sampling Results memo for the proposed 1629 Market Street development. The Site soils include a top layer of approximately 6 feet of earthquake fill consisting of sand with a mix of varying quantities of brick, glass, and other debris. Beneath this lie layers of wind-deposited sand, a Marsh Deposit layer consisting of a mixture mainly of clay and sand, and the Colma Formation, which general consists of sands with varying silt and clay contents. Based on nearby borings, the Colma Formation is anticipated to extend to a depth of approximately 194 feet. There is an underlain by residual soils and Franciscan Complex bedrock.
Environmental Review:	A Phase I Environmental Site Assessment (ESA) was completed on August 8, 2019 by Langan. A Phase II ESA was completed on August 16, 2019 also by Langan. A Site Mitigation Plan was approved by the Department of Public Health (DPH) on April 17, 2020. See Section 2.4 below for more information.
Adjacent uses (North):	Bay Area Rapid Transit (BART) ventilation/right of way, new residential apartments including the existing Civic Center Hotel,

	a small-scale neighborhood serving commercial and retail buildings.
Adjacent uses (South):	Mixed-use residential and high-rise building.
Adjacent uses (East):	Warehouse and surface parking lot.
Adjacent uses (West):	Residential buildings that front Brady Street and Colton Street.
Neighborhood Amenities within 0.5 miles:	Walgreens Pharmacy, HealthRIGHT360 Medical Clinic, San Francisco Main Public Library, Koshland Park, Whole Foods Grocery, and City College of San Francisco – Civic Center campus.
Public Transportation within 0.5 miles:	MUNI Underground Light-Rail Station (J-Church, K-Ingleside, L-Taraval, M-Ocean, N-Judy, T-Third Street). Bus Lines: 6, 7, 47, and 59.
Article 34:	Not exempt. Project received authorization August 2019.
Article 38:	Not Exempt. The Site is within the Article 38 zone and complying with Article 38.
Accessibility:	96 total units. 10% (10 units) of the total units include mobility features and the remaining 90% (86 units) are adaptable. 4 of the adaptable units (4% of the total unit count) also have communications features; all of which are per TCAC accessibility requirements.
Green Building:	Green Point Rated; 120 points targeted.
Recycled Water:	Exempt.
Storm Water Management:	The Development team received approval of Preliminary Storm Water Management Plan at Site Permit approval and have received comments on the current Plan.

2.1. Zoning.

See above.

2.2. Probable Maximum Loss.

N/A, new construction.

2.3. Local/Federal Environmental Review.

The Project received full entitlements and CEQA approvals as part of the Master Plan Development in 2017 and 2018. On October 19, 2017, the Planning Commission approved the following items in Motion No. 20033, Case No. 2015-005848ENV/GPA/PCA/MAP/DVA/CUA for the 1629 Market Street Master Plan Development:

1. Approval of the Amendments to the General Plan;
2. Approval of the Zoning Map Amendments;
3. Approval of the Planning Code Text Amendment to establish the 1629 Market Street Special Use District (“1629 Market Street Special Use District”) (Ordinance No. 241-17);
4. Approval of the Development Agreement (Ordinance No. 242-17); and
5. Approval of a Final Environmental Impact Report Certification and adopted CEQA findings.

The Site lies over the BART tunnel. An easement is recorded against the land, authorizing the excavation and development of the 53 Colton parcel. CHP and Strada are seeking BART’s final sign off and approval of the Project development, required prior to the Project’s construction closing.

2.4. Environmental Issues.

- **Phase I/II Site Assessment Status and Results.**

A Phase I Environmental Site Assessment (“ESA”) was completed on August 8, 2019 by Langan. The Site was a laundry facility with approximately six storage tanks from 1913 until 1949, and then a wire and iron works shop and a metal fabricating shop till the 1970s. Since 1984, the Site sat vacant, then operated as a parking lot, and now a staging area for Strada’s Building A development. Soil samples determined a presence of total petroleum hydrocarbons (“TPH-d”) and low levels of heavy metals, indicating the potential for contaminated fill material to be encountered during the future site development. However, native material below the fill layers do not contain hazardous levels of contaminants.

The Site is within the San Francisco Health Code (“SF HC”) Article 22A Maher Zone. Construction projects in the Maher Zone that disturb more than 50 cubic yards of soil are required to complete a Phase II ESA identifying the fill material that will be encountered during construction. The Project will excavate approximately 12 feet below grade to build out the Project’s basement and foundation.

A Phase II ESA was completed on August 16, 2019. Groundwater was encountered approximately 21 feet below the Site and boring testing characterized Site material as Class II non-hazardous waste. Langan recommended a Site Mitigation Plan (SMP) and a Health & Safety Plan be completed prior to construction, per the Maher Ordinance.

In September 2019, additional Environmental Site Characterization was completed to address soil, groundwater, and soil vapor concerns at the Site, as well as Ground Penetrating Radar utilized to evaluate the presence of the Underground Storage Tanks (“USTs”).

The SMP approved by DPH on April 17, 2020 outlined the Project team’s plan for soil management activities, groundwater management, odor control, dust control, asbestos airborne, toxic control measure compliance, health and safety, and contingency procedures for unanticipated hazardous materials.

- **Potential/Known Hazards.**

Soil testing described in the previous section indicates hazardous fill material on Site. A Ground Penetrating Radar (GPR) test identified one unknown anomaly at a depth of approximately 4 feet. The Sponsor’s Environmental consultant recently completed excavation work to investigate the anomaly and determined no UST was discovered.

2.5. Adjacent uses and neighborhood amenities.

The area surround the Project includes a variety of office buildings, residential buildings with ground-floor neighborhood-serving retail. The Civic Center neighborhood northeast of the Project has cultural institutions and schools like the Asian Art Museum, Herbst Theatre, Davies Symphony Hall, the San Francisco Main Public Library, and the City College of San Francisco’s Civic Center campus. For the formerly homeless population at 53 Colton, HealthRIGHT 360’s drop-in medical clinic is two blocks away from the Site.

2.6. Green Building.

The Project is designed to be an all-electric building, with energy-efficient lighting, water-saving fixtures, and a fully operable Solar Photovoltaic (PV) system on the building’s rooftop. The Project is targeting a GreenPoint Rated score of 120 points.

3. OTHER ENTITLEMENTS ISSUES

3.1. Community Support.

For the past five years, Strada and CHP have deeply engaged the community surrounding 53 Colton Street. Engagement activities include dozens of neighborhood presentations, individual stakeholder meetings, and briefings with the Market Octavia Community Advisory Committee (“CAC”), Western South of Market Area (“SoMa”) neighbors, and neighbor groups living on Brady Street. These groups came out in support of the Project during the entitlements for the Master Plan Development in 2016 to 2018. Strada and CHP have continued to update surrounding neighbors in preparation for construction activities and held an open community forum on March 10, 2020. Strada and CHP intend to hold another community forum this fall prior to the Project’s construction start.

Neighborhood notification for the Project is required under Proposition I and will occur after Loan Committee’s approval of this gap loan request.

4. DEVELOPMENT PLAN

4.1. Site Control.

4.1.1. Proposed Property Ownership Structure

U.A. Local 38 Pension Trust Fund is the fee owner of the 53 Colton Street parcel and on January 1, 2018, entered into a 99-year ground lease with Strada Brady, LLC (an affiliate of Strada), for an annual base rent of \$1. On July 1, 2019, Strada Colton, LLC, the related parties of the joint venture between Strada and CHP, entered into an Option to Ground Lease agreement with Strada Brady, LLC. Prior to construction closing, Strada Brady, LLC will assign the leasehold interest, along with all its rights and obligations to the ground lease terms and conditions, to 53 Colton, L.P. The Partnership will own the 53 Colton improvements.

Given the atypical structure of this transaction, in which the City does not own the land, as well as MOHCD’s late entry into the financing structure for this deal, MOHCD seeks an Option to Purchase the land upon the expiration of the Ground Lease in 97 years.

4.2. Proposed Design.

The Project is a single, six-story 96-unit residential building with elevator access and a basement. It will be five stories of Type V wood construction over a Type I concrete first floor and basement level, on a mat foundation. Since the Project is situated above BART’s zone of influence, special consideration was made to the building’s design in order to not add weight over the existing BART tunnel; specifically, the excavation of the basement podium level.

The ground floor and basement provide an opportunity for a larger services suite, containing both common areas and building amenities:

- Two service staff counseling/offices,
- Staff lounge,
- Workshop area for staff trainings and meetings or small group residential programming,
- Bedbug mitigation rooms (for clean and dirty storage),
- Community room,
- Community kitchen with a pantry,
- Lounge area,

- Shared laundry room,
- A 487 sf exterior courtyard, accessed through the community room, and a
- Bike Room

Exterior building finishes include fiber cement board siding and board textured concrete, as well as a storefront and vinyl windows. Staff offices and 6 residential units are on the ground floor. By incorporating higher ceiling heights in the community room (located in the basement) and positioning six ground floor units above the basement area, the six units are raised, bringing additional light into the basement community room, while minimizing visibility into the tenants' units. No parking is available at the Project, as the Site is in a transit-rich location near Market Street and Van Ness Street.

All 96 units are designed as efficiency studio units, which will contain a full bathroom, kitchenette with cooktop, microwave, sink and refrigerator (no stove) and closet area. There is no manager unit since the property's operations will entail 24-hour desk clerk coverage and full-time on-site property management staff. Units on the second through sixth floors stack to allow for maximum cost efficiency. Each floor has a janitorial closet with a mop sink for easier maintenance, and trash chute access for residents. The basement trash room has an elevator lift to an exclusive entrance to bring trash outside for pick-up. As mentioned in Section 2.6, the Project is designed to be an all-electric building, with energy-efficient lighting, water-saving fixtures, and a fully operable Solar Photovoltaic (PV) system on the building's rooftop—promoting future cost savings in building operations.

Average Unit SF by type:	289 sf average for Typical Units (Adaptable); 319 sf average for Mobility Features Units
Residential SF:	28,831 sf
Circulation SF:	9,686 sf
Common Area SF:	6,329 sf
Services Suite SF:	1,176 sf
Exterior Courtyard SF (exterior, not included in building total):	487 sf
Building Total SF:	47,969 sf

4.3. Construction Representative's Evaluation

MOHCD funds were not anticipated to fund the Project. Therefore, the MOHCD Construction Representative has only recently evaluated the design and has limited opportunity for input at this time, with commencement of construction pending. The Construction Cost estimate for this development is based upon 30% Construction Drawings ("CD") and reflects real-time design build proposals from subcontractors factoring potential COVID-19 impacts. The request for bids based upon the Project's 70% CDs is currently being issued and the final hard cost has therefore not been determined. A draft Guaranteed Maximum Price ("GMP") budget from the Project's General Contractor, Suffolk Construction, will be provided to MOHCD for review and approval in early September. The final construction schedule and GMP budget will take into account COVID-related impacts (including reduced productivity to enforce social distancing, potential stoppages of trades due to exposures and testing periods, additional

sanitization and health check protocols), adding cost to the budget and 6-8 weeks onto the construction schedule.

The Construction Cost estimate at \$363,496 per unit and \$727 per square foot, is comparable to other buildings of this type and size, serving this population. The estimated per square foot cost is slightly higher than average but within an expected range to projects of this type and size. The per unit total development cost (“TDC”) and per bedroom cost is slightly lower however. These factors are attributed to the Sponsor having availed itself of the cost efficiencies of a master planned site development. Cost efficiencies can be realized within a larger development, from competitive pricing from contractors seeking a long-term project commitment, to material procurement pricing. Further, the building is efficiently designed, with stacked efficient studios, making good use of space, including a basement level where much of the services and community space is located. The Sponsors requested MOHCD assistance in value engineering the window material to vinyl and relief from the recycled water ordinance, which MOHCD supported and facilitated with Planning and the Public Utilities Commission (“PUC”), respectively.

The Project team has applied for and have not received the Addendum 1 (excavation & foundation) and Addendum 2 (superstructure) building permits, nor and the necessary BART approvals required to close on construction financing. Addendum 3 (MEP & Architectural) was recently submitted to DBI for review. The building was designed to meet CBC 11(A) and 11(B), per TCAC regulations; which are incorporated into the permit application submitted for DBI review and approval. It was not reviewed by MOD however, as is typical for MOHCD funded developments. MOHCD will coordinate with the Sponsors to facilitate the request that MOD delegate their review authority to DBI. Should this request be declined, the cost increase associated with MOD changes shall be borne by the Borrower.

As a condition of loan closing, the Construction Representative recommends requiring the resolution of the MOD plan review delegation, prior to the Project’s Addendum 3 (MEP & Architectural) resubmittal.

4.4. Commercial Space.
None.

4.5. Service Space.
The 1,176 sf services suite is accessed directly from the building’s main entrance lobby. The four onsite resident services staff will have desks overlooking the main basement staircase. There are two staff counseling/offices for greater privacy and a large conference room for trainings and meetings with staff or for small group residential programming. See Attachment F – Elevations & Floor Plans for visuals.

4.6. Target Population.
All tenants of 53 Colton will be formerly homeless single adults referred from the Coordinated Entry System (CES). Approximately 35 units at 53 Colton will serve permanent tenants with leases from the neighboring Civic Center SRO Hotel. All tenants will earn less than 60% MOHCD AMI. As original tenants from Civic Center Hotel move out from 53 Colton, those units will be filled by referrals from the CES. All 96 total units will be restricted at 60% MOHCD AMI and subsidized by LOSP.

4.7. Marketing & Occupancy Preferences
All units at 53 Colton will be referred by HSH via the CES, prioritized based on length of homelessness and level of need. All referred applicants will be persons experiencing

homelessness in San Francisco. HSH will work with MOHCD to give first priority to Certificate of Preference holders, assuming that the Certificate holder meets all other tenant eligibility criteria.

4.8. Relocation.

There is no relocation associated with the Site and no residents will be displaced in order to construct the Site. Until recently, the Site was a vacant surface parking lot. The commercial tenant was a parking vendor who up until March 31, 2020 operated the Site's parking lot on a month-to-month lease. The parking vendor chose not to renew their lease and vacated the Site in April 2020. Strada is now utilizing the Site as a temporary staging area for the Building A of the Master Plan Development project, currently under construction.

5. DEVELOPMENT TEAM

Development Team			
Consultant Type	Name	SBE/LBE	Outstanding Procurement Issues
Architect	David Baker Architects	N	N
Landscape Architect	CMG	N	N
General Contractor	Suffolk Construction	N	N
Financial Consultant	CHPC	N	N
Legal	Gubb & Barshay	N	N
Structural Engineer (Design Build)	DCI Engineers	N	N
Mechanical Engineer (Design Build)	Bay City Mechanical	N	N
Electrical Engineer (Design Build)	EJ Weber Electric	N	N
Plumbing Engineer (Design Build)	Broadway Mechanical	N	N
Geotechnical & Environmental Engineer	Langan	N	N
Shoring (Design Build)	Brierley Associates	N	N
Fire Protection (Design Build)	Westates Mechanical	N	N

Under the CCSF and Strada DA, the Project is subject to First Source Hiring, prevailing wage, and a 17% Local Business Enterprise (LBE) participation goal. The Sponsors are confirming whether the Project's electrical subcontractor, EJ Weber Electric qualify as a LBE. If they do, the 17% goal will be met since the Project has a robust electrical scope for the future all-electric project. However, if EJ Weber Electric does not qualify as a LBE, the Sponsors will continue in good faith to meet the LBE goal through future procurement.

