

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

Evaluation of Request for Funding: LOSP Contract Renewal
(Local Operating Subsidy Program)

Prepared By: Mike McLoone
Loan Committee Date: March 19, 2021

<i>Sponsor Name:</i>	CHP, on behalf of 365 Fulton, L.P.
<i>Project Name:</i>	Dr. Julian and Raye Richardson Apartments
<i>Project Address:</i>	365 Fulton Street
<i>Number of Units/Beds:</i>	120 units
<i>Homeless units:</i>	120 units
<i>LOSP units:</i>	64 units
<i>LOSP to PBV Units:</i>	44 units
<i>MHSA Units:</i>	12

Amount of Funds Requested: \$538,463 for Year 1 budget
Up to \$14,043,143 for 16 years (including Year 1)

Amount of Funds Recommended: \$14,043,143

1. SUMMARY AND BACKGROUND

365 Fulton, LP a California Limited Partnership and affiliate of Community Housing Partnership (CHP), is requesting \$14,043,143 in General Funds from the Local Operating Subsidy Program (LOSP) to subsidize the continuing operations of Drs. Julian and Raye Richardson Apartments (Project) for a period of 16 years.

The Project opened in 2011 and is named in honor of the founders of Marcus Books, Doctor Julian Richardson and Doctor Raye Richardson. It is located in the Hayes Valley neighborhood in Supervisorial District 5 at 365 Fulton Street at the corner of Gough Street. The Project exclusively serves extremely-low income formerly chronically homeless adults with a broad range of special needs.

The property was originally co-developed by Mercy Housing California and Community Housing Partnership using a combination of 9% Low Income Housing Tax Credits, HCD Multifamily Housing Program (“MHP”) Supportive Housing, State Mental Health Services Act (“MHSA”), Federal Home Loan Bank Affordable Housing Program, and SFRA Tax Increment funds. There is a City Ground Lease but the annual rent payment requirement is \$1 as long as the project is receiving LOSP funding and the 100% of the target population continues to be formerly-homeless.

CHP manages the property and UCSF Citywide provides supportive services with funding from the San Francisco Department of Homelessness and Supportive Housing (HSH).

The Project Design:

Drs. Julian and Raye Richardson Apartments (“Project” or “Richardson”) is a five-story building containing 120-unit affordable housing development was built on Parcel G, one of 21 parcels created after the removal of the Central Freeway. The residential portion of the building contains 120 studio units. The building also includes approximately 2,500 square feet of common space and 2,000 square feet of social service program space, approximately 9,000 square feet of open courtyard and roof deck open space area. There is also 3,500 square feet of ground floor retail commercial space, currently occupied by a Restaurant (Dragon Eats, leased expiring 2/29/2024), a Frame Store (Under Glass, through 9/30/2021), and a bakery (Bakeworks through 8/31/2021).

One hundred-twenty (120) units are restricted for occupancy by formerly homeless households and will continue to be subject to the requirements under the LOSP Grant Agreement proposed for renewal. All of the units are filled via referrals from HSH via the City’s Coordinated Entry System.

The Project also benefits from the support of federal operating subsidies administered by the San Francisco Housing Authority: 44 units are supported under a Project-Based Section 8 contract. The Section 8 Housing Assistance Payment (HAP) contract was added in late 2017 in order to augment the Project’s Operating subsidy funding. Tenant assistance payments that flow to the Project via the Section 8 HAP contract offset the need for the City’s General Fund payments under the LOSP Grant. The prior LOSP grant was amended in 2017, creating net savings in LOSP funding of \$2.15mil through FY2019-20, roughly \$715k per year.

2019 household income average was \$10,516, or 12% AMI, which is typical of LOSP households.

The average age of the formerly homeless tenants is 52 years, and the median is 53. The average length of tenancy currently is six years, six months. 45 of the formerly homeless tenants (37.5%) have been in place since the Project opened.

If this funding request is approved, a new contract with a retroactive start date of 11/10/2020 would be executed, resulting in a term of 16 years, 1.7 months. Though all requested funds would be committed under a single, long-term contract, disbursements thereunder would be subject to annual appropriations by the Board of Supervisors, as is standard for LOSP contracts.

The amount of LOSP funds requested was derived by applying MOHCD’s standard underwriting assumptions over a 16-year projection period. LOSP funds cover the gap between the Project’s operating expenses, fees and reserve deposits and the operating revenue from tenant rents. If approved, funds would be disbursed under the contract in accordance with the attached schedule (see Exhibit A), with possible reductions to an annual disbursement if the project reports any preceding annual LOSP operating surpluses, as required by LOSP funding rules.

A total of \$538,463 in assistance is budgeted for the first year (CY2021). This equates to an annual per unit subsidy of \$4,487, or \$374 monthly (all units), or \$12,238 / \$1,020 per LOSP unit.

2. OPERATING BUDGET AND PROFORMA – COMPLIANCE WITH UNDERWRITING STANDARDS

The proposed Year 1 Operating Budget and 16-year Cash Flow projection for the Project meet all applicable underwriting standards that are required of any project that is seeking capital financing or operating subsidy from MOHCD.

