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

Prepared By: Omar Masry

Loan Committee Date: June 24, 2022

Sponsor Name:	53 Colton, L.P., a California limited partnership, and affiliate of HomeRise (formerly Community Housing Partnership)
Project Name:	Jazzie Collins Apartments
Project Address:	53 Colton Street (Between Brady St. & Colusa Plaza)
Number of Units/Beds:	96 Studio Units
Amount of Funds Requested:	*Local Operating Subsidy Program (LOSP)* up to $1,335,095 for Year 1 budget[1] up to $28,267,952 for 15 years
Amount of Funds Recommended:	up to $28,267,952

1. SUMMARY

1.1. Request Summary

HomeRise (formerly Community Housing Partnership), through 53 Colton, L.P., a California limited partnership ("Sponsor," or "Partnership,"), requests up to $28,267,952 in General Funds from the Local Operating Subsidy Program (LOSP) to subsidize operations of Jazzie Collins Apartments. The new construction supportive housing building will feature 96 studio units of permanent supportive housing for adults previously experiencing homelessness, for a period of 15 years. HomeRise is anticipated to complete construction and begin lease up in July 2022.

When this project went to Loan Committee for bridge and permanent loan financing on August 21, 2020, the operating budget estimated 15-year operating expenses of $26,214,767. The revised 15-year operating budget as part of this LOSP request is now $28,267,952. The approximately (accounting for a mid 2022 in-service date) 5.2% increase is due primarily to increases in insurance premiums, utility rates (specifically electricity costs), and staffing salaries and benefits.

[1] Pro-rated to $667,547 based on a July 1, 2022 assumed in-service date.

1.2. Project Overview

1.2.1. Site

53 Colton will be comprised of 96 furnished studios, restricted at 60% Area Median Income ("MOHCD AMI"), and subsidized through LOSP. Tenants will be referred to the Project through the Department of Homelessness and Supportive Housing ("HSH") Coordinated Entry System (CES). Approximately 25 units at the Project will be reserved for permanent residents from the Civic Center Hotel. Once the hotel units are vacated, new referrals will be handled through CES.[2].

Jazzie Collins Apartments will complete completion in July 2022.

1.2.2. Financial Structure Background

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, 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 Jazzie Collins Apartments.

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 executed an Option to Purchase the land upon the expiration of the Ground Lease in 99 years.

HomeRise and Strada Investment Group, through the Partnership, previously requested $4,000,000 in permanent financing for 53 Colton (the "Site" or the "Project"). Loan Committee approved the loan on August 21, 2020, with conditions.

The Project is 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 MOHCD Loans in the amounts of a $1,250,000 bridge loan and a $2,750,000 permanent loan.

[2] The original Project scope assumed a transfer of approximately 35 residents from the Civic Center Hotel; however, a portion of those residents no longer require housing, or were able to obtain housing elsewhere.

Sources and Uses Summary for Development

Permanent Sources	Amount	Terms
MOHCD – Gap	$2,750,000	57 years @ 3.0% / Res Rec
HCD – MHP	$11,530,497	55 yrs @ 3.0% / 0.42% & Res Rec
State Tax Credit Equity	$23,106,000	$0.885 per Credit
General Partner Equity (Strada)	$10,000,000	0%
Accrued Deferred Interest (General Partner – Strada)	$185,202	
General Partner Equity (Developer Fee)	$3,694,272	
Total	**$52,515,971**	

The Project also included an AHP Bridge Loan of $1,250,000 for 3 yrs @ 3.0% / Residual Receipts. The bridge loan was awarded and will be repaid by the Sponsor.

1.2.3 <u>Design</u>

The Project is a single, six-story 96-unit residential building with elevator access and a basement. Jazzie Collins Apartments features all studio units averaging 289 square feet, with 10 of the 96 units designated as mobility units averaging 319 square feet. The building is 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 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 six (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. 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 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. The Project is 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.

Jazzie Collins Apartments Square Footage Breakdown

Avg 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 space not counted in building total SF):	487 sf
Building Total SF:	**47,969 sf**

* Note the State TCAC minimum for a studio unit is 200 sf.

1.2.4. Commercial Space

The development will not feature commercial space.

1.2.5. Supportive Services Space

The supportive services spaces include two staff offices for 4.59 FTE Case Managers. This provides an approximately 1:21 case management ratio which exceeds the minimum 1:25 case management requirement set by HSH, and reflects a recommended target by HSH.

HomeRise will be the property manager and will also provide clinical case management services. Property operations will be funded primarily through this proposed LOSP contract; and supportive services staff will be supported through a separate Supportive Services Budget administered through a contract between HomeRise and HSH. A breakdown of on-site and off-site supportive services staff can be found in Section 4 below.

2. OPERATING BUDGET SUMMARY

2.1. Annual Operating Budget

Annual operating expenses are budgeted at $16,492 PUPA in Year 1 before reserves and fees. Please see Attachment B for a first-year operating budget. The original operating budget reviewed by the Loan Committee in August 2020 budgeted a $15,384 PUPA in Year 1 before reserves.

HomeRise's operating budget request was developed based on HomeRise comparison projects and input from HSH. See the staffing chart below.

The proposed staffing plan represents a management staff to unit/household ratio of 1 to 9.5. Salaries for property management and maintenance staff total $510,458 for 10.1 FTE in the first year. Proposed property management staffing is as follows:

Property Staffing Chart
(not including Supportive Services Staff)

Title	FTE	Annual Salary Expenses
Site Manager	1	$69,700
Assistant Site Manager	1	$63,400
Office Support (Central Office)	0.3	$20,591
Front Desk Clerks	4.2	$174,720
Maintenance Operations Manager	0.2	$16,065
Maintenance Supervisor	1	$66,142
Maintenance Technician	1	$41,600
Janitor	1.4	$58,240
Total FTEs and Expenses	**10.1**	**$510,458**

These expenses are 10.5% higher than the average of the four comparable supportive housing projects in MOHCD's portfolio. Cost drivers include increases to insurance premiums, building utility costs (especially electricity), and salaries and benefits for property management staff, including a small cost allocation for central office staff. See Section 3 for an analysis of these expenses against similar LOSP-supported properties.

2.2. Income

The Project is entirely supported by LOSP and tenant income. Tenant rents for the 96 units are assumed at $300 per unit per month (per input from HSH and the Sponsor), and tenants will pay no more than 30% of their income in rent per LOSP policy. The units in the project are income-restricted as follows:

Unit Type	Number of Units	Proposed Avg. Sq Ft.	Assumed Rent[3]	Max State TCAC % AMI	Max State HCD % AMI	Max MOHCD % AMI	Rent or Operating Subsidies
Studio	10	289	$300	20%	20%	60%	LOSP
Studio	20	289	$300	25%	25%	60%	LOSP
Studio	46	289	$300	30%		60%	LOSP
Studio	15	289	$300	35%		60%	LOSP
Studio	3	289	$300	50%		60%	LOSP
Studio	2	289	$300	60%		60%	LOSP
Total	**96**						

The Project's HCD-MHP loan is the most income restrictive and restricts 10 units at 20% AMI (equivalent to 25% MOHCD AMI) and 30% AMI (equivalent to 25% MOHCD AMI).

LOSP Subsidy: The LOSP subsidy in the Year 1 Operating Budget is proposed at $1,388,046 ($16,492 PUPA); pro-rated to $667,547 based on a July 1, 2022, in-service date. The subsidy increases approximately 3.5% each year.

Effective Gross Income: Between tenant rents, the LOSP subsidy, and assumed vacancy loss, the effective gross income for Year 1 is $1,663,415.

[3] Per data from HSH

2.3. Annual Operating Expenses Evaluation

Operating Proforma		
Underwriting Standard	**Meets Standard? (Y/N)**	**Notes**
Debt Service Coverage Ratio is between minimum 1.10:1 and maximum 1.15:1 at year 15	N/A	The Project does not utilize permanent debt so the DSCR is not applicable.
Debt Service Coverage Ratio stays above 1.00:1 for entirety of projected 20-year cash flow	N/A	The Project does not utilize permanent debt so the DSCR is not applicable.
Vacancy meets TCAC Standards	Y	Vacancy is budgeted at 5%
Annual Income Growth is increased at 2.5% per year	N	Income escalation factor is 1% given the target population and historic increases in SSI benefits
Annual Operating Expenses are increased at 3.5% per year	Y	Expenses escalation factor is 3.5%
Base year operating expenses per unit are reasonable per comparables	N	Total Operating Expenses are $16,492 per unit before reserves. This is approximately 10.5% higher than the average of the four comparable projects.
Property Management Fee is at allowable HUD Maximum	Y	Total Property Management Fee is $93,312, which is equivalent to the HUD maximum of $81 per unit per month (PUPM).
Property Management staffing level is reasonable per comparables	N	The staffing budget includes central office staff not typically covered by the LOSP.
Asset Management and Partnership Management Fees meet standards	Y	Annual AM Fee is $23,460 /yr (2022start) fully paid for by LOSP and included in the operating costs. Annual PM Fee is $23,450/yr (2022 start) with 3.5% escalation is fully paid for by LOSP and included in the operating costs.
Replacement Reserve Deposits meet or exceed TCAC minimum standards	Y	Replacement Reserves are $500 per unit per year.
Limited Partnership Asset Management Fee meets standards	Y	LP Asset Management Fee is proposed at $5,000 / year.

Contracts: – This line item in the amount of $122,608 covers Year 1 exterminating contract and supplies, grounds contract and supplies, security supplies/ repairs, janitor contracts

($5,712 per year janitorial contract; not including 1.4 FTE in-house janitorial staff) and supplies, maintenance contracts, fire protection contract and elevator services contract.