6. FINANCING PLAN (See Attachment F for Cost Comparison of City Investment in Other Housing Developments; See Attachment G and H for Sources and Uses)

6.1. Prior MOHCD/OCII Funding (this project and historical for the project):

None. Project costs reimbursable under this loan will be allowed as of July 1, 2020.

6.2. Disbursement Status.

N/A

6.3. Fulfillment of Loan Conditions.

N/A

6.4. Permanent Financing.

6.4.1. Permanent Sources Evaluation Narrative:

- 1) **MOHCD - Gap Loan (\$2,750,000)** – MOHCD’s gap loan is projected to be \$2,750,000 or \$28,646/unit, at up to 3.0% interest with a 55-year term, and residual receipts repayment.

As a loan condition, Sponsors must use best efforts to secure non-City funds to replace City gap loan and provide evidence of infeasibility of other options.

- 2) **MOHCD - AHP Bridge Loan (\$1,250,000)** – The Partnership will apply for AHP funds next March 2021 at an assumed at \$13,021/unit. In the interim, the MOHCD Gap loan will bridge the amount of the potential AHP award. If awarded, the Sponsors will draw the AHP funds during construction and repay the bridged amount in MOHCD’s Gap loan.

AHP could provide approximately \$1.25MM to the Project. The lowest approved score from the latest 2020 AHP round is 72.68, deeming the Project’s self-score of 81 highly competitive for the \$1.25MM AHP request.

- 3) **HCD - Multifamily Housing Program (MHP) Loan (\$11,530,497)** – While the Project qualified for the maximum MHP award of \$20MM, the Sponsors reduced their MHP ask per MOHCD’s request to allow more projects to be funded in Round 1 of MHP, which included two projects located in San Francisco and sponsored by MOHCD. CHP and Strada received Round 1 MHP funds of \$11,530,497 or \$120,109/unit, at 3.0% interest with a 55-year term, and 0.42% annual repayment and residual receipts repayment. The MHP loan will partially pay off the construction loan at the Project’s permanent loan conversion, staying as a permanent loan in the Project.

- 4) **Tax Credit Equity (\$17,048,314)** – The Partnership received a letter of intent from Enterprise Community Partners as the equity partner for the Project, investing both in the state and federal tax credits. Federal 4% Low-Income Housing Tax Credits is \$17,048,314 or \$177,587/unit, assuming a credit pricing of \$0.885 per credit.

- 5) **Certified State Tax Credits (\$5,612,200)** – The Sponsors received a competitive award for State Low-Income Housing Tax Credits in the amount of \$5,612,200 or \$58,460/unit. Enterprise will pay \$0.880 per credit.

- 6) **General Partner Equity – Strada (\$10,000,000)** - Strada will provide a general partner equity contribution of \$10MM or \$104K/unit that will stay in the Project.

- 7) **General Partner Contribution (\$3,597,608)** – The Partnership will provide a general partner capital contribution, generating \$3,597,608 in eligible basis and approximately \$1,274,827 in tax credit equity (Approx. \$3.6MM x 3.08% tax rate x \$0.885 credit pricing x 130% DDA/QCT x 10 years).

Construction Loan (\$29,520,000) - The Partnership executed a letter of intent for a construction loan with Merchants Capital, funded with tax-exempt bonds. The loan will be approximately \$29,520,000 with a 3.70% interest rate (rate include a 0.75 % cushion for changes to the index) for a 36-month term. The Project received a bond allocation from the CDLAC Committee on April 20, 2020 and has 180 days to issue the bond before the allocation expires on October 13, 2020. The Project’s financing team, including MOHCD staff is

aware of the 60-day closing timeline and working towards meeting the CDLAC deadline. As a loan condition, staff recommends the Sponsors must close on bond financing prior to MOHCD disbursement of funds to the Project.

6.4.2. Permanent Uses Evaluation:

Development Budget		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Hard Cost per unit are within standards	Y	\$363,496 per unit.
Construction Hard Cost Contingency is at least 5% (new construction) or 15% (rehab)	Y	Hard Cost Contingency shows 5.6%. However, \$1,656,554 in hard cost contingency is approximately 5.0% of \$33,125,275 (subtotal of Construction Costs in proforma) in total hard costs.
Architecture and Engineering Fees are within standards	Y	A/E total fee is \$2,457,633.
Construction Management Fees are within standards	N/A	The Project is staffed by Strada's VP of Construction and Director of Design & Development. There is no Construction Manager on the Project.
Developer Fee is within standards, see also disbursement chart below	N	The Sponsors are requesting a waiver to increase fee as a way to increase equity to the Project. See below.
Soft Cost Contingency is 10% per standards	Y	Soft Cost Contingency is 10.0%.
Capitalized Operating Reserves are a minimum of 3 months	Y	Capitalized Operating Reserve is equal to 6 months.
Transition Reserve	N/A	No Transition Reserve is assumed for the Project because of LOSP.

Residential Developer Fee Breakdown		
Amount of Developer Fee allocated as Project Management (PM) Fee available during predevelopment and construction:	\$1,100,000	
Amount of Developer Fee allocated as Project Management Fee available at risk (the "At-Risk Fee"):	\$1,100,000	
General Partner Equity	\$3,597,608	Meets \$500K minimum.
Total Developer Fee	\$5,797,608	

The Project's development budget includes a total of \$5,787,608 of total developer fee, which exceeds MOHCD's Developer Fee Policy of a maximum total fee that may be included in basis- lessor of \$4MM or 10% of eligible basis. MOHCD staff recommends Loan Committee waive this policy to allow for the total developer fee to increase tax credit equity and lower MOHCD's gap loan by approximately \$636,990 (\$5,787,608 total developer fee - \$4MM maximum policy allows = \$1,787,608 x 3.08% tax rate x \$0.885 tax credit pricing x 130% QCT/DDA boost x 10 years). MOHCD staff recommends granting this waiver request. This waiver request does not result in an increase in cash-out developer fee paid to the Sponsors or a waiver of that part of the policy.

Residential Developer Fee Disbursement Schedule		
Payment Milestone	% of Project Mgmt Fee	Amount
PM Fee: During Predevelopment (already paid)	33%	\$360,000
PM Fee: During Predevelopment (anticipated prior to close)	8%	\$90,000
PM Fee: Construction Close	16%	\$175,000
PM Fee: During or at End of Construction	34%	\$375,000
PM Fee: At Project Close Out	9%	\$100,000
Total Project Management Fee	100%	\$1,100,000
At Risk: Draft Cost Certification	30%	\$330,000
At Risk: Permanent Loan Closing/Conversion (Final Cost Certification Audit)	50%	\$550,000
At Risk: Project Close Out	20%	\$220,000
Total At Risk	100%	\$1,100,000
Total Cash-Out Fee		<u>\$2,200,000</u>
GP Equity		<u>\$3,597,608</u>
Total Developer Fee		<u>\$5,797,608</u>

7. PROJECT OPERATIONS (See Attachment I and J for Operating Budget and Proforma)

7.1. Annual Operating Budget

7.2. Income

Unit Type	Proposed Number of Units	Proposed Avg. Sq. Feet	Max. Rent	Max MOHCD % AMI	Rent or Operating Subsidies
studio	10	289	\$ 300	60%	LOSP
studio	20	289	\$ 300	60%	LOSP
studio	46	289	\$ 300	60%	LOSP
studio	15	289	\$ 300	60%	LOSP
studio	3	289	\$ 300	60%	LOSP

studio	2	289	\$ 300	60%	LOSP
Total Units	96				

Tenants will pay 30% of their monthly income toward rent, which is an estimated \$300 per month. All 96 units will be subsidized by a 15-year LOSP contract and restricted to 60% MOHCD AMI, but may float up to 60% TCAC AMI for project feasibility to meet the Project's true debt test. The Project's HCD-MHP loan is the most income restrictive source to 91 units--requiring the 91 units to be below 35% TCAC AMI, considerably lower than 60% MOHCD AMI.

7.3. Annual Operating Expenses Evaluation.

CHP's operating budget is compliant with MOHCD policies except for the PUPA, which is noticeably a higher level than other similar projects for the following reasons:

- Costs are escalated to reflect the first full year of 2023 operating costs;
- CHP's staff are a mix of unionized and non-unionized based on job classification and accounted for in the operating budget; and the
- Project's property and liability insurance cost are based off CHP's 100% LOSP buildings at Richardson Apartments and Rene Cazenave Apartments (RCA). CHP is in the process of updating the Project's insurance quote reflecting a 2022 stabilization year.

The Project's operating budget includes a staffing plan as follows:

Position	Compensation (Salary)	# of Positions
Senior Site Manager	\$70,700	1.0 FTE
Assistant Manager	\$53,561	1.0 FTE
Janitors	\$68,181	1.8 FTE
Front Desk Clerk (24/7)	\$164,188	4.6 FTE
Repair/Maintenance	\$129,931	2.0 FTE
TOTAL	\$486,563	10.4 FTE

As a loan condition, the Sponsors will work with MOHCD to lower operating costs prior the Project's LOSP contract approval request.

Operating Proforma		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Debt Service Coverage Ratio stays above 1:1 through Year 17	N/A	The Project is 100% LOSP and will not support permanent debt.
Debt Service Coverage Ratio stays above 1.00:1 for entirety of projected 20-year cash flow	N/A	DSCR is above 1.1 for entirety of projected 20-year cash flow.
Vacancy meets TCAC Standards	Y	Vacancy is 5%.

Annual Income Growth is increased at 2.5% per year	Y	Income escalation factor is 2.5%.
Annual Operating Expenses are increased at 3.5% per year	Y	Operating expense escalation factor is 3.5%.
Base year operating expenses per unit are reasonable per comparables	N	<p>Total Operating Expenses are \$15,385 PUPA, excluding reserves. This is higher than other LOSP projects of a similar size. However, the high PUPA is escalated to reflect 2023 operating costs and the points stated above.</p> <p>24-hour desk clerk coverage, with security alarm, and contract security is included in the operating budget (\$2,187/unit), in part, driving up costs/unit.</p> <p>Projects in Construction:</p> <ul style="list-style-type: none"> • 1064-68 Mission Street (250 units, 100% LOSP, construction start March 2020) \$14,386 PUPA • 410 China Basin Street (141 units, 100% LOSP, construction start August 2020), \$13,053 PUPA <p>Projects in Operation: (Comps Based on 2018 Estimates with 3.5% inflater)</p> <ul style="list-style-type: none"> • Plaza Apartments (106 units, 100% LOSP, compl 2005) \$14,100 PUPA • Richardson Apartments (120 units, 100% LOSP, compl 2011) \$14,400 PUPA • RCA (120 units, 100% LOSP, compl 2013) \$13,800 PUPA
Property Management Fee is at allowable HUD Maximum	N	Total Property Management Fee is \$99,958 or \$87 PUPM. The higher PUPM is escalated from \$81 PUPM (allowable under HUD) at 3.5% a year.
Property Management staffing level is reasonable per comparables	Y	<p>Staffing plan includes:</p> <ul style="list-style-type: none"> • 1.0 FTE Senior Site Manager • 1.0 FTE Assistant Manager • 1.8 FTE Janitors • 4.6 FTE Desk Clerk (24/7) • 2.0 FTE Repair/Maintenance staff
Asset Management and Partnership Management Fees meet standards	Y	Reflects a 2023 operating start Annual AM Fee is \$23,460/yr

		Annual PM Fee is \$23,450/yr Totaling \$46,910. Maximum Total Project Sponsor AM and PM fee in 2022 is \$46,910, per MOHCD's Operating Fees Policy.
Replacement Reserve Deposits meet or exceed TCAC minimum standards	Y	Replacement Reserves are \$500 PUPA, per HCD funding requirement.
Limited Partnership Asset Management Fee meets standards	N	Enterprise is requiring \$5,000/yr, with 3.5% annual escalation

8. SUPPORT SERVICES

8.1. Services Plan.

HSH and its predecessor agencies have funded many supportive services contracts with CHP over the organization's long history serving San Franciscans experiencing homelessness. CHP will provide services designed to support formerly homeless people, including resident engagement, case management, behavioral health services and housing retention services. The HSH contract will initially fund up to approximately \$5,656 per household, representing 96 units in the first year of operations, for a total of \$542,929. See next Section 8.2 Service Budget for budget breakdown. The HSH contract will run for a period of up to five years and escalate at a rate of 2.5% per year, at the discretion of the Board of Supervisors.

The overall resident services staff assigned to the site is 5.4 FTE. Case management is provided at a ratio of 1:25. Positions are as follows:

Onsite Staff	
Position	FTE
Resident Services Team Lead	1.0 FTE
Resident Services Counselor	2.0 FTE
Clinical Services Manager	0.25 FTE
Clinical Services Manager	1.0 FTE
Roving/Offsite	
Position	FTE
Director of Resident Services	0.1 FTE
Resident Services Manager	0.5 FTE
Senior Programs Director	0.25 FTE
Contracts/Evaluations Director	0.10 FTE
Programs Associate	0.15 FTE
Total Services Staff	5.4 FTE

8.2. Service Budget.

Annual CHP services expenses are estimated to total \$542,929 per year. This will be funded by an HSH contract. The budget is estimated in the table below:

Expenditure	HSH Contract	Total	Per Unit
Salaries	\$302,940	\$302,940	\$3,156
Benefits	\$90,882	\$90,882	\$947
Operating Expenses	\$78,290	\$78,290	\$816
Indirect Costs	\$70,817	\$70,817	\$738
Total	\$542,929	\$542,929	\$5,656

8.3. HSH Assessment of Service Plan and Budget.

The Sponsors met with HSH staff several times during predevelopment period to review the Project's services budget and staffing plan. HSH provided a letter of support for the Project's services plan and budget for the Project's MHP application submittal in August 2019 and again in January 2020 for the Project CDLAC and TCAC application submittal. Staff recommends the Sponsors provide an updated budget and services staffing plan for HSH's final review and approval, prior to executing the HSH services contract.

9. THRESHOLD ELIGIBILITY REQUIREMENTS

Not applicable.

10. RANKING CRITERIA

Not applicable.