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 only hard debt is minimal payment on MHP, which is allowed under LOSP. LOSP requires break-even budgets, so DSCR standards not appropriate – no “cushion” allowed. DSCR is above 1 for years one-five which include below-the-line fees, 1 for all other years.
Debt Service Coverage Ratio stays above 1.00:1 for entirety of projected 20-year cash flow	Y	See above
Vacancy meets TCAC Standards	N	Proposed vacancy rates are based on project history but are inflated for COVID impacts in years 2021-2024 (3.82%), 2.5% beyond.
Annual Income Growth from tenant rents is increased at 1% per year for LOSP units and 2.5% for non-LOSP units.	Y	
Annual Operating Expenses are increased at 3.5% per year	Y	
Base year operating expenses per unit are reasonable per comparables	Y	Total Operating Expenses in 2021 are \$15,166 per unit. This is an increase above prior project trends, and at the higher end when compared to a group of similar LOSP projects. However, it is also only slightly higher than the LOSP portfolio average. See Section 3 below for details.
Property Management Fee is at allowable HUD Maximum	N/A	Total Property Management Fee for 2021 is \$118,080 which is \$82, this exceeds the current HUD Maximum of \$78 PUPM, but is allowable because it is an existing project. (HUD does not allow escalation. Because the MOHCD policy allows 3.5% escalation, our policy can only be applied to new projects.)
Property Management staffing level is reasonable per comparables	Y	10.5 FTEs, including ,7 FTE office staff, 2 FTE management staff and 3.8 FTE maintenance/custodial, and 5 FTE for Security (desk clerks).

Asset Management and Partnership Management Fees meet standards	Y	The proposed annual AM Fee is \$22,670/yr., which is current maximum fee under MOHCD policy. Staff supports CHP's request to increase the AM fee over what was allowed in the prior budget (flat \$15k). The amount of proposed PM Fee is allowable and is proposed through the remainder of the tax credit compliance period (2025).
Replacement Reserve Deposits meet or exceed TCAC or MOHCD minimum standards	Y	Proposed Replacement Reserve Deposits are \$987 per unit, \$118k/yr. This is an increase of \$48k/yr, and is based upon a 2018 CNA.
Limited Partnership Asset Management Fee meets standards	N	The City funding agreement and Ground Lease approved by the former SFRA authorized 3% escalation of an LP AM fee, which is contrary to current policy. It is not feasible to renegotiate at this time.

3. PROPOSED LOSP BUDGET

The 1st Year Operating Budget (Attachment B) for CY2021 serves as the basis of the tallies for the overall LOSP Grant period. The preparation of it was informed by the actual income and expenses of the Project in recent years. Anticipated financial impacts of the COVID-19 pandemic are reflected in the proposal; escalation and vacancy are used to show these impacts because they most easily allow the projected impacts to be applied for a limited duration, as described in greater detail below.

3.1. Annual Operating Income Evaluation

LOSP column Tenant Rent: nearly \$400,000 is projected. This is 20% of the total revenue and represents an average monthly rent of \$278 (equivalent of 10% AMI). As in all LOSP projects, tenants pay 30% of monthly income as rent. CHP projects tenant rents to be slightly lower than 2019 because of COVID-related impacts.

Project-Based Section 8 assistance: A total of \$1,085,712 is budgeted for Year 1, a 7% increase over what was reported for 2019, based on 2020 actuals.

LOSP Subsidy: A total of \$538,463 is budgeted for Year 1. The total funding comprises 27% of the LOSP portion of Effective Gross Income and equates to \$4,487 per unit per year and \$374 per month.

Total LOSP Residential Revenue Stream: Year 1 projects total revenue of \$1,967,967. This represents monthly revenue per unit as follows:

Unit Type	PUPM Revenue	2020 AMI % Equivalent
Studio	\$1,367	61%

In other words, the proposed budget would break-even with revenue equivalent to what would come from 120 units at 61% AMI with no subsidy; the revenue from Section 8 and LOSP funding allows the City to house formerly homeless tenants with incomes at roughly 10% AMI.

3.2 Annual Operating Expenses Evaluation

Operating expenses in Year 1 are budgeted at \$1,819,918, or \$15,166 per unit per year. This amount represents an annual growth rate of 9% above 2019 actual expenses, trending higher than MOHCD's default escalation assumptions. This is acceptable because the overall budget request represents a significant reduction in LOSP funding need. The growth is also driven in part by projected impacts of COVID.

The Project has seen some dramatic increases in Operating Expenses over the course of its history, particularly the past 4 years. In addition, the trending of individual line items in the budget had varied significantly over time. This combination of factors can indicate of lack of budget controls/oversight by the project owner.

CHP also experienced significant turnover in staffing in recent years; none of the senior staff involved with the development and or initial operation of the Project remain employed by CHP.

On the other hand, the hurried addition in late 2017 of a Project-Based Section 8 contract also had significant impacts on the budget and work happening on-site. CHP effectively completed HQS inspections and reduced tenant rents for the entire project. This was further cause for somewhat significant changes to the operating budget, which CHP managed appropriately.