Total Annual Operating Expenses before debt and reserves: $1,583,252 ($16,492 PUPA)

2.4. 20-Year Cash Flow

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

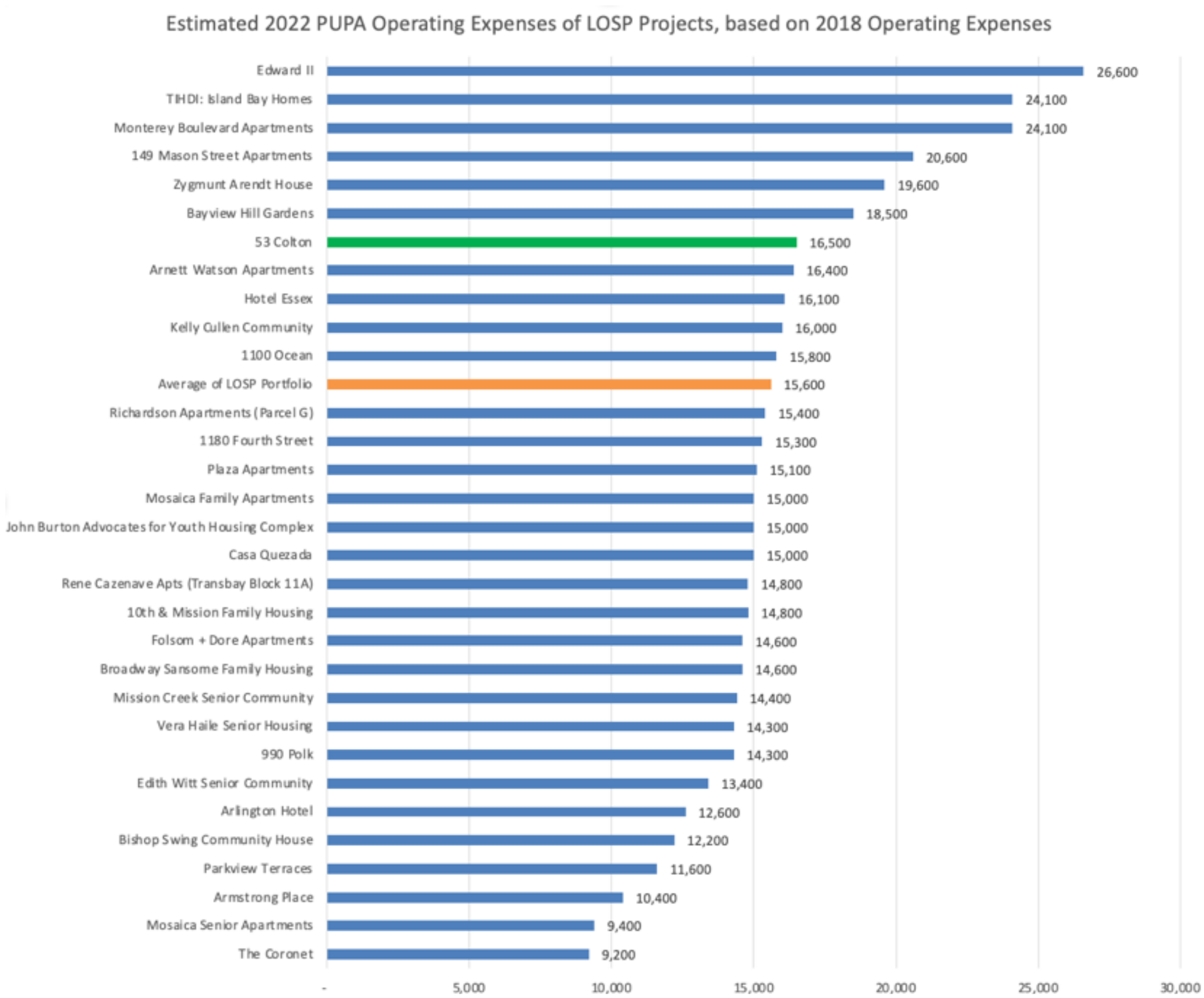
3. OPERATING COSTS COMPARATIVE ANALYSIS

To evaluate the proposed budget for Jazzie Collins under a new LOSP contract and its relative cost to supportive housing projects of similar size, MOHCD staff compared the project's proposed operating expenses to the operating expenses of other supportive housing projects in MOHCD's portfolio.

3.1. Comparison with Other Supportive Housing

In 2018, there were a total of 32 LOSP funded supportive housing projects in the MOHCD portfolio. Total operating expenses (before replacement reserve deposits and hard debt service) for these projects, escalated from 2018 to 2022, averaged $15,600 per unit per annum ("PUPA"), with a range from $9,200 to $26,600 PUPA.

One of the primary determinants of PUPA operating expenses is project size, with PUPA operating expenses higher for smaller and scattered site buildings and lower for larger buildings.



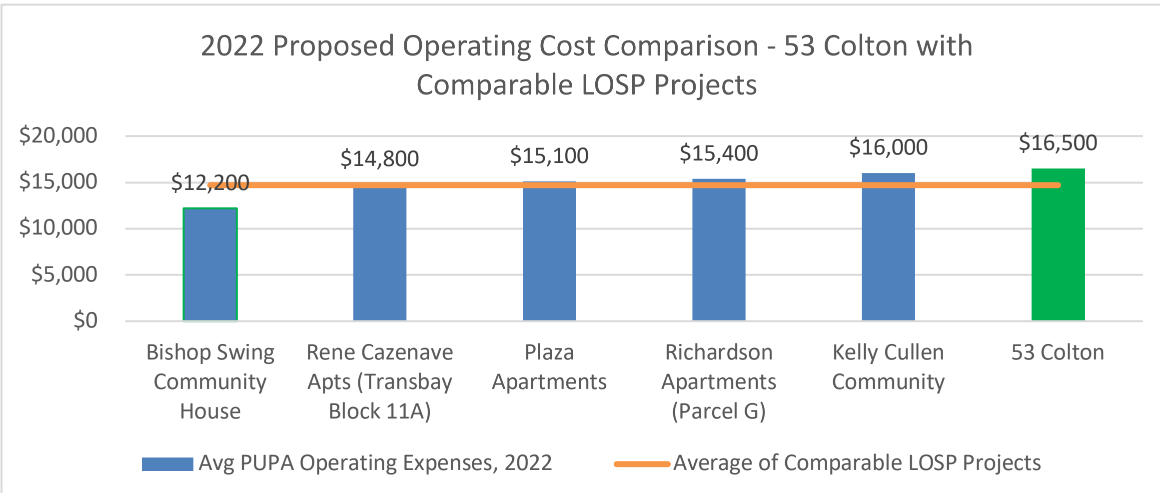
With proposed operating expenses rounded to $16,500 PUPA, the Project is the seventh highest and far higher than the average ($15,600) across the existing LOSP portfolio. This higher cost is attributable several factors, including increases in costs associated with electricity, insurance premiums, and salary increases in order to attract and retain staff.

Please see the chart below for an operating expense comparison.

3.2. Comparison to Other Similar Sized 100% Supportive Projects

Because the percentage of supportive units and overall project scale vary so widely, it is appropriate to review expenses in comparison to similar projects serving single adults.

As shown in the chart below, Jazzie Collins' operating costs are higher on a per unit than other 100% supportive project, such as Bishop Swing Community House, Rene Cazenave Apartments, Plaza Apartments, Richardson Apartments, and Kelly Cullen Community.



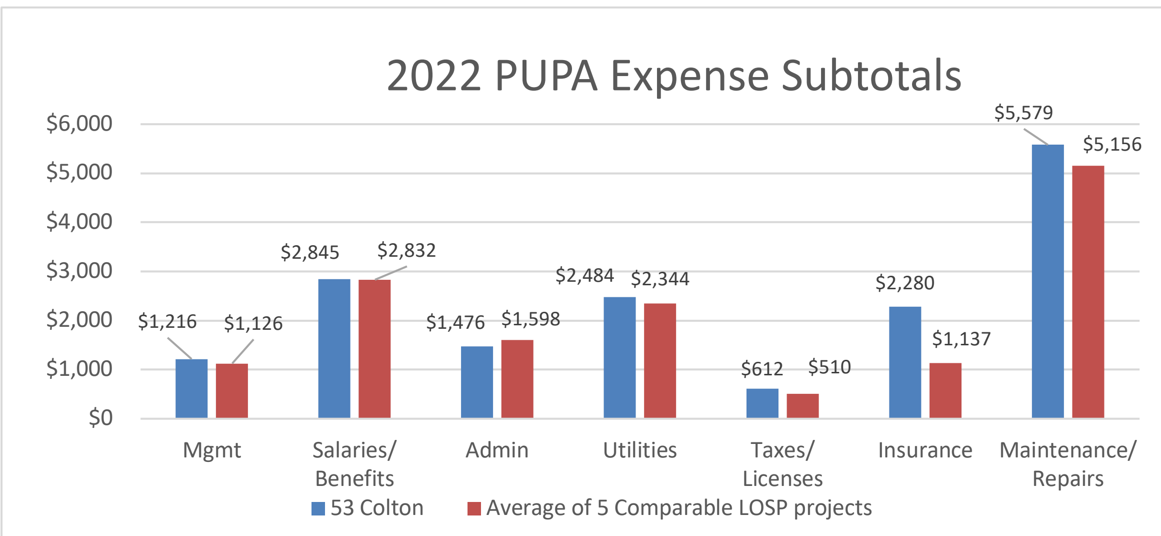
- Bishop Swing Community House: 135 PSH units
- Rene Cazenave Apartments: 120 PSH units
- Plaza Apartments: 106 PSH units
- Richardson Apartments: 120 PSH units
- Kelly Cullen Community: 174 PSH units

3.3. Subcategories of Operating Expenses

Compared to the four comparable supportive housing LOSP projects, insurance costs are high and are attributable to a recent overall spike in insurance rates for overall affordable housing. In addition, properties with higher concentrations of supportive housing appear subject to higher insurance premium than affordable housing without supportive housing.