11. STAFF RECOMMENDATIONS

11.1. Proposed Loan Term

Financial Description of Proposed Loan – Gap Loan Note A	
Loan Amount:	Up to \$2,750,000
Loan Term:	Minimum 55 years
Loan Maturity Date:	2075
Loan Repayment Type:	Residual Receipts
Loan Interest Rate:	Up to 3%

Financial Description of Proposed Loan – AHP Bridge Loan Note B	
Loan Amount:	1,250,000
Loan Term:	3 years
Loan Maturity Date:	2023
Loan Repayment Type:	At term
Loan Interest Rate:	3%

11.2. Recommended disbursement conditions/schedule

11.3. Recommended conditions prior to loan closing:

1. Sponsor must provide evidence of Limited Partnership formation.

2. Sponsors must close on bond financing prior to MOHCD disbursing funds to the Project.
3. Sponsors must use best efforts to secure non-City funds to replace City gap loan and provide evidence of infeasibility of other options.
4. Sponsors to seek Option to Purchase land for City after expiration of ground lease.
5. Sponsors must seek resolution of the MOD plan review delegation prior to the Project's Addendum 3 for Mechanical, Electrical, and Plumbing (MEP) and Architectural resubmittal.
6. Sponsors must provide final true debt and capital accounts test analysis by September 30, 2020 to determine MOHCD's final interest rate.

Post-Closing Conditions:

7. Sponsors must use best efforts to apply for AHP funds in March 2021 to repay MOHCD's AHP bridge loan at permanent loan conversion.
8. Sponsors must use best efforts to lower operating costs prior to the Project's LOSP contract approval request.
9. Sponsors will submit a final services plan and budget by January 2021 for HSH's final approval, prior to executing the HSH services contract.

12. LOAN COMMITTEE MODIFICATIONS

Chavez, Rosanna (MYR)

From: Shaw, Eric (MYR)
Sent: Friday, August 21, 2020 11:39 AM
To: Chavez, Rosanna (MYR)
Subject: 53 Colton Loan Committee

Approve

Eric D. Shaw
Director

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 27, 2020 10:37 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: RE: Loan Committee Approvals 53 Colton

I am sorry Rosanna,

I approve the loan to the 53 Colton project.

Best,

Salvador



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

Learn: hsh.sfgov.org | **Follow:** [@SF_HSH](https://twitter.com/SF_HSH) | **Like:** [@SanFranciscoHSH](https://facebook.com/SanFranciscoHSH)

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From: Chavez, Rosanna (MYR) <rosanna.chavez@sfgov.org>
Sent: Wednesday, August 26, 2020 4:40 PM
To: Menjivar, Salvador (HOM) <salvador.menjivar1@sfgov.org>
Subject: Loan Committee Approvals from 8/21/2020

Hello Salvador,

I hope you are doing well. I wanted to follow up with you regarding the Citywide Affordable Housing Loan Committee Agenda items that were up for approval on August 21, 2020. If you could please submit, in separate emails, for the following:

53 Colton
180 Jones
Hunters View Phase III

Also please note Loan Committee scheduled for September 4th has been cancelled.

Thank you,

Chavez, Rosanna (MYR)

From: Oerth, Sally (CII)
Sent: Friday, August 21, 2020 11:21 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR); Slen, Joyce (MYR)
Subject: 8/21/20 Loan Committee: 53 Colton Bridge & Gap Loan Request

On behalf of Nadia Sesay, I approve the bridge and gap loan request for 53 Colton St presented at the 8/21/20 Loan Committee.

Sally Oerth
Deputy Director
Office of Community Investment and Infrastructure

Sent from [Mail](#) for Windows 10

Chavez, Rosanna (MYR)

From: Van Degna, Anna (CON)
Sent: Friday, August 21, 2020 11:22 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: 53 Colton

approved

Anna Van Degna
Public Finance Director
Controller's Office
City & County of San Francisco
Ph. (415)-554-5956

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.

Nadia Sesay, Executive Director
Office of Community Investment and Infrastructure

Date: _____

☐ APPROVE. ☐ DISAPPROVE. ☐ TAKE NO ACTION.

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

Date: _____

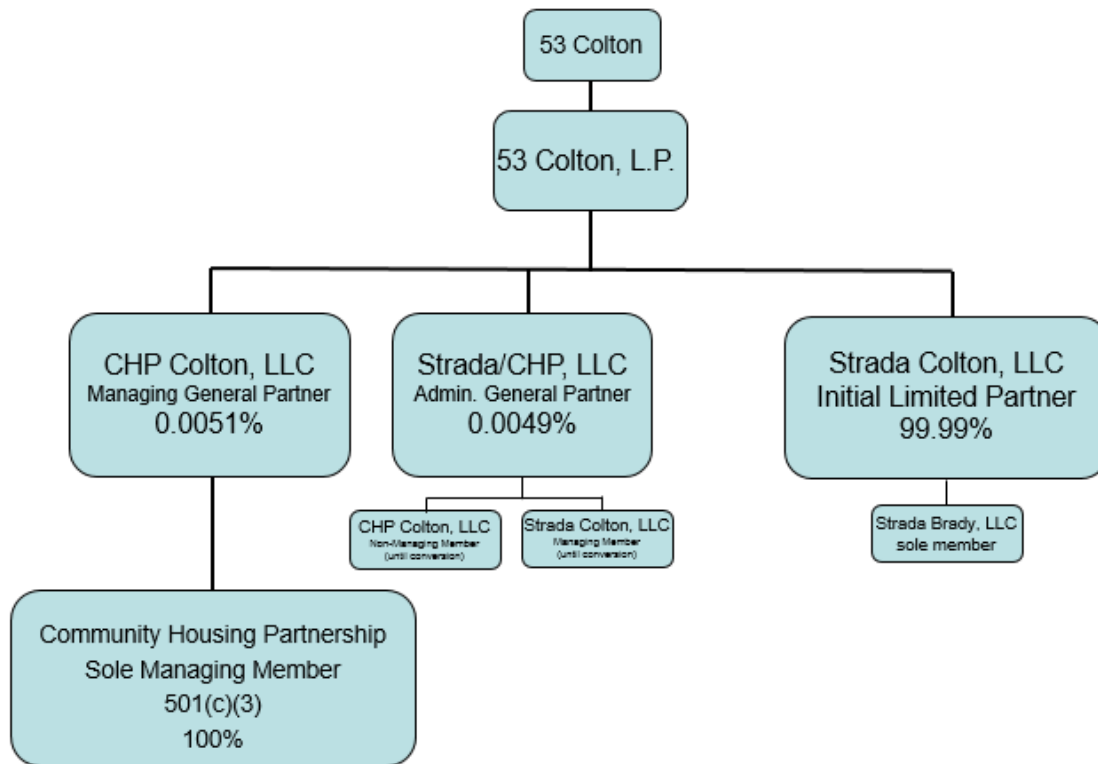
Attachments: A. Project Milestones/Schedule
 B. Borrower Org Chart
 C. Developer Resumes
 D. Asset Management Analysis of Sponsor
 E. Site Map with amenities
 F. Elevations and Floor Plans, if available
 G. Comparison of City Investment in Other Housing Developments
 H. Sources and Uses
 I. Development Budget
 J. 1st Year Operating Budget
 K. 20-year Operating Pro Forma

Attachment A: Project Milestones and Schedule

No.	Performance Milestone	Estimated or Actual Date	Contractual Deadline
A.	Prop I Noticing (if applicable)	<u>10/31/20</u>	
1.	Acquisition/Predev Financing Commitment	<u>n/a</u>	
2.	Site Acquisition	<u>1/1/18</u>	_____
3.	Development Team Selection		
a.	Architect	<u>1/1/18</u>	
b.	General Contractor	<u>5/1/20</u>	
c.	Owner's Representative	<u>N/A</u>	
d.	Property Manager	<u>N/A</u>	
e.	Service Provider	<u>N/A</u>	
4.	Design		
a.	Submittal of Schematic Design & Cost Estimate	<u>2/15/20</u> (complete)	_____
b.	Submittal of Design Development & Cost Estimate	<u>4/20/20</u> (complete)	
c.	Submittal of 50% CD Set & Cost Estimate	<u>6/15/20</u>	
d.	Submittal of Pre-Bid Set & Cost Estimate (75%-80% CDs)	<u>7/15/20</u> (complete)	
5.	Environ Review/Land-Use Entitlements		
a.	CEQA Environ Review Submission	<u>10/19/17</u> (complete)	
b.	NEPA Environ Review Submission	<u>N/A</u>	
c.	CUP/PUD/Variances Submission	<u>10/19/17</u> (complete)	
6.	Permits		
a.	Building / Site Permit Application Submitted	<u>11/4/19</u> (complete)	_____
b.	Addendum #1 Submitted	<u>4/28/20</u> (complete)	
c.	Addendum #2 Submitted	<u>4/28/20</u> (complete)	
7.	Request for Bids Issued	<u>8/1/20</u> (complete)	
8.	Service Plan Submission		
a.	Preliminary	<u>8/1/2019</u> (complete)	
b.	Interim	<u>1/15/20</u> (complete)	
c.	Update	<u>7/20/20</u> (complete)	
9.	Additional City Financing		
a.	Predevelopment Financing Application #2	<u>N/A</u>	
b.	Gap Financing Application	<u>8/21/20</u> (this request)	
10.	Other Financing		
a.	Construction Financing RFP	<u>4/29/20</u>	

		<u>(complete)</u>	
b.	AHP Application	<u>3/4/19 & 3/8/21</u>	
c.	CDLAC Application	<u>1/17/20</u> <u>(complete)</u>	
d.	TCAC Application	<u>1/17/20</u> <u>(complete)</u>	
e.	HUD 202 or 811 Application	<u>N/A</u>	
f.	Other Financing Application (MHP HCD)	<u>8/20/19</u> <u>(complete)</u>	
11.	Closing		
a.	Construction Closing	<u>10/5/20</u>	
b.	Permanent Financing Closing	<u>1/15/23</u>	
12.	Construction		
a.	Notice to Proceed	<u>10/12/20</u>	_____
b.	Temporary Certificate of Occupancy/Cert of Substantial Completion	<u>4/30/22</u>	_____
13.	Marketing/Rent-up		
a.	Marketing Plan Submission	<u>10/1/21</u>	_____
b.	Commence Marketing	<u>2/1/22</u>	
c.	95% Occupancy	<u>7/15/22</u>	_____
14.	Cost Certification/8609	<u>7/1/23</u>	
15.	Close Out MOH/OCII Loan(s)	<u>2/1/23</u>	

Attachment B: Borrower Org Chart



Attachment C: Developer Resume

COMMUNITY HOUSING PARTNERSHIP

CHP is a San Francisco non-profit organization founded in 1990 to create and implement solutions to homelessness. CHP's total portfolio consists of over 1,300 units of supportive housing across 16 buildings, housing over 1,500 individuals. CHP has acted as co-developer, owner, property manager, and services provider at several comparable supportive housing sites:

- Richardson Apartments: 120 units of newly constructed supportive housing, located in Hayes Valley, and built in collaboration with Mercy Housing. The project was completed in 2011.
- Rene Cazenave Apartments: 120 units of newly constructed supportive housing, located in Transbay, and built in collaboration with BRIDGE. The project was completed in 2013.
- Mission Bay South Block 9: 141 units of newly constructed supportive housing, located in Mission Bay, and built in collaboration with BRIDGE. The project is commencing construction in August 2020 and will be completed by 2022.

Serena Callaway, Director of Real Estate Development

Since joining CHP in January 2018, Ms. Callaway has overseen the predevelopment, construction and stabilization of nearly 500 units of permanent supportive and affordable housing in San Francisco. Prior to CHP, Ms. Callaway worked as a Vice President of Community Development Finance at Silicon Valley Bank where she conducted debt underwriting for affordable housing, sponsored AHP funding applications and handled construction loan management. Previously, Ms. Callaway was a Senior Project Manager for Tenderloin Neighborhood Development Corporation (TNDC) where she managed construction and renovation for numerous San Francisco projects including Franciscan Towers, Willie B. Kennedy Apartments, the Aarti Hotel, and Civic Center Residence. Prior to joining TNDC, she was a Project Manager at AF Evans overseeing acquisitions and new construction projects in Oakland and San Francisco. Ms. Callaway holds a M.C.P. from the University of California at Berkeley and a B.A. from Mount Holyoke College.

Danielle Thoe, Senior Project Manager

Danielle joined CHP in July 2020 as a Senior Project Manager. Prior to CHP Danielle worked at the City of Alameda Housing Authority managing the master plan and redevelopment of 12 acres at the former Naval Air Station. Danielle previously also worked as a regulator and funder of affordable housing development at the City of San Mateo's Housing Division administering the CDBG and HOME programs. Danielle holds a Master in Urban Planning from the University of Michigan with a Graduate Certificate in Real Estate Development as well as a Bachelor of Science in Public and Nonprofit Management from Indiana University.

STRADA INVESTMENT GROUP

Headquartered in San Francisco, Strada is a vertically-integrated real estate investment company devoted exclusively to real estate investment, development, and advisory services. Since its founding in 2010, Strada has managed more than \$1 billion of real estate assets with top-tier institutional capital partners, and currently has more than 2 million square feet in the development pipeline.

Strada has an exceptionally strong track record in both ground-up development and the adaptive reuse use and repositioning of existing buildings. Strada currently has more than 1,300 residential

units under various stages of development and currently owns and operates more than 1 million square feet of office. Website: www.stradasf.com

Key Strada Staff Members Include:

William Goodman, Managing Director

Will is a Managing Director at Strada, focusing on entitlement and development projects. Prior to joining Strada in 2014, Will was a Project Manager and the Chief of Staff at Jonathan Rose Companies, where he worked on acquisitions and development of office, multifamily, and mixed-use buildings across the country, including several LIHTC developments and rehabs. At Strada, Will has managed the 1629 Market Street mixed-use project in San Francisco and the T-5/6 development in downtown Oakland. Will has an M.A. in urban planning and real estate development from Harvard University and a B.A. from Brown University.

Steven Danforth, Vice President of Construction

Steven currently serves as the Head of Construction Management at 1629 Market Street. Prior to joining Strada, Steven was a Senior Construction Manager at Equity Residential, where he focused on Construction Management and Development of mixed-use, multi-family projects. Prior to this Steven worked at Avalon Bay Communities and Toll Brothers Condo Division. Steven has a BS in Construction Management from Wentworth University in Boston, Massachusetts.

Lih-Chuin Loh, Director of Design and Development

Lih focuses on design execution for development projects at Strada. Prior to joining Strada, Lih was a Project Manager at Poly Development and Holdings and RAD Urban where he focused on entitlements and design of high-rise multifamily projects in California. Prior to this, Lih worked at several architecture firms including Solomon Cordwell Buenz and WRNS Studio. Lih has a B.A. and M.A. in Architecture from the University of California, Berkeley and is a Registered Architect in the State of California.

Kathryn Hofstetter, Senior Associate

Katie concentrates on development, acquisitions, asset management, property management and marketing at Strada. She is involved in all stages of the development process, from initial diligence to entitlements to construction of a project. Katie earned a B.S. in journalism from California Polytechnic State University, San Luis Obispo.

Attachment D: Asset Management Evaluation of Project Sponsor

CHP's asset management portfolio consists of 16 properties totaling approximately 1,300 units, with an average building size of 75 units. Sizes range from 24 units at Edward II to 120 units at both Richardson Apartments and Rene Cazenave Apartments. CHP's asset management team is managed by the Chief Financial Officer and consists of two Asset Managers, both fairly new to their roles having joined CHP in 2019. For the 2019/2020 fiscal year, the asset management division budget is \$276,000. Funding for the department is from its property-related asset and partnership management fees.