Utility costs are slightly higher than the overall portfolio and four comparable supportive housing LOSP projects. This increase (from $171,125 on the original operating budget, to $238,448 on the current budget) is driven by a significant overall increase in electric rates, overall, and at other HomeRise operated buildings. Electricity is provided by on-site solar photovoltaic panels and SFPUC (City), instead of Pacific Gas & Electric at this location.

Maintenance and repair costs includes salaries for janitorial and front desk staff, and contribute to a slightly higher cost than five comparable LOSP projects. However, salaries and benefit costs for other building staff are comparable to other LOSP projects.



4. SUPPORT SERVICES EVALUATION

4.1. Support Services Plan and Budget

Through a direct contract with HSH, HomeRise will provide supportive services to the 96 adult households. The population will include formerly homeless and income-eligible adults age 18 years or older without the custody of minors below 18 years of age.

The Services Plan includes 5.82 FTE staff, as outlined in the table below, to provide on-site clinical case management services. The goal of the services program at Jazzie Collins is to provide and maintain housing stability, including ongoing meetings and counseling to establish goals, develop services plans that are tenant-driven without predetermined goals, provide referrals and linkages to off-site support services, and track progress toward achieving those goals.

Position	FTE Equivalent
Clinical Case Manager*	*0.38*
Resident Services Team Lead*	*1.00*
Resident Services Counselor – Bilingual*	*1.00*
Resident Services Manager	0.34
Resident Services Counselor*	*2.00*
Director of Resident Services	0.08
VP of Programs	0.08
Contracts and Evaluation Director	0.08
Program Director	0.33
Strategic Initiatives Manager	0.08
L&E Programs Associate (Contract)	0.08
Clinical Team/Services Manager	0.08
L & E Programs Associate (Data)	N/A (Programmatic)
Resident Services Training Manager	0.08
Learning & Evaluation Manager	N/A (Programmatic)
Director of Learning & Evaluation	N/A (Programmatic)
Community Volunteer Team Supervisor*	0.21
Total FTE Equivalent	**5.82**

*Staff providing direct on-site services.

Programming Staffing:
HomeRise will dedicate 5.82 FTE total staff, with 4.59 FTE serving as on-site resident services team and clinical services counselors, team lead, and managers.

Supervision:
HomeRise will have an on-site manager, as well as roving/off-site supervisory staff equivalent to 1.23 FTE.

Service Delivery Model:
HomeRise will provide clinical case management, one-on-one direct services, on-site group education classes, with HomeRise's case managers providing resources and referral for residents to access community-based programs and services. These programs will be offered Monday to Friday and according to the hours needed to engage resident participation. HSH referred residents may have special needs including co-occurring mental illness, substance use challenges, physical disabilities, developmental disabilities, HIV/AIDs, and/or other chronic health conditions. Many may also have limited experience living independently.

Service Budget. Current proposed services budget for 5.82 FTE Case Managers is $620,543 / year (estimated at $542,929/year at time of gap loan). The first-year budget includes a one-time $20,000 capital expenditure to provide computers and tech for staff and residents. This results in a per unit annual cost (not including the one-time technology capital expenditure of $20,000) of $6,256 and a case manager to household ratio of 1:21.

HSH has reviewed the services plan and budget and has confirmed that it is appropriate for the building and target population.

Year 1 Supportive Services Budget

Expenditures	HSH Contract	Total Budget
Salaries	$356,761	$356,761
Benefits	$108,812	$108,812
Operating Expenses	$56,638	$56,638
Indirect Costs	$78,332	$78,332
TOTAL	**$600,543***	**$600,543**

**Year 1 budget includes a one-time only $20,000 capital expenditure outlay (not reflected in the total) to provide computers and tech for staff and residents.*

4.2. HSH Assessment of Service Plan and Budget

This project is a public-private partnership, with HSH, to provide additional permanent exits from homelessness. Through the coordinated entry process HSH will refer people experiencing homelessness with the highest vulnerabilities to Jazzie Collins; this includes relocating approximately 25 residents from The Civic Center Hotel, which is operating as a 93-bed navigation center.

HSH is in process of executing the support services agreement with HomeRise, to be effective August 1, 2022. The proposed services plan reflects best practices to provide participant-centered services through a trauma-informed, harm reduction approach. The $6,256 PUPA services budget (not including a one-time $20,000 expenditure in Year 1 for computers and related hardware for supportive services) reflects similar 100% supportive housing projects serving a similar target population that have opened within the past year.

5. CONCLUSION

MOHCD staff recommend approval of the request in full. The proposed operating budget has appropriate staffing. While the budget exceeds that of comparable permanent supportive housing projects, the costs appear justified given cost increases driven largely by operational factors outside the control of HomeRise.

To date, the developer and/or HomeRise has fulfilled, or is in the process of fulfilling all recommended conditions, associated with prior Loan Committee approval of gap loan financing. Those conditions are as follows:

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.

6. RECOMMENDED CONDITIONS

MOHCD will disburse to Grantee 2022 Grant Funds immediately. MOHCD will disburse the equivalent of the last half of 2023 Grant Funds ($694,023) pending an operations and staffing review by MOHCD, to be completed by January 1, 2023.

7. LOAN COMMITTEE MODIFICATIONS

LOAN COMMITTEE RECOMMENDATION

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

[ ] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

______________________________ Date: ____________________
Eric D. Shaw, Director
Mayor's Office of Housing and Community Development

[ ] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

______________________________ Date: ____________________
Salvador Menjivar, Director of Housing
Department of Homelessness and Supportive Housing

[ ] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

______________________________ Date: ____________________
Thor Kaslofsky, Executive Director
Office of Community Investment and Infrastructure

[ ] APPROVE. [ ] DISAPPROVE. [ ] TAKE NO ACTION.

______________________________ Date: ____________________
Anna Van Degna, Director
Controller's Office of Public Finance

Attachments:
A. LOSP Program Description
B. 1st Year Operating Budget
C. 20-Year Operating Pro Forma
D. LOSP Funding and Disbursement Schedule A
E. Jazzie Collins Apartments (53 Colton) Ownership and Lease Structure Diagram

Chavez, Rosanna (MYR)

From: Shaw, Eric (MYR)
Sent: Friday, June 24, 2022 12:01 PM
To: Chavez, Rosanna (MYR)
Subject: LOSP Contract Funding - 53 Colton St

Approve

Eric D. Shaw
Director/ Interim Director HopeSF

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

Chavez, Rosanna (MYR)

From: Menjivar, Salvador (HOM)
Sent: Friday, June 24, 2022 4:40 PM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: JAZZIE COLLINS APARTMENTS AT 53 COLTON STREET

I approve, with conditions*, HomeRise request of up to $28,267,952 in General Funds from the Local Operating Subsidy Program (LOSP) over a period of 15.5 years subsidize operations of Jazzie Collins Apartments (53 Colton St) for a total of 96 studio units of permanent supportive housing for adults. Loan Committee will consult with MOHCD if HomeRise is compliant with conditions* by or before January 2023.

*MOHCD will disburse to Grantee 2022 Grant Funds immediately. MOHCD will disburse the equivalent of the last half of 2023 Grant Funds ($694,023) pending an operations and staffing review by MOHCD, to be completed by January 1, 2023.

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 | Like: @SanFranciscoHSH

Chavez, Rosanna (MYR)

From: Colomello, Elizabeth (CII)
Sent: Friday, June 24, 2022 12:00 PM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: LOSP Request for 53 Colton

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

OCII office of COMMUNITY INVESTMENT and INFRASTRUCTURE

Elizabeth Colomello
Housing Program Manager

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

Chavez, Rosanna (MYR)

From: Katz, Bridget (CON)
Sent: Friday, June 24, 2022 12:00 PM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: LOSP Contract Funding - 53 Colton St

Approve

Bridget Katz
Development Finance Specialist, Office of Public Finance
Controller's Office | City & County of San Francisco
Office Phone: (415) 554-6240
Cell Phone: (858) 442-7059
E-mail: bridget.katz@sfgov.org

Attachment A: LOSP Program Description

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

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

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

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

Attachment B: 1st Year Operating Budget

Application Date:	**4/6/22**	LOSP Units	Non-LOSP Units	**Project Name:**	**53 Colton Street**
Total # Units:	**96**	**96**	**0**	**Project Address:**	**53 Colton St**
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations):	**2022**	LOSP/non-LOSP Allocation		**Project Sponsor:**	**Community Housing Partnership dba HomeRise**
		100%	0%		