The asset management staff oversees the organization's ownership related responsibilities for its LIHTC properties in which CHP is the general partner, master leases in which CHP operates resident services and commercial spaces within its residential properties. The asset management team regularly coordinates budget preparation and finalization with the housing operations staff as well as interfaces with the accounting, facilities and compliance staff within the organization. In order to improve CHP's financial and property reporting, CHP recently converted its accounting systems to YARDI.

Over the next five years, CHP expects to grow its portfolio by at least an additional 350 housing units with three buildings (Mission Bay South Block 9, 53 Colton and Treasure Island) coming online.

1/4 mile radius from Project

1/2 mile radius from Project

3/4 mile radius from Project

San Francisco Public Library

City College of San Francisco

Pharmacy

Medical Clinic

Koshland Park

Whole Foods Market

Van Ness Light Rail Station

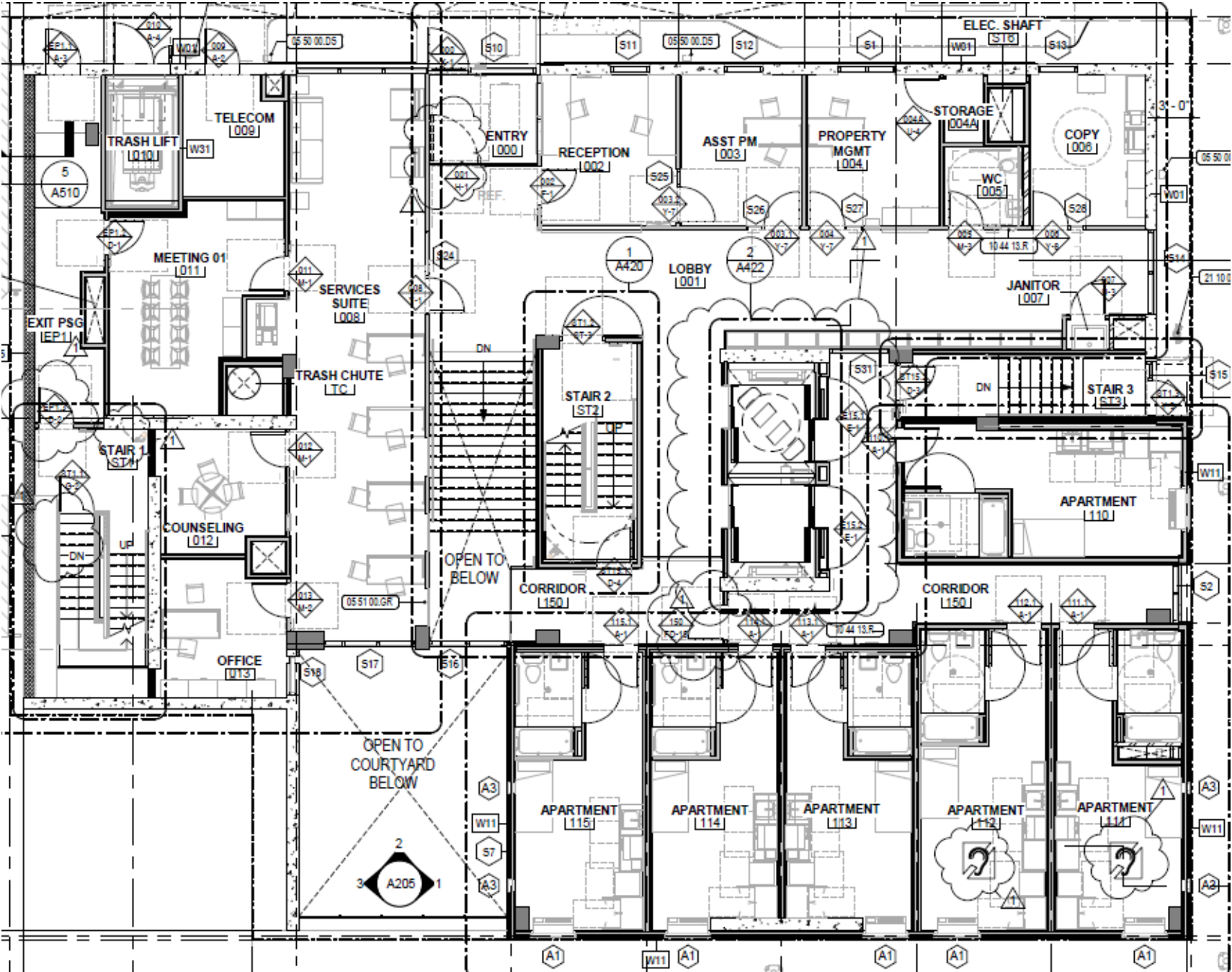
Attachment F: Elevations and Floor Plans

See attached.

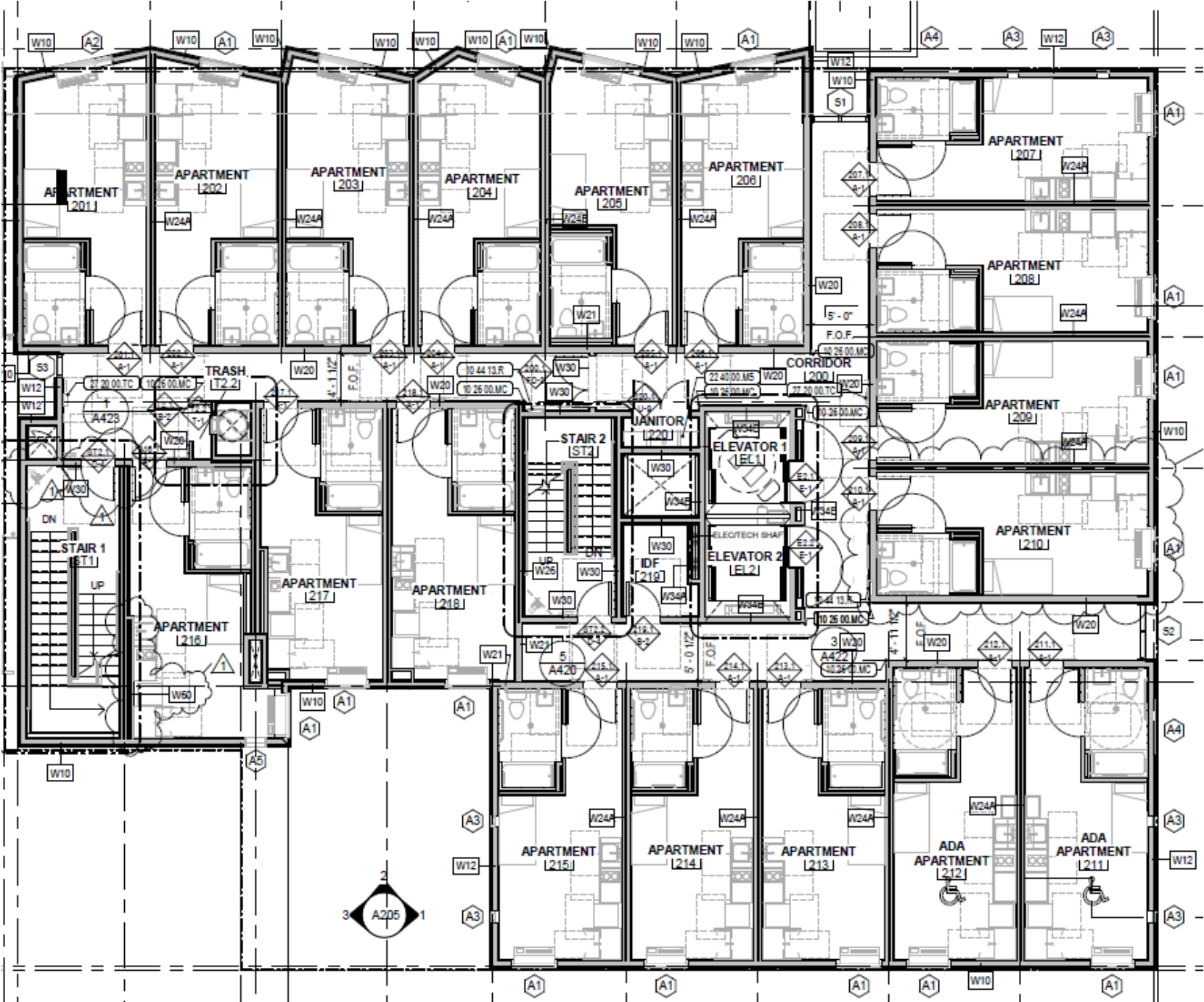
CLERESTORY GLAZING, SILL HEIGHT 10'-6" A.F.F.

CLERESTORY GLAZING,
SILL HEIGHT 10'-8" A.F.F.

GROUND FLOOR



2nd-6th Floors





VIEW @ SUNKEN COURT



EXTERIOR VIEW FROM NORTHWEST



VIEW @ COLTON STREET ENTRY



INTERIOR VIEW @ LOBBY LOOKING TOWARDS SUNKEN COURT



VIEW @ SUNKEN COURT



INTERIOR VIEW @ LOBBY



INTERIOR VIEW @ COMMON ROOM

Attachment G: Comparison of City Investment in Other Housing Developments

See attached.

Affordable Multifamily Housing New Construction Cost Comparison

Updated8/12/2020																
PROJECTS COMPLETED						Building Square Footage			Total Project Costs							
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost3	Constr. Cost4	Soft Cost	Total Dev. Cost w/land	Local Subsidy5	Total Dev. Cost w/o land	Notes on Financing	Comments
Mission Family Housing	1036 Mission	15,200	Oct-18	88	134	92,462	6,955	99,417	\$ 5,551,029	\$ 41,106,503	\$ 6,583,453	\$ 53,240,985	\$ 17,704,400	\$ 47,689,956	2 HCD Loans (MHP & TOD)	Type IB - 9 story
Eddy and Taylor Family Housing	222 Taylor	22,344	Jun-19	113	211	108,440	21,086	129,526	\$ 9,300,000	\$ 56,733,902	\$ 14,837,459	\$ 80,871,361	\$ 22,187,436	\$ 71,571,361	2 HCD Loans (MHP & TOD)	Type IB - 8 story, extensive PG&E regional switch required
Parcel O	455 Fell Street	37,428	Jun-19	108	165	82,117	31,128	113,245	\$ -	\$ 57,176,020	\$ 9,994,087	\$ 66,648,743	\$ 17,309,250	\$ 66,648,743	HCD AHSC Loan	Type V over Type I from approved eval dated 05/05/17
Completed Projects:	Average:	24,991		103	170	94,340	19,723	114,063	\$ 4,950,343	\$ 51,672,142	\$ 10,471,666	\$ 66,920,363	\$ 19,067,029	\$ 61,970,020		

PROJECTS UNDER CONSTRUCTION						Building Square Footage			Total Project Costs							
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost3	Constr. Cost4	Soft Cost	Total Dev. Cost w/land	Local Subsidy5	Total Dev. Cost w/o land	Notes on Financing	Comments
490 South Van Ness	490 S. Van Ness Avenue	14,250	Sep-20	81	121	51,639	28,985	80,624	\$ 18,500,000	\$ 43,647,993	\$ 13,393,811	\$ 75,541,804	\$ 28,892,030	\$ 57,041,804		Type IA - 7 stories over partial basement
1950 Mission Street	1950 Mission Street	36,590	Nov-20	157	262	113,432	48,142	161,574	\$ 9,775,000	\$ 85,644,853	\$ 15,171,496	\$ 110,591,349	\$ 44,945,740	\$ 100,816,349	HCD AHSC Loan	Type IA - 9 stories with significant (30% of sf) art and PDR spaces and Paseo Des Artes
500 Turk Street (555 Larkin)	500 Turk Street	18,906	Dec-21	108	186	82,805	26,586	109,391	\$ 1,853,895	\$ 54,251,461	\$ 29,815,020	\$ 85,920,376	\$ 32,400,000	\$ 84,066,481	HCD AHSC Loan	Type I 8 stories on constrained site
Under Construction:	Average:	23,249		115	190	82,625	34,571	117,196	10,042,965	61,181,436	19,460,109	90,684,510	35,412,590	80,641,545		

PROJECTS IN PREDEVELOPMENT						Building Square Footage			Total Project Costs							
Project Name	Address	Lot sq.ft	Start Date (anticipated)	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost3	Constr. Cost4	Soft Cost	Total Dev. Cost w/land	Local Subsidy5	Total Dev. Cost w/o land	Notes on Financing	Comments
Mission Bay S. Bl. 9A (Homeowner)	350 China Basin Street	29,939	Feb-22	140	280	136,165	50,611	186,776	\$ -	\$ 110,040,000	\$ 22,053,737	\$ 132,093,737	\$ 79,200,000	\$ 132,093,737	Not LIHTC eligible; Homeownership	Type I
681 Florida	681 Florida Street	19,000	Nov-20	130	199	126,830	9,250	136,080	\$ 125,091	\$ 69,666,424	\$ 20,545,793	\$ 90,337,308	\$ 33,826,507	\$ 90,212,217	HCD MHP Loan	Type IB 9 stories, 8,400+/- PDR
BPUY	2430 San Jose Ave	30,699	Nov-21	131	217	164,636	10,741	175,377	\$ -	\$ 90,772,748	\$ 26,621,814	\$ 117,394,562	\$ 30,493,722	\$ 117,394,562	4% Credits; HCD IIG & AHSC	Type IB - 8-9 story adjacent to BART. Early Childhood Ed Center. MOHCD Land not incl.
266 4th Street	266 4th Street	8,400	Dec-21	70	99	60,515	1,580	62,095	\$ 133,100	\$ 49,982,213	\$ 13,943,417	\$ 63,792,530	\$ 15,629,817	\$ 63,925,630	4% Credits; AHSC, St. Credits	Type I , 8 stories over MUNI substation tunnel, structurally complex, small footprint
Parcel U	78 Haight Street	5,583	Jun-21	63	63	44,327	3,349	47,676	\$ 24,643	\$ 33,104,683	\$ 17,185,977	\$ 50,315,303	\$ 22,289,234	\$ 50,290,660	9% Fed Credits & St. Credits	Type I, 7 stories over full basement, constrained site + childcare. (Est. 4/27/20 100% DD)
600 7th Street (fmly. 801 Brannan)	600 7th Street	37,800	Apr-22	200	290	147,857	5,000	152,857	\$ 10,000	\$ 90,567,791	\$ 58,478,670	\$ 149,056,461	\$ 44,560,243	\$ 149,046,461	Fed & St Credits; HCD IIG	Type I, 8 stories
180 Jones Street	180 Jones Street	4,853	Sep-21	70	70	36,116	3,304	39,420	\$ 100,000	\$ 38,792,788	\$ 15,046,251	\$ 53,939,039	\$ 13,950,000	\$ 53,839,039	4% LIHTC + MHP	Type I - 9 stories small very tight site (studios)
HPSY Block 56	11 Innes Court	28,792	Aug-21	73	145	55,172	35,021	90,193	\$ -	\$ 49,263,904	\$ 13,914,818	\$ 63,178,722	\$ 20,575,045	\$ 63,178,722	IIG, AHP, AHSC	Type I (podium level) - Type V (levels 2- 5)
921 Howard	921 Howard Street	28,893	Dec-20	203	323	233,710	1,970	235,680	\$ 8,759,000	\$ 114,933,210	\$ 37,001,722	\$ 160,693,932	\$ 30,000,000	\$ 151,934,932	CalHfa MIP/ 4% LIHTC	Type IA, 18 stories, 3 parking spaces & retail
In Predevelopment	Average:	21,551		120	187	111,703	13,425	125,128	1,016,870	71,902,640	24,976,911	97,866,844	32,279,396	96,879,551		

ALL PROJECTS	Average:	23,263		113	182	96,223	22,573	118,796	\$ 5,336,726	\$ 61,585,406	\$ 18,302,895	\$ 85,157,239	\$ 28,919,672	\$ 79,830,372		
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SUBJECT PROJECT	53 Colton	7,780	Oct-20	96	96	47,969	-	47,969	\$ 171,697	\$ 34,895,639	\$ 16,721,274	\$ 51,788,610	\$ 2,750,000	\$ 51,616,913	4% Fed & St Credits; HCD MHP, AHP, \$10M GM Contrib	Type IIIA over Type I podium and basement, 6 stories, constrained site, efficiency studios
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PROJECTS COMPLETED		Acquisition by Unit/Bed/SF			Construction by Unit/Bed/SF			Soft Costs By Unit/Bed/SF			Total Development Cost (Incl. Land)			Subsidy	
Project Name	Compl. Date	Acq/unit	Acq/BR	Acq/lot sq.ft	Const/unit	Const/BR	Const/sq.ft ⁶	Soft/unit	Soft/BR	Soft/sq.ft6	Gross TDC/unit	Gross TDC/BR	Gross TDC/sq.ft6	Subsidy / unit	Leveraging ⁷
Mission Family Housing	Oct-18	63,080	41,426	365	467,119	306,765	413	74,812	\$ 49,130	\$ 66	\$ 605,011	\$ 397,321	\$ 536	\$ 201,186	66.7%
Eddy & Taylor Family Housing	Jun-19	82,301	44,076	416	502,070	268,881	438	131,305	\$ 70,320	\$ 115	\$ 715,676	\$ 383,277	\$ 624	\$ 196,349	72.6%
Parcel O	Jun-19	-	-	-	529,408	346,521	505	92,538	\$ 60,570	\$ 211	\$ 617,118	\$ 403,932	\$ 589	\$ 160,271	74.0%
Completed Projects:	Average:	72,690	42,751	391	499,532	307,389	452	99,552	\$ 60,007	\$ 131	\$ 645,935	\$ 394,843	\$ 583	\$ 185,935	71%

PROJECTS UNDER CONSTRUCTION		Acquisition			Construction			Soft Costs			Total Development Cost (Incl. Land)			Subsidy	
Project Name	Compl. Date	Acq/unit	Acq/BR	Acq/lot sq.ft	Const/unit	Const/BR	Const/sq.ft ⁶	Soft/unit	Soft/BR	Soft/sq.ft6	Gross TDC/unit	Gross TDC/BR	Gross TDC/sq.ft6	Subsidy / unit	Leveraging ⁷
490 South Van Ness	Sep-20	228,395	152,893	1,298	538,864	360,727	541	165,356	\$110,693	\$ 166	\$ 932,615	\$ 624,312	\$ 937	\$ 356,692	61.8%
1950 Mission Street	Nov-20	62,261	37,309	267	545,509	326,889	530	96,634	\$57,906	\$ 94	\$ 704,403	\$ 422,104	\$ 684	\$ 286,279	59.4%
500 Turk Street (555 Larkin)	Dec-21	17,166	9,967	98	502,328	291,675	496	276,065	\$160,296	\$ 273	\$ 795,559	\$ 461,938	\$ 785	\$ 300,000	62.3%
Under Construction:	Average:	102,607	66,723	554	528,900	326,430	522	179,351	109,632	178	810,859	502,785	802	314,323	61%

PROJECTS IN PREDEVELOPMENT		Acquisition			Construction			Soft Costs			Total Development Cost (Incl. Land)			Subsidy	
Project Name	Start Date (anticipated)	Acq/unit	Acq/BR	Acq/lot sq.ft	Const/unit	Const/BR	Const/sq.ft ⁶	Soft/unit	Soft/BR	Soft/sq.ft6	Gross TDC/unit	Gross TDC/BR	Gross TDC/sq.ft6	Subsidy / unit	Leveraging ⁷
Mission Bay S. Block 9A (ownership)	Feb-22	-	-	-	786,000	393,000	589	157,527	\$ 78,763	\$ 118	\$ 943,527	\$ 471,763	\$ 707	\$ 565,714	40.0%
681 Florida	Nov-20	962	629	7	535,896	350,083	512	158,045	\$ 103,245	\$ 151	\$ 694,902	\$ 453,956	\$ 664	\$ 260,204	62.6%
BPUY	Nov-21	-	-	-	692,922	418,308	518	203,220	\$ 122,681	\$ 152	\$ 896,142	\$ 540,989	\$ 669	\$ 232,777	74.0%
4th and Folsom	Dec-21	1,901	1,344	16	714,032	504,871	805	199,192	\$ 140,843	\$ 225	\$ 911,322	\$ 644,369	\$ 1,027	\$ 223,283	75.5%
Parcel U	Jun-21	391	391	4	525,471	525,471	694	272,793	\$ 272,793	\$ 360	\$ 798,656	\$ 798,656	\$ 1,055	\$ 353,797	55.7%
600 7th Street	Apr-22	50	34	0	452,839	312,303	593	292,393	\$ 201,651	\$ 383	\$ 745,282	\$ 513,988	\$ 975	\$ 222,751	70.1%
180 Jones Street	Sep-21	1,429	1,429	21	554,183	554,183	984	214,946	\$ 214,946	\$ 382	\$ 770,558	\$ 770,558	\$ 1,368	\$ 199,286	74.1%
HPSY Block 56	Aug-21	-	-	-	674,848	339,751	546	190,614	\$ 95,964	\$ 154	\$ 865,462	\$ 435,715	\$ 700	\$ 281,850	67.4%
921 Howard	Dec-20	43,148	27,118	303	566,173	355,830	488	182,274	\$ 114,556	\$ 157	\$ 791,596	\$ 497,504	\$ 682	\$ 147,783	81.3%
In Predevelopment	Average:	7,980	5,157	58	611,374	417,089	636	207,889	149,494	231	824,161	569,722	872	276,383	67%

All Projects:	AVERAGE	61,093	38,210	335	546,602	350,303	537	162,264	\$ 106,377	\$ 180	\$ 760,318	\$ 489,117	\$ 752	\$ 258,881	66.3%
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SUBJECT PROJECT	Oct-20	\$ 1,788.51	\$ 1,789	\$ 22	\$ 363,496	\$ 363,496	\$ 727	\$ 174,180	\$ 174,180	\$ 349	\$ 539,465	\$ 539,465	\$ 1,080	\$ 28,646	94.7%
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⁰ Items highlighted in yellow represent gaps in information

¹ Includes studios as 1BRs

² Residential sq. ft. includes circulation, recreation, parking, office space and common areas; excludes day care centers, and commercial (non-res.)

³ Acquisition includes cost of buying land/building including costs if City buys site; excludes demolition of existing building

⁴ Construction includes unit construction, site preparation/demolition (if applicable), site improvements, environmental remediation and hard cost contingency for Predev & During Construction. Completed projects include used Contingency and are escalated per ENR CCI data

⁵ All non-amortized local funds

⁶ Total square footage

⁷ Leveraging= subsidy/unit as % of TDC/unit

⁸ Land Costs do not include \$6,150,000 in land costs MOHCD paid outside of the housing costs.

Attachment H: Sources and Uses

See attached.

Application Date:
Project Name:
Project Address:
Project Sponsor:

7/20/20
Colton Street
53 Colton St
Community Housing Partnership

Units: 96
Bedrooms: 96
Beds:

LOSP Project

SOURCES	Total Sources							Comments
	2,750,000	5,612,200	11,530,497	3,597,608	10,000,000	17,048,314	1,250,000	
		Certificated Credits	MHP	GP-Dev Fee	GP-Strada	LP Equity	MOHCD/AHP Perm Loan	

USES

ACQUISITION

Acquisition cost or value					10,000			10,000	
Legal / Closing costs / Broker's Fee					15,000			15,000	
Holding Costs								0	
Transfer Tax					146,697			146,697	
TOTAL ACQUISITION	0	0	0	0	171,697	0	0	171,697	

CONSTRUCTION (HARD COSTS)

Unit Construction/Rehab	2,750,000		11,099,247			12,652,066	1,250,000	27,751,313	\$1.25M AHP in Colum J
Commercial Shell Construction								0	
Demolition								0	
Environmental Remediation								0	
Onsight Improvements/Landscaping					1,689,220			1,689,220	includes rough grading & soil off-haul
Offsite Improvements								0	
Infrastructure Improvements								0	HOPE SF/OCII costs for streets etc.
Parking								0	
GC Bond Premium/GC Insurance/GC Taxes					1,005,796			1,005,796	3.4%
GC Overhead & Profit		1,163,711						1,163,711	includes \$108K for pre-construction assistance from GC
CG General Conditions		1,165,109			350,126			1,515,235	4.0%
Sub-total Construction Costs	2,750,000	2,328,820	11,099,247	0	3,045,142	12,652,066	1,250,000	33,125,275	5.1%
Design Contingency (remove at DD)								0	0.0%
Bid Contingency (remove at bid)								0	0.0%
Plan Check Contingency (remove/reduce during Plan Review)					113,810			113,810	0.4%
Hard Cost Construction Contingency						1,656,554		1,656,554	5.6%
Sub-total Construction Contingencies	0	0	0	0	113,810	1,656,554	0	1,770,364	
TOTAL CONSTRUCTION COSTS	2,750,000	2,328,820	11,099,247	0	3,158,952	14,308,620	1,250,000	34,895,639	

Construction line item costs as a % of hard costs

SOFT COSTS

Architecture & Design

Architect design fees					1,425,968			1,425,968	includes CA
Design Subconsultants to the Architect (incl. Fees)					930,755			930,755	MEP, Landscape, Energy, Waterproofing, Seismic, Civil, Other subs
Architect Construction Admin								0	
Reimbursables					100,910			100,910	estimate based on proposal, project size, and previous experience
Additional Services								0	
Sub-total Architect Contract	0	0	0	0	2,457,633	0	0	2,457,633	
Other Third Party design consultants (not included under Architect contract)					105,000			105,000	Permit expediter, scheduling
Total Architecture & Design	0	0	0	0	2,562,633	0	0	2,562,633	

Engineering & Environmental Studies

Survey					19,000			19,000	
Geotechnical studies					375,000			375,000	includes soils and Phase I/Phase II plus estimate based upon adjacent project with similar conditions
Phase I & II Reports								0	
CEQA / Environmental Review consultants					146,900			146,900	based upon proposal plus estimate based upon adjacent project with similar conditions
NEPA / 106 Review					77,022			77,022	archeologist
CNA/PNA (rehab only)								0	
Other environmental consultants			249,649		120,351	69,694		439,694	special inspections/testing
Total Engineering & Environmental Studies	0	0	249,649	0	738,273	69,694	0	1,057,616	

Financing Costs

Construction Financing Costs

Construction Loan Origination Fee					218,427			218,427	
Construction Loan Interest		1,154,700	181,601					1,336,301	
Title & Recording								0	
CDLAC & CDIAC fees								0	
Bond Issuer Fees					190,618			190,618	issuer: financial advisor, upfront, during const
Other Bond Cost of Issuance					22,000			22,000	trustee fee during const., COI contingency,
Other Lender Costs (specify)					52,750			52,750	const. lender expenses
Sub-total Const. Financing Costs	0	1,154,700	181,601	0	483,795	0	0	1,820,096	

Permanent Financing Costs

Permanent Loan Origination Fee								0	
Credit Enhance. & Appl. Fee					15,193			15,193	CDLAC & CDIAC fee
Title & Recording								0	
Sub-total Perm. Financing Costs	0	0	0	0	15,193	0	0	15,193	
Total Financing Costs	0	1,154,700	181,601	0	498,988	0	0	1,835,289	

Legal Costs

Borrower Legal fees		90,000			315,000			405,000	construction close, organization of partnership, syndication - GP
Land Use / CEQA Attorney fees								0	
Tax Credit Counsel								0	
Bond Counsel					90,000			90,000	
Construction Lender Counsel					75,000			75,000	
Permanent Lender Counsel								0	
Other Legal (specify)								0	
Total Legal Costs	0	90,000	0	0	480,000	0	0	570,000	

Other Development Costs

Appraisal					10,000			10,000	
Market Study								0	
* Insurance		1,003,396						1,003,396	
* Property Taxes					155,248			155,248	
Accounting / Audit								0	
* Organizational Costs								0	
Entitlement / Permit Fees					958,141			958,141	incl DIF, permits, utility
* Marketing / Rent-up		154,360						154,360	
* Furnishings					398,400			398,400	\$2,000/unit; See MOHCD U/W Guidelines on: http://slmohcd.org/documents-reports-and-forms
PGE / Utility Fees								0	
TCAC App / Alloc / Monitor Fees		39,360			42,428			81,788	certificated credit lender fees
* Financial Consultant fees					73,500			73,500	
Construction Management fees / Owner's Rep								0	
Security during Construction								0	
* Relocation								0	
Misc. consulting					301,740			301,740	waterproofing.
Audit/Cost cert		50,000						50,000	
Other (specify)								0	
Total Other Development Costs	0	1,247,116	0	0	1,939,457	0	0	3,186,573	

Soft Cost Contingency

Contingency (Arch, Eng, Fin, Legal & Other Dev)	0	0	0	0	0	920,000	0	920,000	
TOTAL SOFT COSTS	0	2,491,816	431,250	0	6,219,351	989,694	0	10,132,111	10.0%

Total Soft Cost Contingency as % of Total Soft Costs

RESERVES

* Operating Reserves		791,564						791,564	
Replacement Reserves								0	
* Tenant Improvements Reserves								0	
Other (specify)								0	
Other (specify)								0	
Other (specify)								0	
TOTAL RESERVES	0	791,564	0	0	0	0	0	791,564	

DEVELOPER COSTS

Developer Fee - Cash-out Paid at Milestones								0	
Developer Fee - Cash-out At Risk								0	
Commercial Developer Fee								0	
Developer Fee - GP Equity (also show as source)				3,597,608	450,000	1,750,000		5,797,608	\$450K is consulting fee from Strada to CHP that is classified under TCAC as developer fee (1120 ties to Sheet 1)
Developer Fee - Deferred (also show as source)								0	
Development Consultant Fees								0	Need MOHCD approval for this cost, N/A for most projects
TOTAL DEVELOPER COSTS	0	0	0	3,597,608	450,000	1,750,000	0	5,797,608	

TOTAL DEVELOPMENT COST

Development Cost/Unit by Source	2,750,000	5,612,200	11,530,497	3,597,608	10,000,000	17,048,314	1,250,000	51,788,619	
Development Cost/Unit as % of TDC by Source	28,646	58,460	120,109	37,475	104,167	177,587	13,021	539,465	
	5.3%	10.8%	22.3%	6.9%	19.3%	32.9%	2.4%	100.0%	

Acquisition Cost/Unit by Source

0	0	0	0	104	0	0	104	
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Construction Cost (inc Const Contingency)/Unit By Source

28,646	24,259	115,617	0	32,906	149,048	13,021	363,496	
57.33	48.55	231.38	0.00	65.85	298.29	26.06	727.46	

*Possible non-eligible GO Bond/COP Amount:

City Subsidy/Unit	2,750,000
	28,646

Tax Credit Equity Pricing:

0.885

Construction Bond Amount:

29,520,000

Construction Loan Term (in months):

36 months

Construction Loan Interest Rate (as %):

3.70%

Attachment I: Development Budget

See attached.