INCOME	**LOSP**	**non-LOSP**	**Total**	**Comments**	
Residential - Tenant Rents	345,600	(345,600)	0		**Alternative LOSP Split**
Residential - Tenant Assistance Payments (Non-LOSP)	0	0	0		Residential - Tenant Assistance Payments (Non
Residential - LOSP Tenant Assistance Payments	1,310,068		1,310,068		
Commercial Space			0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	
Residential Parking	0	0	0	Links from 'Utilities & Other Income' Worksheet	
Miscellaneous Rent Income	0	0	0	Links from 'Utilities & Other Income' Worksheet	**Alternative LOSP Split**
Supportive Services Income	0	0			Supportive Services Income
Interest Income - Project Operations	0	0	0	Links from 'Utilities & Other Income' Worksheet	
Laundry and Vending	0	0	0	Links from 'Utilities & Other Income' Worksheet	**Projected LOSP Split**
Tenant Charges	0	0	0	Links from 'Utilities & Other Income' Worksheet	Tenant Charges
Miscellaneous Residential Income	0	0	0	Links from 'Utilities & Other Income' Worksheet	
Other Commercial Income			0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	**Alternative LOSP Split**
Withdrawal from Capitalized Reserve (deposit to operating account)	0	0			Withdrawal from Capitalized Reserve (deposit to
Gross Potential Income	**1,655,668**	**(345,600)**	**1,310,068**		
Vacancy Loss - Residential - Tenant Rents	(17,280)	17,280	0		
Vacancy Loss - Residential - Tenant Assistance Payments	0	0	0		
Vacancy Loss - Commercial			0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	
EFFECTIVE GROSS INCOME	**1,638,388**	**(328,320)**	**1,310,068**	***PUPA: 13,647***	
OPERATING EXPENSES					
Management					**Alternative LOSP Split**
Management Fee	93,312	0	93,312	1st Year to be set according to HUD schedule.	Management Fee
Asset Management Fee	23,460	0	23,460		Asset Management Fee
Sub-total Management Expenses	**116,772**	**0**	**116,772**	***PUPA: 1,216***	
Salaries/Benefits					**Alternative LOSP Split**
Office Salaries	34,559	0	34,559	Housing Operations Supervisor - .2 FTE - Annual $97,440.	Office Salaries
Manager's Salary	133,100	0	133,100	Site Manager - 1 FTE - $69,700	Manager's Salary
Health Insurance and Other Benefits	111,544	0	111,544	Health Insurance - $111,544.48	Health Insurance and Other Benefits
Other Salaries/Benefits	0	0			Other Salaries/Benefits
Administrative Rent-Free Unit	0	0			Administrative Rent-Free Unit
Sub-total Salaries/Benefits	**279,203**	**0**	**279,203**	***PUPA: 2,908***	
Administration					
Advertising and Marketing	0	0	0		
Office Expenses	68,422	0	68,422	Travel - $482.05	
Office Rent	0	0			**Projected LOSP Split**
Legal Expense - Property	12,855	0	12,855	Legal services - $12,854.70	Legal Expense - Property
Audit Expense	15,000	0	15,000	Audit - $15,000	
Bookkeeping/Accounting Services	11,723	0	11,723	Bookeeping - $11,723	**Projected LOSP Split**
Bad Debts	12,646	0	12,646	$12,645.60 - Bad debt	Bad Debts
Miscellaneous	21,008	0	21,008	Staff training - $3,470.77	
Sub-total Administration Expenses	**141,654**	**0**	**141,654**	***PUPA: 1,476***	
Utilities					**Projected LOSP Split**
Electricity	125,000	0	125,000		Electricity
Water	50,000	0	50,000		
Gas	0	0	0	All electric building	
Sewer	63,448	0	63,448		
Sub-total Utilities	**238,448**	**0**	**238,448**	***PUPA: 2,484***	
Taxes and Licenses					**Alternative LOSP Split**
Real Estate Taxes	13,856	0	13,856		Real Estate Taxes
Payroll Taxes	44,883	0	44,883	$39,571.73 - federal taxes	Payroll Taxes
Miscellaneous Taxes, Licenses and Permits	0	0			
Sub-total Taxes and Licenses	**58,740**	**0**	**58,740**	***PUPA: 612***	
Insurance					
Property and Liability Insurance	159,796	0	159,796		
Fidelity Bond Insurance	0	0			**Alternative LOSP Split**
Worker's Compensation	21,247	0	21,247	$21,247.57 - worker's compensation	Worker's Compensation
Director's & Officers' Liability Insurance	0	0			
Sub-total Insurance	**181,043**	**0**	**181,043**	***PUPA: 1,886***	
Maintenance & Repair					**Alternative LOSP Split**
Payroll	188,786	0	188,786	Janitor 1.4 FTE - $58,240	Payroll
Supplies	3,110	0	3,110	Janitorial supplies	Supplies
Contracts	122,608	0	122,608	Security alarm - $750	Contracts
Garbage and Trash Removal	36,000	0	36,000	Garbage	**Alternative LOSP Split**
Security Payroll/Contract	174,720	0	174,720	Front desk clerk 4.2 FTE - $174,720	Security Payroll/Contract
HVAC Repairs and Maintenance	16,875	0	16,875	Repair materials - $11,000	
Vehicle and Maintenance Equipment Operation and Repairs	268	0	268	Vehicle expenses	
Miscellaneous Operating and Maintenance Expenses	0	0			
Sub-total Maintenance & Repair Expenses	**542,367**	**0**	**542,367**	***PUPA: 5,650***	
					Alternative LOSP Split
Supportive Services	0	0			Supportive Services
Commercial Expenses			0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	
TOTAL OPERATING EXPENSES	***1,558,225***	***0***	***1,558,225***	***PUPA: 16,232***	
Reserves/Ground Lease Base Rent/Bond Fees					
Ground Lease Base Rent	1	0	1	LLC — Provide additional comments here, if needed.	
Bond Monitoring Fee	3,500	0	3,500	Includes trustee fee	**Alternative LOSP Split**
Replacement Reserve Deposit	48,000	0	48,000	HCD underwriting requirement	Replacement Reserve Deposit
Operating Reserve Deposit	0	0			Operating Reserve Deposit
Other Required Reserve 1 Deposit	0	0			Other Required Reserve 1 Deposit
Other Required Reserve 2 Deposit	0	0			
Required Reserve Deposit/s, Commercial			0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	**51,501**	**0**	**51,501**	***PUPA: 536*** Min DSCR: 1.09	
				Mortgage Rate: 5.00%	
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)	**1,609,726**	**0**	**1,609,726**	***PUPA: 16,768*** Term (Years): 30	
				Supportable 1st Mortgage Pmt: (274,916)	
NET OPERATING INCOME (INCOME minus OP EXPENSES)	**28,662**	**(328,320)**	**(299,658)**	***-PUPA: 3,121*** Supportable 1st Mortgage Amt: ($4,267,643)	
				Proposed 1st Mortgage Amt: $2,750,000	
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)					**Alternative LOSP Split**
Hard Debt - First Lender	0	0	0	Provide additional comments here, if needed.	Hard Debt - First Lender
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)	0	0	0	Provide additional comments here, if needed.	Hard Debt - Second Lender (HCD Program 0.42
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0	0	0	Provide additional comments here, if needed.	Hard Debt - Third Lender (Other HCD Program,
Hard Debt - Fourth Lender	0	0	0	Provide additional comments here, if needed.	Hard Debt - Fourth Lender
Commercial Hard Debt Service			0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	
TOTAL HARD DEBT SERVICE	**0**	**0**	**0**	***PUPA: 0***	
CASH FLOW (NOI minus DEBT SERVICE)	**28,662**	**(328,320)**	**(299,658)**		
Commercial Only Cash Flow			0		
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)	0	0			Allocation of Commercial Surplus to LOPS/non-
AVAILABLE CASH FLOW	**28,662**	**(328,320)**	**(299,658)**		
USES OF CASH FLOW BELOW (This row also shows DSCR.)					
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL					
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	0	0			
Partnership Management Fee (see policy for limits)	23,450	0	23,450	2nd	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	5,000	0	5,000	1st	**Alternative LOSP Split**
Other Payments	212	0	212	10% incremental operating fee per LP	Other Payments
Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)	0	0		MHP — Provide additional comments here, if needed.	Non-amortizing Loan Pmnt - Lender 1 (select le
Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)	0	0		MOHCD Loan — Provide additional comments here, if needed.	
Deferred Developer Fee (Enter amt <= Max Fee from cell I130)	0	0		Def. Develop. Fee split: 0% — Provide additional comments here, if needed.	Deferred Developer Fee (Enter amt <= Max Fee
TOTAL PAYMENTS PRECEDING MOHCD	**28,662**	**0**	**28,662**	***PUPA: 299***	
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)	**0**	**(328,320)**	**(328,320)**		

Residual Receipts Calculation

Does Project have a MOHCD Residual Receipt Obligation?	**No**	Project has MOHCD ground lease?	**No**	
Will Project Defer Developer Fee?	**No**			
Max **Deferred Developer Fee/Borrower** % of Residual Receipts in Yr 1:	100%			Sum of DD F from LOSP and non-LOSP:
% of Residual Receipts available for distribution to **soft debt lenders** in Yr 1:	0%			Ratio of Sum of DDF and calculated 50%:

Soft Debt Lenders with Residual Receipts Obligations	*(Select lender name/program from drop down)*	**Total Principal Amt**	**Distrib. of Soft Debt Loans**
MOHCD/OCII - Soft Debt Loans	All MOHCD/OCII Loans payable from res. rects	$2,750,000	10.17%
MOHCD/OCII - Ground Lease Value or Land Acq Cost	Ground Lease Value	$10	0.00%
HCD (soft debt loan) - Lender 3	MHP	$11,530,497	42.66%
Other Soft Debt Lender - Lender 4	MOHCD Loan	$2,750,000	10.17%
Other Soft Debt Lender - Lender 5	GP - Strada	$10,000,000	37.00%

MOHCD RESIDUAL RECEIPTS DEBT SERVICE				
MOHCD Residual Receipts Amount Due		0	0	0% of residual receipts, multiplied by 10.17% -- MOHCD's pro rata share of all soft debt
Proposed MOHCD Residual Receipts Amount to Loan Repayment		0	0	Enter/override amount of residual receipts proposed for loan repayment.
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease		0	0	If applicable, MOHCD residual receipts amt due LESS amt proposed for loan repymt.
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE			**0**	
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE				
HCD Residual Receipts Amount Due			0	0% of residual receipts, multiplied by 42.66% -- MHP's pro rata share of all soft debt
Lender 4 Residual Receipts Due			0	0% of residual receipts, multiplied by 10.17%, MOHCD Loan's pro rata share of all soft debt
Lender 5 Residual Receipts Due			0	0% of residual receipts, multiplied by 37%, GP - Strada's pro rata share of all soft debt
Total Non-MOHCD Residual Receipts Debt Service			**0**	
REMAINDER (Should be zero unless there are distributions below)			**0**	
Owner Distributions/Incentive Management Fee			0	
Other Distributions/Uses			0	
Final Balance (should be zero)			**0**	