Application Date:
Project Name:
Project Address:
Project Sponsor:

7/20/20
Colton Street
53 Colton St
Community Housing Partnership

Units: 96
Bedrooms: 96
Beds:

LOSP Project

SOURCES	Total Sources							Comments
	2,750,000	5,612,200	11,530,497	3,597,608	10,000,000	17,048,314	1,250,000	
		Certificated Credits	MHP	GP-Dev Fee	GP-Strada	LP Equity	MOHCD/AHP Perm Loan	

USES

ACQUISITION

Acquisition cost or value					10,000			10,000	
Legal / Closing costs / Broker's Fee					15,000			15,000	
Holding Costs								0	
Transfer Tax					146,697			146,697	
TOTAL ACQUISITION	0	0	0	0	171,697	0	0	171,697	

CONSTRUCTION (HARD COSTS)

Unit Construction/Rehab	2,750,000		11,099,247			12,652,066	1,250,000	27,751,313	\$1.25M AHP in Colum J
Commercial Shell Construction								0	
Demolition								0	
Environmental Remediation								0	
Onsight Improvements/Landscaping					1,689,220			1,689,220	includes rough grading & soil off-haul
Offsite Improvements								0	
Infrastructure Improvements								0	HOPE SF/OCII costs for streets etc.
Parking								0	
GC Bond Premium/GC Insurance/GC Taxes					1,005,796			1,005,796	3.4%
GC Overhead & Profit		1,163,711						1,163,711	includes \$108K for pre-construction assistance from GC
CG General Conditions		1,165,109			350,126			1,515,235	4.0%
Sub-total Construction Costs	2,750,000	2,328,820	11,099,247	0	3,045,142	12,652,066	1,250,000	33,125,275	5.1%
Design Contingency (remove at DD)								0	0.0%
Bid Contingency (remove at bid)								0	0.0%
Plan Check Contingency (remove/reduce during Plan Review)					113,810			113,810	0.4%
Hard Cost Construction Contingency						1,656,554		1,656,554	5.6%
Sub-total Construction Contingencies	0	0	0	0	113,810	1,656,554	0	1,770,364	
TOTAL CONSTRUCTION COSTS	2,750,000	2,328,820	11,099,247	0	3,158,952	14,308,620	1,250,000	34,895,639	

Construction line item costs as a % of hard costs

SOFT COSTS

Architecture & Design

Architect design fees					1,425,968			1,425,968	includes CA
Design Subconsultants to the Architect (incl. Fees)					930,755			930,755	MEP, Landscape, Energy, Waterproofing, Seismic, Civil, Other subs
Architect Construction Admin								0	
Reimbursables					100,910			100,910	estimate based on proposal, project size, and previous experience
Additional Services								0	
Sub-total Architect Contract	0	0	0	0	2,457,633	0	0	2,457,633	
Other Third Party design consultants (not included under Architect contract)					105,000			105,000	Permit expediter, scheduling
Total Architecture & Design	0	0	0	0	2,562,633	0	0	2,562,633	

Engineering & Environmental Studies

Survey					19,000			19,000	
Geotechnical studies					375,000			375,000	includes soils and Phase I/Phase II plus estimate based upon adjacent project with similar conditions
Phase I & II Reports								0	
CEQA / Environmental Review consultants					146,900			146,900	based upon proposal plus estimate based upon adjacent project with similar conditions
NEPA / 106 Review					77,022			77,022	archeologist
CNA/PNA (rehab only)								0	
Other environmental consultants			249,649		120,351	69,694		439,694	special inspections/testing
Total Engineering & Environmental Studies	0	0	249,649	0	738,273	69,694	0	1,057,616	

Financing Costs

Construction Financing Costs

Construction Loan Origination Fee					218,427			218,427	
Construction Loan Interest		1,154,700	181,601					1,336,301	
Title & Recording								0	
CDLAC & CDIAC fees								0	
Bond Issuer Fees					190,618			190,618	issuer: financial advisor, upfront, during const
Other Bond Cost of Issuance					22,000			22,000	trustee fee during const., COI contingency,
Other Lender Costs (specify)					52,750			52,750	const. lender expenses
Sub-total Const. Financing Costs	0	1,154,700	181,601	0	483,795	0	0	1,820,096	

Permanent Financing Costs

Permanent Loan Origination Fee								0	
Credit Enhance. & Appl. Fee					15,193			15,193	CDLAC & CDIAC fee
Title & Recording								0	
Sub-total Perm. Financing Costs	0	0	0	0	15,193	0	0	15,193	
Total Financing Costs	0	1,154,700	181,601	0	498,988	0	0	1,835,289	

Legal Costs

Borrower Legal fees		90,000			315,000			405,000	construction close, organization of partnership, syndication - GP
Land Use / CEQA Attorney fees								0	
Tax Credit Counsel								0	
Bond Counsel					90,000			90,000	
Construction Lender Counsel					75,000			75,000	
Permanent Lender Counsel								0	
Other Legal (specify)								0	
Total Legal Costs	0	90,000	0	0	480,000	0	0	570,000	

Other Development Costs

Appraisal					10,000			10,000	
Market Study								0	
* Insurance		1,003,396						1,003,396	
* Property Taxes					155,248			155,248	
Accounting / Audit								0	
* Organizational Costs								0	
Entitlement / Permit Fees					958,141			958,141	incl DIF, permits, utility
* Marketing / Rent-up		154,360						154,360	
* Furnishings					398,400			398,400	\$2,000/unit; See MOHCD U/W Guidelines on: http://slmohcd.org/documents-reports-and-forms
PGE / Utility Fees								0	
TCAC App / Alloc / Monitor Fees		39,360			42,428			81,788	certificated credit lender fees
* Financial Consultant fees					73,500			73,500	
Construction Management fees / Owner's Rep								0	
Security during Construction								0	
* Relocation								0	
Misc. consulting					301,740			301,740	waterproofing.
Audit/Cost cert		50,000						50,000	
Other (specify)								0	
Total Other Development Costs	0	1,247,116	0	0	1,939,457	0	0	3,186,573	

Soft Cost Contingency

Contingency (Arch, Eng, Fin, Legal & Other Dev)	0	0	0	0	0	920,000	0	920,000	
TOTAL SOFT COSTS	0	2,491,816	431,250	0	6,219,351	989,694	0	10,132,111	10.0%

Total Soft Cost Contingency as % of Total Soft Costs

RESERVES

* Operating Reserves		791,564						791,564	
Replacement Reserves								0	
* Tenant Improvements Reserves								0	
Other (specify)								0	
Other (specify)								0	
Other (specify)								0	
TOTAL RESERVES	0	791,564	0	0	0	0	0	791,564	

DEVELOPER COSTS

Developer Fee - Cash-out Paid at Milestones								0	
Developer Fee - Cash-out At Risk								0	
Commercial Developer Fee								0	
Developer Fee - GP Equity (also show as source)				3,597,608	450,000	1,750,000		5,797,608	\$450K is consulting fee from Strada to CHP that is classified under TCAC as developer fee (1120 ties to Sheet 1)
Developer Fee - Deferred (also show as source)								0	
Development Consultant Fees								0	Need MOHCD approval for this cost, N/A for most projects
TOTAL DEVELOPER COSTS	0	0	0	3,597,608	450,000	1,750,000	0	5,797,608	

TOTAL DEVELOPMENT COST

Development Cost/Unit by Source	2,750,000	5,612,200	11,530,497	3,597,608	10,000,000	17,048,314	1,250,000	51,788,619	
Development Cost/Unit as % of TDC by Source	28,646	58,460	120,109	37,475	104,167	177,587	13,021	539,465	
	5.3%	10.8%	22.3%	6.9%	19.3%	32.9%	2.4%	100.0%	

Acquisition Cost/Unit by Source

0	0	0	0	104	0	0	104	
---	---	---	---	-----	---	---	-----	--

Construction Cost (inc Const Contingency)/Unit By Source

28,646	24,259	115,617	0	32,906	149,048	13,021	363,496	
57.33	48.55	231.38	0.00	65.85	298.29	26.06	727.46	

*Possible non-eligible GO Bond/COP Amount:

City Subsidy/Unit	2,750,000
	28,646

Tax Credit Equity Pricing:

0.885

Construction Bond Amount:

29,520,000

Construction Loan Term (in months):

36 months

Construction Loan Interest Rate (as %):

3.70%

Attachment J: 1st Year Operating Budget

See attached.

Application Date: 7/20/2020
Total # Units: 96
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations): 2023

INCOME

Residential - Tenant Rents		non-LOSP	Approved By (reqd)
Residential - Tenant Assistance Payments (Non-LOSP)	100.00%	0.00%	
Residential - LOSP Tenant Assistance Payments			
Commercial Space			
Residential Parking			
Miscellaneous Rent Income	LOSP	non-LOSP	Approved By (reqd)
Supportive Services Income	100.00%	0.00%	
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)	100.00%	0.00%	
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	100.00%	0.00%	
Asset Management Fee	100.00%	0.00%	
Sub-total Management Expenses			
Salaries/Benefits	LOSP	non-LOSP	Approved By (reqd)
Office Salaries	100.00%	0.00%	
Manager's Salary	100.00%	0.00%	
Health Insurance and Other Benefits	100.00%	0.00%	
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	100.00%	0.00%	
Audit Expense			
Bookkeeping/Accounting Services	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Bad Debts	100.00%	0.00%	
Miscellaneous			
Sub-total Administration Expenses			
Utilities	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Electricity	100.00%	0.00%	
Water			
Gas			
Sewer			
Sub-total Utilities			
Taxes and Licenses	LOSP	non-LOSP	Approved By (reqd)
Real Estate Taxes	100.00%	0.00%	
Payroll Taxes	100.00%	0.00%	
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	100.00%	0.00%	
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	100.00%	0.00%	
Contracts	100.00%	0.00%	
Garbage and Trash Removal	LOSP	non-LOSP	Approved By (reqd)
Security Payroll/Contract	100.00%	0.00%	
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	100.00%	0.00%	

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	100.00%	0.00%	
Operating Reserve Deposit	100.00%	0.00%	
Other Required Reserve 1 Deposit	100.00%	0.00%	
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)			
Hard Debt - Fourth Lender			
Commercial Hard Debt Service			
TOTAL HARD DEBT SERVICE			

CASH FLOW (NOI minus DEBT SERVICE)

Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)	n-LOSP (residual income)		
AVAILABLE CASH FLOW			
USES OF CASH FLOW BELOW (This row also shows DSCR.)			
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL			
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)			
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 Pmnt - Lender 1 (select lender in comments field)	lender in comments field)		
Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)			
Deferred Developer Fee (Enter amt <= Max Fee from cell I130)	0.00%	100.00%	

TOTAL PAYMENTS PRECEDING MOHCD

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)

Residual Receipts Calculation

Does Project have a MOHCD Residual Receipt Obligation?
Will Project Deter Developer Fee?

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

0

#VALUE!

Soft Debt Lenders with Residual Receipts Obligations

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

MOHCD RESIDUAL RECEIPTS DEBT SERVICE

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

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE

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

REMAINDER (Should be zero unless there are distributions below)

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

Attachment K: 20-year Operating Proforma

See attached.