Application Date: 4/6/22
Total # Units: 96
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations): 2022

INCOME			
Residential - Tenant Rents		non-LOSP	Approved By (reqd)
Residential - Tenant Assistance Payments (Non-LOSP)	-LOSP)		
Residential - LOSP Tenant Assistance Payments			
Commercial Space			
Residential Parking			
Miscellaneous Rent Income	LOSP	non-LOSP	Approved By (reqd)
Supportive Services Income			
Interest Income - Project Operations			
Laundry and Vending	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Tenant Charges			
Miscellaneous Residential Income			
Other Commercial Income	LOSP	non-LOSP	Approved By (reqd)
Withdrawal from Capitalized Reserve (deposit to operating account)	operating account)		
Gross Potential Income			
Vacancy Loss - Residential - Tenant Rents			
Vacancy Loss - Residential - Tenant Assistance Payments			
Vacancy Loss - Commercial			
EFFECTIVE GROSS INCOME			
OPERATING EXPENSES			
Management	LOSP	non-LOSP	Approved By (reqd)
Management Fee			
Asset Management Fee			
Sub-total Management Expenses			
Salaries/Benefits	LOSP	non-LOSP	Approved By (reqd)
Office Salaries			
Manager's Salary			
Health Insurance and Other Benefits			
Other Salaries/Benefits			
Administrative Rent-Free Unit			
Sub-total Salaries/Benefits			
Administration			
Advertising and Marketing			
Office Expenses			
Office Rent	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Legal Expense - Property	100.00%	0.00%	
Audit Expense			
Bookkeeping/Accounting Services	LOSP	non-LOSP	(only acceptable if LOSP-specific expenses are being tracked at entry level in the project's accounting system)
Bad Debts	100.00%	0.00%	
Miscellaneous			
Sub-total Administration Expenses			
Utilities	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			
Payroll Taxes			
Miscellaneous Taxes, Licenses and Permits			
Sub-total Taxes and Licenses			
Insurance			
Property and Liability Insurance			
Fidelity Bond Insurance	LOSP	non-LOSP	Approved By (reqd)
Worker's Compensation			
Director's & Officers' Liability Insurance			
Sub-total Insurance			
Maintenance & Repair	LOSP	non-LOSP	Approved By (reqd)
Payroll			
Supplies	100.00%	0.00%	(LOSP-specific expenses must be tracked at entry level in project's accounting)
Contracts			
Garbage and Trash Removal	LOSP	non-LOSP	Approved By (reqd)
Security Payroll/Contract			
HVAC Repairs and Maintenance			
Vehicle and Maintenance Equipment Operation and Repairs			
Miscellaneous Operating and Maintenance Expenses			
Sub-total Maintenance & Repair Expenses			
	LOSP	non-LOSP	Approved By (reqd)
Supportive Services			
Commercial Expenses			
TOTAL OPERATING EXPENSES			
Reserves/Ground Lease Base Rent/Bond Fees			
Ground Lease Base Rent			
Bond Monitoring Fee	LOSP	non-LOSP	Approved By (reqd)
Replacement Reserve Deposit			
Operating Reserve Deposit			
Other Required Reserve 1 Deposit			
Other Required Reserve 2 Deposit			
Required Reserve 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)	2% pymt, or other 2nd Lender)		
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	or other 3rd Lender)		
Hard Debt - Fourth Lender			
Commercial Hard Debt Service			
TOTAL HARD DEBT SERVICE			
CASH FLOW (NOI minus DEBT SERVICE)			
Commercial Only Cash Flow			
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)	LOSP (residual income)		
AVAILABLE CASH FLOW			
USES OF CASH FLOW BELOW (This row also shows DSCR.)			
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL			
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)			
Partnership Management Fee (see policy for limits)			
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	LOSP	non-LOSP	Approved By (reqd)
Other Payments			
Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)	nder 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 Defer Developer Fee?
Max **Deferred Developer Fee/Borrower** % of Residual Receipts in Yr 1: 0
% of Residual Receipts available for distribution to **soft debt lenders** in Yr 1: #VALUE!

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

Attachment C: 20-year Operating Proforma

53 Colton Street

	LOSP Units	Non-LOSP Units	Year 1 2022			Year 2 2023			Year 3 2024			Year 4 2025			Year 5 2026			
Total # Units: 96	*96*	*0*																
	100.00%	*0.00%*																
INCOME	**% annual inc LOSP**	**% annual increase**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***
Residential - Tenant Rents	1.0%	2.5%	345,600	(345,600)	-	349,056	(354,240)	(5,184)	352,547	(363,096)	(10,549)	356,072	(372,173)	(16,101)	359,633	(381,478)	(21,845)	363,229
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a	1,310,068	-	1,310,068	1,362,144	-	1,362,144	1,416,124	-	1,416,124	1,472,076	-	1,472,076	1,530,071	-	1,530,071	1,590,179
Commercial Space	n/a	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross Potential Income			**1,655,668**	**(345,600)**	**1,310,068**	**1,711,200**	**(354,240)**	**1,356,960**	**1,768,670**	**(363,096)**	**1,405,574**	**1,828,148**	**(372,173)**	**1,455,975**	**1,889,703**	**(381,478)**	**1,508,226**	**1,953,408**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	(17,280)	17,280	-	(17,453)	17,712	259	(17,627)	18,155	527	(17,804)	18,609	805	(17,982)	19,074	1,092	(18,161)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME			**1,638,388**	**(328,320)**	**1,310,068**	**1,693,747**	**(336,528)**	**1,357,219**	**1,751,043**	**(344,941)**	**1,406,102**	**1,810,345**	**(353,565)**	**1,456,780**	**1,871,722**	**(362,404)**	**1,509,318**	**1,935,247**
OPERATING EXPENSES																		
Management	3.5%	3.5%	116,772	-	116,772	120,859	-	120,859	125,089	-	125,089	129,467	-	129,467	133,999	-	133,999	138,689
Salaries/Benefits	3.5%	3.5%	279,203	-	279,203	288,975	-	288,975	299,089	-	299,089	309,557	-	309,557	320,392	-	320,392	331,606
Administration	3.5%	3.5%	141,654	-	141,654	146,611	-	146,611	151,743	-	151,743	157,054	-	157,054	162,551	-	162,551	168,240
Utilities	3.5%	3.5%	238,448	-	238,448	246,793	-	246,793	255,431	-	255,431	264,371	-	264,371	273,624	-	273,624	283,201
Taxes and Licenses	3.5%	3.5%	58,740	-	58,740	60,796	-	60,796	62,923	-	62,923	65,126	-	65,126	67,405	-	67,405	69,764
Insurance	3.5%	3.5%	181,043	-	181,043	187,379	-	187,379	193,937	-	193,937	200,725	-	200,725	207,750	-	207,750	215,022
Maintenance & Repair	3.5%	3.5%	542,367	-	542,367	561,350	-	561,350	580,997	-	580,997	601,332	-	601,332	622,378	-	622,378	644,162
Supportive Services	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Expenses			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES			**1,558,225**	**-**	**1,558,225**	**1,612,763**	**-**	**1,612,763**	**1,669,210**	**-**	**1,669,210**	**1,727,632**	**-**	**1,727,632**	**1,788,099**	**-**	**1,788,099**	**1,850,683**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)					***16,232***													
Reserves/Ground Lease Base Rent/Bond Fees																		
Ground Lease Base Rent			1	0	1	1	0	1	1	0	1	1	0	1	1	0	1	1
Bond Monitoring Fee			3500	0	3,500	3500	0	3,500	3500	0	3,500	3500	0	3,500	3500	0	3,500	3500
Replacement Reserve Deposit			48000	0	48,000	48000	0	48,000	48000	0	48,000	48000	0	48,000	48000	0	48,000	48000
Operating Reserve Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 1 Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 2 Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Required Reserve Deposit/s, Commercial			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			**51,501**	**0**	**51,501**	**51,501**	**0**	**51,501**	**51,501**	**0**	**51,501**	**51,501**	**0**	**51,501**	**51,501**	**0**	**51,501**	**51,501**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)			**1,609,726**	**-**	**1,609,726**	**1,664,264**	**-**	**1,664,264**	**1,720,711**	**-**	**1,720,711**	**1,779,133**	**-**	**1,779,133**	**1,839,600**	**-**	**1,839,600**	**1,902,184**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)					***16,768***													
NET OPERATING INCOME (INCOME minus OP EXPENSES)			**28,662**	**(328,320)**	**(299,658)**	**29,483**	**(336,528)**	**(307,045)**	**30,332**	**(344,941)**	**(314,609)**	**31,211**	**(353,565)**	**(322,353)**	**32,121**	**(362,404)**	**(330,282)**	**33,063**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																		
Hard Debt - First Lender			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
CASH FLOW (NOI minus DEBT SERVICE)			**28,662**	**(328,320)**	**(299,658)**	**29,483**	**(336,528)**	**(307,045)**	**30,332**	**(344,941)**	**(314,609)**	**31,211**	**(353,565)**	**(322,353)**	**32,121**	**(362,404)**	**(330,282)**	**33,063**
USES OF CASH FLOW BELOW (This row also shows DSCR.)		**DSCR:**																
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL																		
Deferred Developer Fee (Enter amt <= Max Fee from row 131)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	23,450	-	23,450	24,271	-	24,271	25,120	-	25,120	25,999	-	25,999	26,909	-	26,909	27,851
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			5,000	-	5,000	5,000	-	5,000	5,000	-	5,000	5,000	-	5,000	5,000	-	5,000	5,000
Other Payments			212	-	212	212	-	212	212	-	212	212	-	212	212	-	212	212
Non-amortizing Loan Pmnt - Lender 1			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD			**28,662**	**-**	**28,662**	**29,483**	**-**	**29,483**	**30,332**	**-**	**30,332**	**31,211**	**-**	**31,211**	**32,121**	**-**	**32,121**	**33,063**
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)			**-**	**(328,320)**	**(328,320)**	**-**	**(336,528)**	**(336,528)**	**0**	**(344,941)**	**(344,941)**	**(0)**	**(353,565)**	**(353,565)**	**(0)**	**(362,404)**	**(362,404)**	**0**
Does Project have a MOHCD Residual Receipt Obligation?		**No**																
Will Project Defer Developer Fee?		**No**																
Residual Receipts split for all years. - Lender/Owner		**0% / 100%**																
		Dist. Soft Debt Loans																
MOHCD RESIDUAL RECEIPTS DEBT SERVICE																		
MOHCD Residual Receipts Amount Due		10.17%			-			-			-			-			-	
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease					-			-			-			-			-	
Proposed MOHCD Residual Receipts Amount to Replacement Reserve					-			-			-			-			-	
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE					**-**			**-**			**-**			**-**			**-**	
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE																		
HCD Residual Receipts Amount Due		42.66%			-			-			-			-			-	
Lender 4 Residual Receipts Due		10.17%			-			-			-			-			-	
Lender 5 Residual Receipts Due		37.00%			-			-			-			-			-	
Total Non-MOHCD Residual Receipts Debt Service					**-**			**-**			**-**			**-**			**-**	
REMAINDER (Should be zero unless there are distributions below)					**-**			**-**			**-**			**-**			**-**	
Owner Distributions/Incentive Management Fee					-			-			-			-			-	
Other Distributions/Uses					-			-			-			-			-	
Final Balance (should be zero)					**-**			**-**			**-**			**-**			**-**	
RR Running Balance					**48,000**			**96,000**			**144,000**			**192,000**			**240,000**	
OR Running Balance					**-**			**-**			**-**			**-**			**-**	
Other Required Reserve 1 Running Balance					**-**			**-**			**-**			**-**			**-**	
Other Required Reserve 2 Running Balance					**-**			**-**			**-**			**-**			**-**	
DEFERRED DEVELOPER FEE - RUNNING BALANCE																		