Colton Street

Total # Units:				Year 4 2026			Year 5 2027			Year 6 2028			
		LOSP Units	Non-LOSP Units										
		96	0										
		100.00%	0.00%										
		inc LOSP	% annual increase	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME		1.0%	2.5%										
Residential - Tenant Rents		n/a	n/a		356,072	-	356,072	359,633	-	359,633	363,229	-	363,229
Residential - Tenant Assistance Payments (Non-LOSP)		n/a	n/a										
Residential - LOSP Tenant Assistance Payments		n/a	n/a		1,349,735		1,349,735	1,403,665		1,403,665	1,459,567		1,459,567
Commercial Space		n/a	2.5%										
Residential Parking		2.5%	2.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income		2.5%	2.5%		-	-	-	-	-	-	-	-	-
Supportive Services Income		2.5%	2.5%		-	-	-	-	-	-	-	-	-
Interest Income - Project Operations		2.5%	2.5%		-	-	-	-	-	-	-	-	-
Laundry and Vending		2.5%	2.5%		-	-	-	-	-	-	-	-	-
Tenant Charges		2.5%	2.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income		2.5%	2.5%		-	-	-	-	-	-	-	-	-
Other Commercial Income		n/a	2.5%										
Withdrawal from Capitalized Reserve (deposit to operating account)		n/a	n/a	Link from Reserve Section below, as applicable	-			-	-		-		
Gross Potential Income					1,705,807	-	1,705,807	1,763,298	-	1,763,298	1,822,796	-	1,822,796
Vacancy Loss - Residential - Tenant Rents		n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(17,804)	-	(17,804)	(17,982)	-	(17,982)	(18,161)	-	(18,161)
Vacancy Loss - Residential - Tenant Assistance Payments		n/a	n/a		-			-		-			
Vacancy Loss - Commercial		n/a	n/a		-			-		-			
EFFECTIVE GROSS INCOME					1,688,004	-	1,688,004	1,745,316	-	1,745,316	1,804,635	-	1,804,635
OPERATING EXPENSES													
Management													
Management Fee		3.5%	3.5%	1st Year to be set according to HUD schedule.	110,825	-	110,825	114,704	-	114,704	118,719	-	118,719
Asset Management Fee		3.5%	3.5%	per MOHCD policy	26,011	-	26,011	26,921	-	26,921	27,863	-	27,863
Sub-total Management Expenses					136,836	-	136,836	141,625	-	141,625	146,582	-	146,582
Salaries/Benefits													
Office Salaries		3.5%	3.5%		-	-	-	-	-	-	-	-	-
Manager's Salary		3.5%	3.5%		137,772	-	137,772	142,594	-	142,594	147,584	-	147,584
Health Insurance and Other Benefits		3.5%	3.5%		107,892	-	107,892	111,669	-	111,669	115,577	-	115,577
Other Salaries/Benefits		3.5%	3.5%		-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit		3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits					245,664	-	245,664	254,262	-	254,262	263,161	-	263,161
Administration													
Advertising and Marketing		3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses		3.5%	3.5%		77,337	-	77,337	80,044	-	80,044	82,846	-	82,846
Office Rent		3.5%	3.5%		-	-	-	-	-	-	-	-	-
Legal Expense - Property		3.5%	3.5%		14,252	-	14,252	14,751	-	14,751	15,267	-	15,267
Audit Expense		3.5%	3.5%		22,662	-	22,662	23,455	-	23,455	24,276	-	24,276
Bookkeeping/Accounting Services		3.5%	3.5%		26,007	-	26,007	26,917	-	26,917	27,859	-	27,859
Bad Debts		3.5%	3.5%		14,020	-	14,020	14,511	-	14,511	15,019	-	15,019
Miscellaneous		3.5%	3.5%		12,197	-	12,197	12,624	-	12,624	13,066	-	13,066
Sub-total Administration Expenses					166,476	-	166,476	172,303	-	172,303	178,334	-	178,334
Utilities													
Electricity		3.5%	3.5%		88,060	-	88,060	91,142	-	91,142	94,332	-	94,332
Water		3.5%	3.5%		44,838	-	44,838	46,407	-	46,407	48,031	-	48,031
Gas		3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sewer		3.5%	3.5%		70,346	-	70,346	72,808	-	72,808	75,356	-	75,356
Sub-total Utilities					203,243	-	203,243	210,356	-	210,356	217,719	-	217,719
Taxes and Licenses													
Real Estate Taxes		3.5%	3.5%		15,363	-	15,363	15,900	-	15,900	16,457	-	16,457
Payroll Taxes		3.5%	3.5%		45,584	-	45,584	47,180	-	47,180	48,831	-	48,831
Miscellaneous Taxes, Licenses and Permits		3.5%	3.5%		5,626	-	5,626	5,823	-	5,823	6,027	-	6,027
Sub-total Taxes and Licenses					66,573	-	66,573	68,903	-	68,903	71,315	-	71,315
Insurance													
Property and Liability Insurance		3.5%	3.5%		174,293	-	174,293	180,393	-	180,393	186,707	-	186,707
Fidelity Bond Insurance		3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation		3.5%	3.5%		22,226	-	22,226	23,004	-	23,004	23,809	-	23,809
Director's & Officers' Liability Insurance		3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance					196,519	-	196,519	203,397	-	203,397	210,516	-	210,516
Maintenance & Repair													
Payroll		3.5%	3.5%		219,651	-	219,651	227,338	-	227,338	235,295	-	235,295
Supplies		3.5%	3.5%		17,043	-	17,043	17,640	-	17,640	18,257	-	18,257
Contracts		3.5%	3.5%		86,642	-	86,642	89,674	-	89,674	92,813	-	92,813
Garbage and Trash Removal		3.5%	3.5%		60,477	-	60,477	62,594	-	62,594	64,784	-	64,784
Security Payroll/Contract		3.5%	3.5%		232,737	-	232,737	240,883	-	240,883	249,314	-	249,314
HVAC Repairs and Maintenance		3.5%	3.5%		-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs		3.5%	3.5%		297	-	297	307	-	307	318	-	318
Miscellaneous Operating and Maintenance Expenses		3.5%	3.5%		5,345	-	5,345	5,532	-	5,532	5,725	-	5,725
Sub-total Maintenance & Repair Expenses					622,191	-	622,191	643,968	-	643,968	666,507	-	666,507
Supportive Services		3.5%	3.5%		-	-	-	-	-	-	-	-	-
Commercial Expenses							-			-			-
TOTAL OPERATING EXPENSES					1,637,503	-	1,637,503	1,694,815	-	1,694,815	1,754,134	-	1,754,134
PUPA (w/o Reserves/GL Base Rent/Bond Fees)					e/delete values in yellow cells, manipulate each cell rather than dragging across multiple cells.								
Reserves/Ground Lease Base Rent/Bond Fees													
Ground Lease Base Rent					1	-	1	1	-	1	1	-	1
Bond Monitoring Fee					2,500	-	2,500	2,500	-	2,500	2,500	-	2,500
Replacement Reserve Deposit					48,000	-	48,000	48,000	-	48,000	48,000	-	48,000
Operating Reserve Deposit					-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit					-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit					-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial					-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees					50,501	-	50,501	50,501	-	50,501	50,501	-	50,501
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)					1,688,004	-	1,688,004	1,745,316	-	1,745,316	1,804,635	-	1,804,635
PUPA (w/ Reserves/GL Base Rent/Bond Fees)													
NET OPERATING INCOME (INCOME minus OP EXPENSES)					-	-	-	-	-	-	-	-	-
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)					e/delete values in yellow cells, manipulate each cell rather than dragging across multiple cells.								
Hard Debt - First Lender					Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)					Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)					Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender					Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-
Commercial Hard Debt Service						-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE						-	-	-	-	-	-	-	-
CASH FLOW (NOI minus DEBT SERVICE)						-	-		-			-	-
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)						-			-			-	
AVAILABLE CASH FLOW						-			-			-	
USES OF CASH FLOW BELOW (This row also shows DSCR.)													
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL													
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)		3.5%	3.5%	per MOHCD policy	-	-		-	-		-	-	
Partnership Management Fee (see policy for limits)		3.5%	3.5%	per MOHCD policy	-	-		-	-		-	-	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)				per MOHCD policy no annual increase	-	-		-	-		-	-	
Other Payments					-	-		-	-		-	-	
Non-amortizing Loan 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)						-	-	-	-	-	-	-	-
Does Project have a MOHCD Residual Receipt Obligation?				No									
Will Project Defer Developer Fee?				No									
Residual Receipts split for all years. - Lender/Owner				0% / 0%									
MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
MOHCD Residual Receipts Amount Due				10.77%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy								
Proposed MOHCD Residual Receipts Amount to Loan Repayment													
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease													
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
HCD Residual Receipts Amount Due				45.16%	Allocation per pro rata share of all soft debt								
Lender 4 Residual Receipts Due				4.90%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy.								
Lender 5 Residual Receipts Due				39.17%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy.								
Total Non-MOHCD Residual Receipts Debt Service						-		-			-		
REMAINDER (Should be zero unless there are distributions below)													
Owner Distributions/Incentive Management Fee													
Other Distributions/Uses													
Final Balance (should be zero)						-		-			-		
REPLACEMENT RESERVE - RUNNING BALANCE													
Replacement Reserve Starting Balance						144,000			192,000				

Colton Street

Total # Units:				Year 10 2032			Year 11 2033			Year 12 2034		
96												
100.00%												

Colton Street

Total # Units:			LOSP Units	Non-LOSP Units	Year 13 2035			Year 14 2036			Year 15 2037		
96			96	0									
			100.00%	0.00%									
INCOME	inc LOSP	% annual increase	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	
Residential - Tenant Rents	1.0%	2.5%		389,431	-	389,431	393,325	-	393,325	397,258	-	397,258	
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a			-	-		-			-		
Residential - LOSP Tenant Assistance Payments	n/a	n/a		1,912,290		1,912,290	1,986,701		1,986,701	2,063,810		2,063,810	
Commercial Space	n/a	2.5%											
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-	
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-	-	-	-	
Laundry and Vending	2.5%	2.5%		-	-	-	-	-	-	-	-	-	
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-	-	-	-	
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	
Other Commercial Income	n/a	2.5%											
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-			-	-		-	-		
Gross Potential Income				2,301,720	-	2,301,720	2,380,026	-	2,380,026	2,461,068	-	2,461,068	
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(19,472)	-	(19,472)	(19,666)	-	(19,666)	(19,863)	-	(19,863)	
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	-	-	-	-	-	-	-		
Vacancy Loss - Commercial	n/a	n/a		-	-	-	-	-	-	-	-		
EFFECTIVE GROSS INCOME				2,282,249	-	2,282,249	2,360,360	-	2,360,360	2,441,205	-	2,441,205	
OPERATING EXPENSES													
Management													
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	151,044	-	151,044	156,330	-	156,330	161,802	-	161,802	
Asset Management Fee	3.5%	3.5%	per MOHCD policy	35,450	-	35,450	36,690	-	36,690	37,975	-	37,975	
Sub-total Management Expenses				186,493	-	186,493	193,021	-	193,021	199,776	-	199,776	
Salaries/Benefits													
Office Salaries	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Manager's Salary	3.5%	3.5%		187,769	-	187,769	194,340	-	194,340	201,142	-	201,142	
Health Insurance and Other Benefits	3.5%	3.5%		147,046	-	147,046	152,193	-	152,193	157,519	-	157,519	
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Sub-total Salaries/Benefits				334,815	-	334,815	346,533	-	346,533	358,662	-	358,662	
Administration													
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Office Expenses	3.5%	3.5%		105,403	-	105,403	109,092	-	109,092	112,910	-	112,910	
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Legal Expense - Property	3.5%	3.5%		19,424	-	19,424	20,104	-	20,104	20,808	-	20,808	
Audit Expense	3.5%	3.5%		30,886	-	30,886	31,967	-	31,967	33,086	-	33,086	
Bookkeeping/Accounting Services	3.5%	3.5%		35,445	-	35,445	36,685	-	36,685	37,969	-	37,969	
Bad Debts	3.5%	3.5%		19,108	-	19,108	19,777	-	19,777	20,469	-	20,469	
Miscellaneous	3.5%	3.5%		16,624	-	16,624	17,206	-	17,206	17,808	-	17,808	
Sub-total Administration Expenses				226,890	-	226,890	234,831	-	234,831	243,051	-	243,051	
Utilities													
Electricity	3.5%	3.5%		120,016	-	120,016	124,217	-	124,217	128,565	-	128,565	
Water	3.5%	3.5%		61,109	-	61,109	63,248	-	63,248	65,462	-	65,462	
Gas	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Sewer	3.5%	3.5%		95,874	-	95,874	99,229	-	99,229	102,702	-	102,702	
Sub-total Utilities				276,999	-	276,999	286,694	-	286,694	296,729	-	296,729	
Taxes and Licenses													
Real Estate Taxes	3.5%	3.5%		20,938	-	20,938	21,671	-	21,671	22,429	-	22,429	
Payroll Taxes	3.5%	3.5%		62,127	-	62,127	64,301	-	64,301	66,552	-	66,552	
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		7,668	-	7,668	7,936	-	7,936	8,214	-	8,214	
Sub-total Taxes and Licenses				90,733	-	90,733	93,908	-	93,908	97,195	-	97,195	
Insurance													
Property and Liability Insurance	3.5%	3.5%		237,543	-	237,543	245,857	-	245,857	254,462	-	254,462	
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Worker's Compensation	3.5%	3.5%		30,292	-	30,292	31,352	-	31,352	32,449	-	32,449	
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Sub-total Insurance				267,835	-	267,835	277,209	-	277,209	286,911	-	286,911	
Maintenance & Repair													
Payroll	3.5%	3.5%		299,361	-	299,361	309,839	-	309,839	320,683	-	320,683	
Supplies	3.5%	3.5%		23,228	-	23,228	24,041	-	24,041	24,883	-	24,883	
Contracts	3.5%	3.5%		118,084	-	118,084	122,217	-	122,217	126,494	-	126,494	
Garbage and Trash Removal	3.5%	3.5%		82,424	-	82,424	85,309	-	85,309	88,295	-	88,295	
Security Payroll/Contract	3.5%	3.5%		317,197	-	317,197	328,299	-	328,299	339,789	-	339,789	
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		405	-	405	419	-	419	434	-	434	
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		7,284	-	7,284	7,539	-	7,539	7,803	-	7,803	
Sub-total Maintenance & Repair Expenses				847,983	-	847,983	877,662	-	877,662	908,380	-	908,380	
Supportive Services	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Commercial Expenses						-			-			-	
TOTAL OPERATING EXPENSES				2,231,748	-	2,231,748	2,309,859	-	2,309,859	2,390,704	-	2,390,704	
PUPA (w/o Reserves/GL Base Rent/Bond Fees)													
Reserves/Ground Lease Base Rent/Bond Fees													
Ground Lease Base Rent				1	-	1	1	-	1	1	-	1	
Bond Monitoring Fee				2,500	-	2,500	2,500	-	2,500	2,500	-	2,500	
Replacement Reserve Deposit				48,000	-	48,000	48,000	-	48,000	48,000	-	48,000	
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-	
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-	
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-	
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				50,501	-	50,501	50,501	-	50,501	50,501	-	50,501	
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				2,282,249	-	2,282,249	2,360,360	-	2,360,360	2,441,205	-	2,441,205	
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.	-	-	-	-	-	-	-	-	-	
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	
Hard Debt - Fourth Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	
Commercial Hard Debt Service													
TOTAL HARD DEBT SERVICE				-	-	-	-	-	-	-	-	-	
CASH FLOW (NOI minus DEBT SERVICE)				-	-	-	-	-	-	-	-	-	
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)													
AVAILABLE CASH FLOW				-	-	-	-	-	-	-	-	-	
USES OF CASH FLOW BELOW (This row also shows DSCR.)													
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL													
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-	-	-	-	
Partnership Management Fee (see policy for limits)	3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-	-	-	-	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	-	-	-	-	-	-	-	-	-	
Other Payments				-	-	-	-	-	-	-	-	-	
Non-amortizing Loan 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)				-	-	-	-	-	-	-	-	-	
Does Project have a MOHCD Residual Receipt Obligation?				No									
Will Project Defer Developer Fee?				No									
Residual Receipts split for all years. - Lender/Owner				0% / 0%									
MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
MOHCD Residual Receipts Amount Due			10.77%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy									
Proposed MOHCD Residual Receipts Amount to Loan Repayment													
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease				Proposed Total MOHCD Amt Due less Loan Repayment									
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE													
HCD Residual Receipts Amount Due			45.16%	Allocation per pro rata share of all soft debt									
Lender 4 Residual Receipts Due			4.90%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy.									
Lender 5 Residual Receipts Due			39.17%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy.									
Total Non-MOHCD Residual Receipts Debt Service													
REMAINDER (Should be zero unless there are distributions below)													
Owner Distributions/Incentive Management Fee													
Other Distributions/Uses													
Final Balance (should be zero)													
REPLACEMENT RESERVE - RUNNING BALANCE													
Replacement Reserve Starting Balance						576,000			624,000			672,000	
Replacement Reserve Deposits						48,000			48,000			48,000	
Replacement Reserve Withdrawals (ideally tied to CNA)						-			-			-	
Replacement Reserve Interest													
RR Running Balance						624,000			672,000			720,000	
						\$6,500			\$7,000			\$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%			0.0%			0.0%	
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE													
Other Reserve 1 Starting Balance						-			-			-	
Other Reserve 1 Deposits						-			-			-	