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Total # Units:	**LOSP Units**	**Non-LOSP Units**																
96	***96***	***0***		**Year 1**			**Year 2**			**Year 3**			**Year 4**			**Year 5**		
	100.00%	*0.00%*		**2022**			**2023**			**2024**			**2025**			**2026**		
INCOME	**% annual inc LOSP**	**% annual increase**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***
Developer Fee Starting Balance					-			-			-			-			-	
Deferred Developer Fee Earned in Year					-			-			-			-			-	
Developer Fee Remaining Balance					**-**			**-**			**-**			**-**			**-**	

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	LOSP Units	Non-LOSP Units																
Total # Units: 96	*96*	*0*	**Year 6**			**Year 7**			**Year 8**			**Year 9**			**Year 10**			**Year 11**
	100.00%	*0.00%*	**2027**			**2028**			**2029**			**2030**			**2031**			**2032**
INCOME	**% annual inc LOSP**	**% annual increase**	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***
Residential - Tenant Rents	1.0%	2.5%	(391,015)	(27,786)	366,861	(400,790)	(33,929)	370,530	(410,810)	(40,280)	374,235	(421,080)	(46,845)	377,978	(431,607)	(53,629)	381,757	(442,397)
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a	-	1,590,179	1,652,477	-	1,652,477	1,717,042	-	1,717,042	1,783,954	-	1,783,954	1,853,295	-	1,853,295	1,925,153	-
Commercial Space	n/a	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross Potential Income			**(391,015)**	**1,562,394**	**2,019,339**	**(400,790)**	**1,618,549**	**2,087,572**	**(410,810)**	**1,676,762**	**2,158,189**	**(421,080)**	**1,737,109**	**2,231,273**	**(431,607)**	**1,799,666**	**2,306,910**	**(442,397)**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	19,551	1,389	(18,343)	20,040	1,696	(18,526)	20,540	2,014	(18,712)	21,054	2,342	(18,899)	21,580	2,681	(19,088)	22,120
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME			**(371,464)**	**1,563,783**	**2,000,996**	**(380,751)**	**1,620,245**	**2,069,046**	**(390,269)**	**1,678,776**	**2,139,477**	**(400,026)**	**1,739,451**	**2,212,374**	**(410,027)**	**1,802,347**	**2,287,822**	**(420,277)**
OPERATING EXPENSES																		
Management	3.5%	3.5%	-	138,689	143,543	-	143,543	148,567	-	148,567	153,766	-	153,766	159,148	-	159,148	164,718	-
Salaries/Benefits	3.5%	3.5%	-	331,606	343,212	-	343,212	355,224	-	355,224	367,657	-	367,657	380,525	-	380,525	393,844	-
Administration	3.5%	3.5%	-	168,240	174,128	-	174,128	180,223	-	180,223	186,531	-	186,531	193,059	-	193,059	199,816	-
Utilities	3.5%	3.5%	-	283,201	293,113	-	293,113	303,372	-	303,372	313,990	-	313,990	324,980	-	324,980	336,354	-
Taxes and Licenses	3.5%	3.5%	-	69,764	72,206	-	72,206	74,733	-	74,733	77,349	-	77,349	80,056	-	80,056	82,858	-
Insurance	3.5%	3.5%	-	215,022	222,547	-	222,547	230,337	-	230,337	238,398	-	238,398	246,742	-	246,742	255,378	-
Maintenance & Repair	3.5%	3.5%	-	644,162	666,707	-	666,707	690,042	-	690,042	714,193	-	714,193	739,190	-	739,190	765,062	-
Supportive Services	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Expenses			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES			**-**	**1,850,683**	**1,915,457**	**-**	**1,915,457**	**1,982,498**	**-**	**1,982,498**	**2,051,885**	**-**	**2,051,885**	**2,123,701**	**-**	**2,123,701**	**2,198,031**	**-**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)																		
Reserves/Ground Lease Base Rent/Bond Fees																		
Ground Lease Base Rent			0	1	1	0	1	1	0	1	1	0	1	1	0	1	1	0
Bond Monitoring Fee			0	3,500	3500	0	3,500	3500	0	3,500	3500	0	3,500	3500	0	3,500	3500	0
Replacement Reserve Deposit			0	48,000	48000	0	48,000	48000	0	48,000	48000	0	48,000	48000	0	48,000	48000	0
Operating Reserve Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 1 Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 2 Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Required Reserve Deposit/s, Commercial			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			**0**	**51,501**	**51,501**	**0**	**51,501**	**51,501**	**0**	**51,501**	**51,501**	**0**	**51,501**	**51,501**	**0**	**51,501**	**51,501**	**0**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)			**-**	**1,902,184**	**1,966,958**	**-**	**1,966,958**	**2,033,999**	**-**	**2,033,999**	**2,103,386**	**-**	**2,103,386**	**2,175,202**	**-**	**2,175,202**	**2,249,532**	**-**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)																		
NET OPERATING INCOME (INCOME minus OP EXPENSES)			**(371,464)**	**(338,401)**	**34,038**	**(380,751)**	**(346,713)**	**35,047**	**(390,269)**	**(355,222)**	**36,091**	**(400,026)**	**(363,935)**	**37,172**	**(410,027)**	**(372,855)**	**38,291**	**(420,277)**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																		
Hard Debt - First Lender			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
CASH FLOW (NOI minus DEBT SERVICE)			**(371,464)**	**(338,401)**	**34,038**	**(380,751)**	**(346,713)**	**35,047**	**(390,269)**	**(355,222)**	**36,091**	**(400,026)**	**(363,935)**	**37,172**	**(410,027)**	**(372,855)**	**38,291**	**(420,277)**
USES OF CASH FLOW BELOW (This row also shows DSCR.)		**DSCR:**																
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL																		
Deferred Developer Fee (Enter amt <= Max Fee from row 131)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	-	27,851	28,826	-	28,826	29,835	-	29,835	30,879	-	30,879	31,960	-	31,960	33,079	-
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			-	5,000	5,000	-	5,000	5,000	-	5,000	5,000	-	5,000	5,000	-	5,000	5,000	-
Other Payments			-	212	212	-	212	212	-	212	212	-	212	212	-	212	212	-
Non-amortizing Loan Pmnt - Lender 1			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD			**-**	**33,063**	**34,038**	**-**	**34,038**	**35,047**	**-**	**35,047**	**36,091**	**-**	**36,091**	**37,172**	**-**	**37,172**	**38,291**	**-**
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)			**(371,464)**	**(371,464)**	**-**	**(380,751)**	**(380,751)**	**(0)**	**(390,269)**	**(390,269)**	**(0)**	**(400,026)**	**(400,026)**	**(0)**	**(410,027)**	**(410,027)**	**0**	**(420,277)**
Does Project have a MOHCD Residual Receipt Obligation?		**No**																
Will Project Defer Developer Fee?		**No**																
Residual Receipts split for all years. - Lender/Owner		**0% / 100%**																
		Dist. Soft Debt Loans																
MOHCD RESIDUAL RECEIPTS DEBT SERVICE																		
MOHCD Residual Receipts Amount Due		10.17%		-			-			-			-			-		
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease				-			-			-			-			-		
Proposed MOHCD Residual Receipts Amount to Replacement Reserve				-			-			-			-			-		
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE				**-**			**-**			**-**			**-**			**-**		
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE																		
HCD Residual Receipts Amount Due		42.66%		-			-			-			-			-		
Lender 4 Residual Receipts Due		10.17%		-			-			-			-			-		
Lender 5 Residual Receipts Due		37.00%		-			-			-			-			-		
Total Non-MOHCD Residual Receipts Debt Service				**-**			**-**			**-**			**-**			**-**		
REMAINDER (Should be zero unless there are distributions below)				**-**			**-**			**-**			**-**			**-**		
Owner Distributions/Incentive Management Fee				-			-			-			-			-		
Other Distributions/Uses				-			-			-			-			-		
Final Balance (should be zero)				**-**			**-**			**-**			**-**			**-**		
RR Running Balance				**288,000**			**336,000**			**384,000**			**432,000**			**480,000**		
OR Running Balance				**-**			**-**			**-**			**-**			**-**		
Other Required Reserve 1 Running Balance				**-**			**-**			**-**			**-**			**-**		
Other Required Reserve 2 Running Balance				**-**			**-**			**-**			**-**			**-**		
DEFERRED DEVELOPER FEE - RUNNING BALANCE																		

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	LOSP Units	Non-LOSP Units																
Total # Units: 96	*96*	*0*	**Year 6**			**Year 7**			**Year 8**			**Year 9**			**Year 10**			**Year 11**
	100.00%	*0.00%*	**2027**			**2028**			**2029**			**2030**			**2031**			**2032**
INCOME	% annual inc LOSP	% annual increase	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***
Developer Fee Starting Balance				-			-			-			-			-		
Deferred Developer Fee Earned in Year				-			-			-			-			-		
Developer Fee Remaining Balance				**-**			**-**			**-**			**-**			**-**		

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Total # Units:	LOSP Units	Non-LOSP Units		Year 12			Year 13			Year 14			Year 15			Year 16		
96	*96*	*0*		2033			2034			2035			2036			2037		
	100.00%	*0.00%*																
INCOME	% annual inc LOSP	% annual increase	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**
Residential - Tenant Rents	1.0%	2.5%	(60,640)	385,575	(453,457)	(67,882)	389,431	(464,794)	(75,363)	393,325	(476,413)	(83,088)	397,258	(488,324)	(91,065)	401,231	(500,532)	(99,301)
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a	1,925,153	1,999,615	-	1,999,615	2,076,774	-	2,076,774	2,156,725	-	2,156,725	2,239,567	-	2,239,567	2,325,401	-	2,325,401
Commercial Space	n/a	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross Potential Income			**1,864,513**	**2,385,190**	**(453,457)**	**1,931,732**	**2,466,204**	**(464,794)**	**2,001,411**	**2,550,050**	**(476,413)**	**2,073,636**	**2,636,825**	**(488,324)**	**2,148,501**	**2,726,632**	**(500,532)**	**2,226,100**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	3,032	(19,279)	22,673	3,394	(19,472)	23,240	3,768	(19,666)	23,821	4,154	(19,863)	24,416	4,553	(20,062)	25,027	4,965
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME			**1,867,545**	**2,365,911**	**(430,784)**	**1,935,127**	**2,446,733**	**(441,554)**	**2,005,179**	**2,530,384**	**(452,593)**	**2,077,791**	**2,616,962**	**(463,908)**	**2,153,054**	**2,706,571**	**(475,505)**	**2,231,065**
OPERATING EXPENSES																		
Management	3.5%	3.5%	164,718	170,484	-	170,484	176,451	-	176,451	182,626	-	182,626	189,018	-	189,018	195,634	-	195,634
Salaries/Benefits	3.5%	3.5%	393,844	407,628	-	407,628	421,895	-	421,895	436,661	-	436,661	451,944	-	451,944	467,763	-	467,763
Administration	3.5%	3.5%	199,816	206,810	-	206,810	214,048	-	214,048	221,540	-	221,540	229,294	-	229,294	237,319	-	237,319
Utilities	3.5%	3.5%	336,354	348,126	-	348,126	360,311	-	360,311	372,922	-	372,922	385,974	-	385,974	399,483	-	399,483
Taxes and Licenses	3.5%	3.5%	82,858	85,758	-	85,758	88,760	-	88,760	91,866	-	91,866	95,082	-	95,082	98,409	-	98,409
Insurance	3.5%	3.5%	255,378	264,317	-	264,317	273,568	-	273,568	283,143	-	283,143	293,053	-	293,053	303,309	-	303,309
Maintenance & Repair	3.5%	3.5%	765,062	791,839	-	791,839	819,553	-	819,553	848,238	-	848,238	877,926	-	877,926	908,653	-	908,653
Supportive Services	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Expenses			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES			**2,198,031**	**2,274,962**	**-**	**2,274,962**	**2,354,585**	**-**	**2,354,585**	**2,436,996**	**-**	**2,436,996**	**2,522,291**	**-**	**2,522,291**	**2,610,571**	**-**	**2,610,571**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)																		
Reserves/Ground Lease Base Rent/Bond Fees																		
Ground Lease Base Rent			1	1	0	1	1	0	1	1	0	1	1	0	1	1	0	1
Bond Monitoring Fee			3,500	3500	0	3,500	3500	0	3,500	3500	0	3,500	3500	0	3,500	3500	0	3,500
Replacement Reserve Deposit			48,000	48000	0	48,000	48000	0	48,000	48000	0	48,000	48000	0	48,000	48000	0	48,000
Operating Reserve Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 1 Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 2 Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Required Reserve Deposit/s, Commercial			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			**51,501**	**51,501**	**0**	**51,501**	**51,501**	**0**	**51,501**	**51,501**	**0**	**51,501**	**51,501**	**0**	**51,501**	**51,501**	**0**	**51,501**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)			**2,249,532**	**2,326,463**	**-**	**2,326,463**	**2,406,086**	**-**	**2,406,086**	**2,488,497**	**-**	**2,488,497**	**2,573,792**	**-**	**2,573,792**	**2,662,072**	**-**	**2,662,072**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)																		
NET OPERATING INCOME (INCOME minus OP EXPENSES)			**(381,987)**	**39,448**	**(430,784)**	**(391,336)**	**40,647**	**(441,554)**	**(400,907)**	**41,887**	**(452,593)**	**(410,706)**	**43,170**	**(463,908)**	**(420,737)**	**44,499**	**(475,505)**	**(431,006)**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																		
Hard Debt - First Lender			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
CASH FLOW (NOI minus DEBT SERVICE)			**(381,987)**	**39,448**	**(430,784)**	**(391,336)**	**40,647**	**(441,554)**	**(400,907)**	**41,887**	**(452,593)**	**(410,706)**	**43,170**	**(463,908)**	**(420,737)**	**44,499**	**(475,505)**	**(431,006)**
USES OF CASH FLOW BELOW (This row also shows DSCR.)		**DSCR:**																
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL																		
Deferred Developer Fee (Enter amt <= Max Fee from row 131)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	33,079	34,236	-	34,236	35,435	-	35,435	36,675	-	36,675	37,958	-	37,958	39,287	-	39,287
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			5,000	5,000	-	5,000	5,000	-	5,000	5,000	-	5,000	5,000	-	5,000	5,000	-	5,000
Other Payments			212	212	-	212	212	-	212	212	-	212	212	-	212	212	-	212
Non-amortizing Loan Pmnt - Lender 1			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD			**38,291**	**39,448**	**-**	**39,448**	**40,647**	**-**	**40,647**	**41,887**	**-**	**41,887**	**43,170**	**-**	**43,170**	**44,499**	**-**	**44,499**
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)			**(420,277)**	**0**	**(430,784)**	**(430,784)**	**0**	**(441,554)**	**(441,554)**	**0**	**(452,593)**	**(452,593)**	**0**	**(463,908)**	**(463,908)**	**(0)**	**(475,505)**	**(475,505)**
Does Project have a MOHCD Residual Receipt Obligation?		**No**																
Will Project Defer Developer Fee?		**No**																
Residual Receipts split for all years. - Lender/Owner		**0% / 100%**																
MOHCD RESIDUAL RECEIPTS DEBT SERVICE		Dist. Soft Debt Loans																
MOHCD Residual Receipts Amount Due		10.17%	-			-			-			-			-			-
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease			-			-			-			-			-			-
Proposed MOHCD Residual Receipts Amount to Replacement Reserve			-			-			-			-			-			-
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE			**-**			**-**			**-**			**-**			**-**			**-**
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE																		
HCD Residual Receipts Amount Due		42.66%	-			-			-			-			-			-
Lender 4 Residual Receipts Due		10.17%	-			-			-			-			-			-
Lender 5 Residual Receipts Due		37.00%	-			-			-			-			-			-
Total Non-MOHCD Residual Receipts Debt Service			**-**			**-**			**-**			**-**			**-**			**-**
REMAINDER (Should be zero unless there are distributions below)			**-**			**-**			**-**			**-**			**-**			**-**
Owner Distributions/Incentive Management Fee			-			-			-			-			-			-
Other Distributions/Uses			-			-			-			-			-			-
Final Balance (should be zero)			**-**			**-**			**-**			**-**			**-**			**-**
RR Running Balance			**528,000**			**576,000**			**624,000**			**672,000**			**720,000**			**768,000**
OR Running Balance			**-**			**-**			**-**			**-**			**-**			**-**
Other Required Reserve 1 Running Balance			**-**			**-**			**-**			**-**			**-**			**-**
Other Required Reserve 2 Running Balance			**-**			**-**			**-**			**-**			**-**			**-**
DEFERRED DEVELOPER FEE - RUNNING BALANCE																		

53 Colton Street

Total # Units:	**LOSP Units**	**Non-LOSP Units**																
96	***96***	***0***		**Year 12**			**Year 13**			**Year 14**			**Year 15**			**Year 16**		
	100.00%	*0.00%*		**2033**			**2034**			**2035**			**2036**			**2037**		
INCOME	**% annual inc LOSP**	**% annual increase**	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**
Developer Fee Starting Balance			-			-			-			-			-			-
Deferred Developer Fee Earned in Year			-			-			-			-			-			-
Developer Fee Remaining Balance			**-**			**-**			**-**			**-**			**-**			**-**