Colton Street

Total # Units:				Year 16 2038			Year 17 2039			Year 18 2040		
96												
LOSP Units 96 100.00%				Non-LOSP Units 0 0.00%								
	inc LOSP	% annual increase	Comments (related to annual inc assumptions)	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME												
Residential - Tenant Rents	1.0%	2.5%		401,231	-	401,231	405,243	-	405,243	409,296	-	409,296
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a			-			-			-	
Residential - LOSP Tenant Assistance Payments	n/a	n/a		2,143,710		2,143,710	2,226,502		2,226,502	2,312,287		2,312,287
Commercial Space	n/a	2.5%				-			-			-
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Tenant Charges	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	2.5%			-			-			-	
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	Link from Reserve Section below, as applicable	-	-		-	-		-	-	
Gross Potential Income				2,544,941	-	2,544,941	2,631,745	-	2,631,745	2,721,582	-	2,721,582
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH	(20,062)	-	(20,062)	(20,262)	-	(20,262)	(20,465)	-	(20,465)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	policy; annual incrementing usually not	-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a	appropriate	-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME				2,524,880	-	2,524,880	2,611,483	-	2,611,483	2,701,117	-	2,701,117
OPERATING EXPENSES												
Management												
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	167,465	-	167,465	173,326	-	173,326	179,392	-	179,392
Asset Management Fee	3.5%	3.5%	per MOHCD policy	39,304	-	39,304	40,679	-	40,679	42,103	-	42,103
Sub-total Management Expenses				206,768	-	206,768	214,005	-	214,005	221,496	-	221,496
Salaries/Benefits												
Office Salaries	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Manager's Salary	3.5%	3.5%		208,182	-	208,182	215,469	-	215,469	223,010	-	223,010
Health Insurance and Other Benefits	3.5%	3.5%		163,033	-	163,033	168,739	-	168,739	174,645	-	174,645
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				371,215	-	371,215	384,208	-	384,208	397,655	-	397,655
Administration												
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%		116,862	-	116,862	120,952	-	120,952	125,186	-	125,186
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		21,536	-	21,536	22,290	-	22,290	23,070	-	23,070
Audit Expense	3.5%	3.5%		34,244	-	34,244	35,443	-	35,443	36,683	-	36,683
Bookkeeping/Accounting Services	3.5%	3.5%		39,298	-	39,298	40,673	-	40,673	42,097	-	42,097
Bad Debts	3.5%	3.5%		21,186	-	21,186	21,927	-	21,927	22,695	-	22,695
Miscellaneous	3.5%	3.5%		18,431	-	18,431	19,076	-	19,076	19,744	-	19,744
Sub-total Administration Expenses				251,557	-	251,557	260,362	-	260,362	269,474	-	269,474
Utilities												
Electricity	3.5%	3.5%		133,064	-	133,064	137,722	-	137,722	142,542	-	142,542
Water	3.5%	3.5%		67,753	-	67,753	70,124	-	70,124	72,578	-	72,578
Gas	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sewer	3.5%	3.5%		106,297	-	106,297	110,017	-	110,017	113,868	-	113,868
Sub-total Utilities				307,114	-	307,114	317,863	-	317,863	328,988	-	328,988
Taxes and Licenses												
Real Estate Taxes	3.5%	3.5%		23,214	-	23,214	24,027	-	24,027	24,868	-	24,868
Payroll Taxes	3.5%	3.5%		68,881	-	68,881	71,292	-	71,292	73,787	-	73,787
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		8,501	-	8,501	8,799	-	8,799	9,107	-	9,107
Sub-total Taxes and Licenses				100,597	-	100,597	104,118	-	104,118	107,762	-	107,762
Insurance												
Property and Liability Insurance	3.5%	3.5%		263,369	-	263,369	272,587	-	272,587	282,127	-	282,127
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		33,585	-	33,585	34,760	-	34,760	35,977	-	35,977
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance				296,953	-	296,953	307,347	-	307,347	318,104	-	318,104
Maintenance & Repair												
Payroll	3.5%	3.5%		331,907	-	331,907	343,524	-	343,524	355,547	-	355,547
Supplies	3.5%	3.5%		25,754	-	25,754	26,655	-	26,655	27,588	-	27,588
Contracts	3.5%	3.5%		130,922	-	130,922	135,504	-	135,504	140,246	-	140,246
Garbage and Trash Removal	3.5%	3.5%		91,385	-	91,385	94,583	-	94,583	97,894	-	97,894
Security Payroll/Contract	3.5%	3.5%		351,682	-	351,682	363,991	-	363,991	376,730	-	376,730
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		449	-	449	464	-	464	481	-	481
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		8,076	-	8,076	8,359	-	8,359	8,651	-	8,651
Sub-total Maintenance & Repair Expenses				940,174	-	940,174	973,080	-	973,080	1,007,138	-	1,007,138
Supportive Services	3.5%	3.5%			-	-	-	-	-	-	-	-
Commercial Expenses						-			-			-
TOTAL OPERATING EXPENSES				2,474,379	-	2,474,379	2,560,982	-	2,560,982	2,650,616	-	2,650,616
PUPA (w/o Reserves/GL Base Rent/Bond Fees)												
Reserves/Ground Lease Base Rent/Bond Fees												
Ground Lease Base Rent				1	-	1	1	-	1	1	-	1
Bond Monitoring Fee				2,500	-	2,500	2,500	-	2,500	2,500	-	2,500
Replacement Reserve Deposit				48,000	-	48,000	48,000	-	48,000	48,000	-	48,000
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				50,501	-	50,501	50,501	-	50,501	50,501	-	50,501
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				2,524,880	-	2,524,880	2,611,483	-	2,611,483	2,701,117	-	2,701,117
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.	-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service												
TOTAL HARD DEBT SERVICE				-	-	-	-	-	-	-	-	-
CASH FLOW (NOI minus DEBT SERVICE)				-	-	-	-	-	-	-	-	-
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)												
AVAILABLE CASH FLOW				-	-	-	-	-	-	-	-	-
USES OF CASH FLOW BELOW (This row also shows DSCR.)												
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL												
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-	-	-	-
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	-	-	-	-	-	-	-	-	-
Other Payments				-	-	-	-	-	-	-	-	-
Non-amortizing Loan 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)				-	-	-	-	-	-	-	-	-
Does Project have a MOHCD Residual Receipt Obligation?				No								
Will Project Defer Developer Fee?				No								
Residual Receipts split for all years. - Lender/Owner				0% / 0%								
MOHCD RESIDUAL RECEIPTS DEBT SERVICE												
MOHCD Residual Receipts Amount Due			10.77%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy		-		-		-		-
Proposed MOHCD Residual Receipts Amount to Loan Repayment				Proposed Total MOHCD Amt Due less Loan Repayment		-		-		-		-
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease						-		-		-		-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE												
HCD Residual Receipts Amount Due			45.16%	Allocation per pro rata share of all soft debt		-		-		-		-
Lender 4 Residual Receipts Due			4.90%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy.		-		-		-		-
Lender 5 Residual Receipts Due			39.17%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy.		-		-		-		-
Total Non-MOHCD Residual Receipts Debt Service						-		-		-		-
REMAINDER (Should be zero unless there are distributions below)						-		-		-		-
Owner Distributions/Incentive Management Fee						-		-		-		-
Other Distributions/Uses						-		-		-		-
Final Balance (should be zero)						-		-		-		-
REPLACEMENT RESERVE - RUNNING BALANCE												
Replacement Reserve Starting Balance						720,000		768,000		816,000		816,000
Replacement Reserve Deposits						48,000		48,000		48,000		48,000
Replacement Reserve Withdrawals (ideally tied to CNA)						-		-		-		-
Replacement Reserve Interest												
RR Running Balance						768,000		816,000		864,000		864,000
						\$8,000		\$8,500		\$9,000		\$9,000
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%				

Colton Street

Total # Units:				Year 19 2041		Year 20 2042			
		LOSP Units	Non-LOSP Units						
96		96	0						
		100.00%	0.00%						
				LOSP	non- LOSP	Total	LOSP	non- LOSP	Total
INCOME				LOSP	non- LOSP	Total	LOSP	non- LOSP	Total
Residential - Tenant Rents				413,389	-	413,389	417,522	-	417,522
Residential - Tenant Assistance Payments (Non-LOSP)				-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments				2,401,170	-	2,401,170	2,493,261	-	2,493,261
Commercial Space				-	-	-	-	-	-
Residential Parking				-	-	-	-	-	-
Miscellaneous Rent Income				-	-	-	-	-	-
Supportive Services Income				-	-	-	-	-	-
Interest Income - Project Operations				-	-	-	-	-	-
Laundry and Vending				-	-	-	-	-	-
Tenant Charges				-	-	-	-	-	-
Miscellaneous Residential Income				-	-	-	-	-	-
Other Commercial Income				-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)				-	-	-	-	-	-
Gross Potential Income				2,814,558	-	2,814,558	2,910,784	-	2,910,784
Vacancy Loss - Residential - Tenant Rents				(20,669)	-	(20,669)	(20,876)	-	(20,876)
Vacancy Loss - Residential - Tenant Assistance Payments				-	-	-	-	-	-
Vacancy Loss - Commercial				-	-	-	-	-	-
EFFECTIVE GROSS INCOME				2,793,889	-	2,793,889	2,889,908	-	2,889,908
OPERATING EXPENSES									
Management									
Management Fee				185,671	-	185,671	192,170	-	192,170
Asset Management Fee				43,577	-	43,577	45,102	-	45,102
Sub-total Management Expenses				229,248	-	229,248	237,272	-	237,272
Salaries/Benefits									
Office Salaries				-	-	-	-	-	-
Manager's Salary				230,816	-	230,816	238,894	-	238,894
Health Insurance and Other Benefits				180,757	-	180,757	187,084	-	187,084
Other Salaries/Benefits				-	-	-	-	-	-
Administrative Rent-Free Unit				-	-	-	-	-	-
Sub-total Salaries/Benefits				411,573	-	411,573	425,978	-	425,978
Administration									
Advertising and Marketing				-	-	-	-	-	-
Office Expenses				129,567	-	129,567	134,102	-	134,102
Office Rent				-	-	-	-	-	-
Legal Expense - Property				23,877	-	23,877	24,713	-	24,713
Audit Expense				37,967	-	37,967	39,296	-	39,296
Bookkeeping/Accounting Services				43,570	-	43,570	45,085	-	45,085
Bad Debts				23,489	-	23,489	24,311	-	24,311
Miscellaneous				20,435	-	20,435	21,150	-	21,150
Sub-total Administration Expenses				278,906	-	278,906	288,668	-	288,668
Utilities									
Electricity				147,531	-	147,531	152,694	-	152,694
Water				75,119	-	75,119	77,748	-	77,748
Gas				-	-	-	-	-	-
Sewer				117,853	-	117,853	121,978	-	121,978
Sub-total Utilities				340,503	-	340,503	352,420	-	352,420
Taxes and Licenses									
Real Estate Taxes				25,738	-	25,738	26,639	-	26,639
Payroll Taxes				76,370	-	76,370	79,043	-	79,043
Miscellaneous Taxes, Licenses and Permits				9,426	-	9,426	9,756	-	9,756
Sub-total Taxes and Licenses				111,533	-	111,533	115,437	-	115,437
Insurance									
Property and Liability Insurance				292,002	-	292,002	302,222	-	302,222
Fidelity Bond Insurance				-	-	-	-	-	-
Worker's Compensation				37,236	-	37,236	38,539	-	38,539
Director's & Officers' Liability Insurance				-	-	-	-	-	-
Sub-total Insurance				329,238	-	329,238	340,761	-	340,761
Maintenance & Repair									
Payroll				367,992	-	367,992	380,871	-	380,871
Supplies				28,553	-	28,553	29,553	-	29,553
Contracts				145,155	-	145,155	150,236	-	150,236
Garbage and Trash Removal				101,320	-	101,320	104,866	-	104,866
Security Payroll/Contract				389,916	-	389,916	403,563	-	403,563
HVAC Repairs and Maintenance				-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs				497	-	497	515	-	515
Miscellaneous Operating and Maintenance Expenses				8,954	-	8,954	9,267	-	9,267
Sub-total Maintenance & Repair Expenses				1,042,388	-	1,042,388	1,078,871	-	1,078,871
Supportive Services				-	-	-	-	-	-
Commercial Expenses				-	-	-	-	-	-
TOTAL OPERATING EXPENSES				2,743,388	-	2,743,388	2,839,407	-	2,839,407
PUPA (w/o Reserves/GL Base Rent/Bond Fees)									
Reserves/Ground Lease Base Rent/Bond Fees									
Ground Lease Base Rent				1	-	1	1	-	1
Bond Monitoring Fee				2,500	-	2,500	2,500	-	2,500
Replacement Reserve Deposit				48,000	-	48,000	48,000	-	48,000
Operating Reserve Deposit				-	-	-	-	-	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				50,501	-	50,501	50,501	-	50,501
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				2,793,889	-	2,793,889	2,889,908	-	2,889,908
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.	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)				Enter comments re: annual increase, etc.	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)				Enter comments re: annual increase, etc.	-	-	-	-	-
Hard Debt - Fourth Lender				Enter comments re: annual increase, etc.	-	-	-	-	-
Commercial Hard Debt Service									
TOTAL HARD DEBT SERVICE				-	-	-	-	-	-
CASH FLOW (NOI minus DEBT SERVICE)									
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				-	-		-	-	
AVAILABLE CASH FLOW				-	-	-	-	-	-
USES OF CASH FLOW BELOW (This row also shows DSCR.)									
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL									
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)				3.5%	3.5%	per MOHCD policy	-	-	
Partnership Management Fee (see policy for limits)				3.5%	3.5%	per MOHCD policy	-	-	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)						per MOHCD policy no annual increase	-	-	
Other Payments							-	-	
Non-amortizing Loan 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)							-	-	
Does Project have a MOHCD Residual Receipt Obligation?				No					
Will Project Defer Developer Fee?				No					
Residual Receipts split for all years. - Lender/Owner				0% / 0%					
MOHCD RESIDUAL RECEIPTS DEBT SERVICE									
MOHCD Residual Receipts Amount Due				10.77%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy		-		-
Proposed MOHCD Residual Receipts Amount to Loan Repayment							-		-
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease							-		-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE									
HCD Residual Receipts Amount Due				45.16%	Allocation per pro rata share of all soft debt		-		-
Lender 4 Residual Receipts Due				4.90%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy.		-		-
Lender 5 Residual Receipts Due				39.17%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy.		-		-
Total Non-MOHCD Residual Receipts Debt Service							-		-
REMAINDER (Should be zero unless there are distributions below)									
Owner Distributions/Incentive Management Fee							-		-
Other Distributions/Uses							-		-
Final Balance (should be zero)							-		-
REPLACEMENT RESERVE - RUNNING BALANCE									
Replacement Reserve Starting Balance							864,000		912,000
Replacement Reserve Deposits							48,000		48,000
Replacement Reserve Withdrawals (ideally tied to CNA)							-		-
Replacement Reserve Interest							-		-
RR Running Balance							912,000		960,000
							\$9,500		\$10,000
OPERATING RESERVE - RUNNING BALANCE									
Operating Reserve Starting Balance							-		-
Operating Reserve Deposits							-		-
Operating Reserve Withdrawals							-		-
Operating Reserve Interest							-		-
OR Running Balance							-		-
							-		-
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							-		-