53 Colton Street

	LOSP Units	Non-LOSP Units												
Total # Units: 96	*96*	*0*		Year 17			Year 18			Year 19			Year 20	
	100.00%	*0.00%*		2038			2039			2040			2041	
INCOME	% annual inc LOSP	% annual increase	*LOSP*	*non-LOSP*	Total	*LOSP*	*non-LOSP*	Total	*LOSP*	*non-LOSP*	Total	*LOSP*	*non-LOSP*	Total
Residential - Tenant Rents	1.0%	2.5%	405,243	(513,045)	(107,802)	409,296	(525,871)	(116,576)	413,389	(539,018)	(125,629)	417,522	(552,494)	(134,971)
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a	2,414,335	-	2,414,335	2,506,476	-	2,506,476	2,601,938	-	2,601,938	2,700,839	-	2,700,839
Commercial Space	n/a	2.5%	-	-	-	-	-	-	-	-	-	-	-	-
Other Income			-	-	-	-	-	-	-	-	-	-	-	-
Gross Potential Income			**2,819,578**	**(513,045)**	**2,306,533**	**2,915,772**	**(525,871)**	**2,389,900**	**3,015,327**	**(539,018)**	**2,476,309**	**3,118,362**	**(552,494)**	**2,565,868**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	(20,262)	25,652	5,390	(20,465)	26,294	5,829	(20,669)	26,951	6,281	(20,876)	27,625	6,749
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME			**2,799,316**	**(487,393)**	**2,311,923**	**2,895,307**	**(499,578)**	**2,395,729**	**2,994,658**	**(512,067)**	**2,482,590**	**3,097,486**	**(524,869)**	**2,572,617**
OPERATING EXPENSES														
Management	3.5%	3.5%	202,481	-	202,481	209,568	-	209,568	216,903	-	216,903	224,494	-	224,494
Salaries/Benefits	3.5%	3.5%	484,134	-	484,134	501,079	-	501,079	518,617	-	518,617	536,768	-	536,768
Administration	3.5%	3.5%	245,625	-	245,625	254,222	-	254,222	263,120	-	263,120	272,329	-	272,329
Utilities	3.5%	3.5%	413,465	-	413,465	427,936	-	427,936	442,914	-	442,914	458,416	-	458,416
Taxes and Licenses	3.5%	3.5%	101,854	-	101,854	105,419	-	105,419	109,108	-	109,108	112,927	-	112,927
Insurance	3.5%	3.5%	313,925	-	313,925	324,913	-	324,913	336,285	-	336,285	348,054	-	348,054
Maintenance & Repair	3.5%	3.5%	940,456	-	940,456	973,372	-	973,372	1,007,440	-	1,007,440	1,042,701	-	1,042,701
Supportive Services	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Expenses			-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES			**2,701,941**	**-**	**2,701,941**	**2,796,509**	**-**	**2,796,509**	**2,894,386**	**-**	**2,894,386**	**2,995,690**	**-**	**2,995,690**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)														
Reserves/Ground Lease Base Rent/Bond Fees														
Ground Lease Base Rent			1	0	1	1	0	1	1	0	1	1	0	1
Bond Monitoring Fee			3500	0	3,500	3500	0	3,500	3500	0	3,500	3500	0	3,500
Replacement Reserve Deposit			48000	0	48,000	48000	0	48,000	48000	0	48,000	48000	0	48,000
Operating Reserve Deposit			0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 1 Deposit			0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 2 Deposit			0	0	0	0	0	0	0	0	0	0	0	0
Required Reserve Deposit/s, Commercial			0	0	0	0	0	0	0	0	0	0	0	0
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			**51,501**	**0**	**51,501**	**51,501**	**0**	**51,501**	**51,501**	**0**	**51,501**	**51,501**	**0**	**51,501**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)			**2,753,442**	**-**	**2,753,442**	**2,848,010**	**-**	**2,848,010**	**2,945,887**	**-**	**2,945,887**	**3,047,191**	**-**	**3,047,191**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)														
NET OPERATING INCOME (INCOME minus OP EXPENSES)			**45,874**	**(487,393)**	**(441,519)**	**47,297**	**(499,578)**	**(452,281)**	**48,770**	**(512,067)**	**(463,297)**	**50,295**	**(524,869)**	**(474,574)**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)														
Hard Debt - First Lender			-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			-	-	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			-	-	-	-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
CASH FLOW (NOI minus DEBT SERVICE)			**45,874**	**(487,393)**	**(441,519)**	**47,297**	**(499,578)**	**(452,281)**	**48,770**	**(512,067)**	**(463,297)**	**50,295**	**(524,869)**	**(474,574)**
USES OF CASH FLOW BELOW (This row also shows DSCR.)		**DSCR:**												
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL														
Deferred Developer Fee (Enter amt <= Max Fee from row 131)			-	-	-	-	-	-	-	-	-	-	-	-
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	40,662	-	40,662	42,085	-	42,085	43,558	-	43,558	45,083	-	45,083
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			5,000	-	5,000	5,000	-	5,000	5,000	-	5,000	5,000	-	5,000
Other Payments			212	-	212	212	-	212	212	-	212	212	-	212
Non-amortizing Loan Pmnt - Lender 1			-	-	-	-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2			-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD			**45,874**	**-**	**45,874**	**47,297**	**-**	**47,297**	**48,770**	**-**	**48,770**	**50,295**	**-**	**50,295**
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)			**(0)**	**(487,393)**	**(487,393)**	**(0)**	**(499,578)**	**(499,578)**	**-**	**(512,067)**	**(512,067)**	**-**	**(524,869)**	**(524,869)**
Does Project have a MOHCD Residual Receipt Obligation?		**No**												
Will Project Defer Developer Fee?		**No**												
Residual Receipts split for all years. - Lender/Owner		**0% / 100%**												
MOHCD RESIDUAL RECEIPTS DEBT SERVICE		Dist. Soft Debt Loans												
MOHCD Residual Receipts Amount Due		10.17%			-			-			-			-
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease					-			-			-			-
Proposed MOHCD Residual Receipts Amount to Replacement Reserve					-			-			-			-
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE					**-**			**-**			**-**			**-**
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE														
HCD Residual Receipts Amount Due		42.66%			-			-			-			-
Lender 4 Residual Receipts Due		10.17%			-			-			-			-
Lender 5 Residual Receipts Due		37.00%			-			-			-			-
Total Non-MOHCD Residual Receipts Debt Service					**-**			**-**			**-**			**-**
REMAINDER (Should be zero unless there are distributions below)					**-**			**-**			**-**			**-**
Owner Distributions/Incentive Management Fee					-			-			-			-
Other Distributions/Uses					-			-			-			-
Final Balance (should be zero)					**-**			**-**			**-**			**-**
RR Running Balance					**816,000**			**864,000**			**912,000**			**960,000**
OR Running Balance					**-**			**-**			**-**			**-**
Other Required Reserve 1 Running Balance					**-**			**-**			**-**			**-**
Other Required Reserve 2 Running Balance					**-**			**-**			**-**			**-**
DEFERRED DEVELOPER FEE - RUNNING BALANCE														

53 Colton Street

			Year 17			Year 18			Year 19			Year 20		
Total # Units:	**LOSP Units**	**Non-LOSP Units**												
96	***96***	***0***	**2038**			**2039**			**2040**			**2041**		
	100.00%	*0.00%*												
INCOME	**% annual inc LOSP**	**% annual increase**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**
Developer Fee Starting Balance					-			-			-			-
Deferred Developer Fee Earned in Year					-			-			-			-
Developer Fee Remaining Balance					**-**			**-**			**-**			**-**

Attachment D: LOSP Funding Schedule A

LOSP FUNDING SCHEDULE

Project Address:	53 Colton Street
Project Start Date:	7/1/22

Exhibit A

Calendar Year		Full Year Funding Amount	# Months to Fund	Total Disbursement for Calendar Year	Estimated Disbursement Date	FY Budgeted (for Disbursement)
CY-1	2022	$1,310,068	6	$655,034	6/1/2022	FY2022/23
CY-2	2023	$1,362,144	12	$1,362,144	1/1/2023	FY2022/23
CY-3	2024	$1,416,124	12	$1,416,124	1/1/2024	FY2023/24
CY-4	2025	$1,472,076	12	$1,472,076	1/1/2025	FY2024/25
CY-5	2026	$1,530,071	12	$1,530,071	1/1/2026	FY2025/26
CY-6	2027	$1,590,179	12	$1,590,179	1/1/2027	FY2026/27
CY-7	2028	$1,652,477	12	$1,652,477	1/1/2028	FY2027/28
CY-8	2029	$1,717,042	12	$1,717,042	1/1/2029	FY2028/29
CY-9	2030	$1,783,954	12	$1,783,954	1/1/2030	FY2029/30
CY-10	2031	$1,853,295	12	$1,853,295	1/1/2031	FY2030/31
CY-11	2032	$1,925,153	12	$1,925,153	1/1/2032	FY2031/32
CY-12	2033	$1,999,615	12	$1,999,615	1/1/2033	FY2032/33
CY-13	2034	$2,076,774	12	$2,076,774	1/1/2034	FY2033/34
CY-14	2035	$2,156,725	12	$2,156,725	1/1/2035	FY2034/35
CY-15	2036	$2,239,567	12	$2,239,567	1/1/2036	FY2035/36
CY-16	2037	$2,325,401	12	$2,325,401	1/1/2037	FY2036/37
			Total Contract Amount:	**$27,755,629**		

Attachment E: 53 Colton (Jazzie Collins Apartments) Supportive Housing Ownership and Lease Structure