The staff working to support this budget proposal began working for CHP only recently. Current staff seem very responsive, thorough and eager to help. But the preceding staff turnover has left CHP unable to provide explanations that would reveal help any prior internal efforts to mitigate the impacts of increasing expenses and other shifts that impacted the budget.

Relative to what had been budgeted for LOSP subsidy, the Project is proposing an increase of over \$300,000. In order to provide context for decision-making about this proposal, MOHCD assessed of the budget history with an eye toward exposing the primary causes behind the increases to the project budget. The following factors have been identified:

- Residential vacancy rate from 2014-2019 was 1.7%. CHP proposes a more conservative 3.82% from 2021 through 2024, and 2.5% beyond
- Through 2017, the project budget was more than adequate; 2017 surplus was \$157,000
- In 2018, the project reported zero surplus. A primary cause was a dramatic increase (\$112k/42%) in Utilities, particularly Water/Sewer. In looking more closely, MOHCD found that this trend had begun the year prior, which saw a similar increase (\$119k/40%). Maintenance expenses also increased notably in 2018 (\$67k/15%).
- In 2019, the project reported a deficit of -\$138,218. This appears to have been driven by several notable increases in expenses:
 - Utilities (\$74k/20%)
 - Office Expenses (\$18k/40%)
 - Property & Liability Insurance (\$12k/9%)
 - Maintenance (\$17k/3%)
- The proposed 2021 budget is increasing by \$327,385 primarily because of these factors:
 - Filling the 2019 deficit (\$138k)

- Utilities: (\$41k/9%)
- Salaries (\$42k/18%)
- Increase to Replacement Reserve Deposit (\$47k/67%)
- Increased vacancy assumptions (due to COVID impacts):
 - Residential: (\$26k/87%)
 - Commercial (\$52k/previously zero)

The increases caused by vacancy assumptions and the Replacement Reserve deposit are appropriate. The increases in Utilities expense deserve further scrutiny, see below for more about that.

Staffing: \$526,685 is budgeted for staff. With a total of 10.5 FTEs for 120 units, the ratio of staff to units/tenants is approximately 1 to 11.4, which is comparable to other LOSP projects; a sample of nine LOSP projects shows a range from 1:6 to 1:15, with an average of 1:9.

Consolidated Staffing Costs –
as budgeted in Management, Salaries/Benefits and Maintenance & Repair

Title	FTE allocated to Project	Exp allocated to Project
Office Salaries		
Site Supervisor	0.3	\$18,696
Facilities Manager	0.1	\$7,441
Compliance Spe.	0.1	\$6,544
Compliance Manager	0.2	\$10,762
Subtotal	0.7	\$43,444
Manager Salaries		
Program Assistant	1.0	\$52,667
Program Manager	1.0	\$62,287
Subtotal	2.0	\$114,954
Janitorial		
Custodian A	1.0	\$43,053
Custodian B	0.5	\$22,388
Subtotal	1.5	\$65,441
Maintenance		
Maintenance Technician A	1.0	\$40,242
Maintenance Technician B	0.0	\$63,796
Facilities Assistant	0.3	\$17,437
Subtotal	1.3	\$121,475
Total, Janitorial & Maintenance:	2.8	\$186,916
Security		
Desk Clerk	1.0	\$34,674
Desk Clerk	1.0	\$34,674
Desk Clerk	1.0	\$34,674
Desk Clerk	1.0	\$34,674
Desk Clerk	1.0	\$34,674
Desk Clerk - Contract		\$8,000
Subtotal	5.0	\$181,372
Total FTEs and Expenses	10.5	\$526,685

Utilities, especially Water & Sewer: As noted above, the dramatic increases to the Project's Water and Sewer expenses is a significant concern. While Water and Sewer expenses are increasing citywide, due to rate increases made by the SFPUC to help fund long-term system maintenance and mitigate effective of climate change, the increases seen for the Project are well beyond anything seen at any other MOHCD projects. ***From 2017 through 2021 (proposed), Water and Sewer expenses have together increased by nearly \$296,000, a 294% increase.*** CHP has taken the following steps to investigate:

- American Leak Detection inspected to determine if there was a water leak in the pipe leading from the meter to the building. The results were negative.
- USA Leak Detection tested all units for potential leaks. CHP fixed a couple of leaks but the impact on the overall water consumption was very slim.

For a next step, CHP plans to coordinate with SFPUC to change the water meter at the site.

Staff recommends imposing conditions in the new Grant Agreement to ensure that additional investigatory work is completed.

3.3 Reserve Deposits, Debt Service, Fees

The project is not currently required by the City to perform a Capital Needs Assessment (CNA), but completed one anyway in 2018. Based on the guidance from the CNA, CHP proposes to increase the annual Replacement Reserve (RR) deposit by \$47,628, an increase of 67%, resulting in a total of \$118,428, or \$987 PUPA.

Program rules prohibit LOSP operating funding from being used to support permanent debt. Bare-minimum annual hard debt payments are made for the MHP and MHSA loans, totaling \$2k annually.

Because the LOSP funds subsidize operations only to a break-even level, the budget shows no surplus cash or residual receipts. However, because the project does not rely exclusively on LOSP for operating subsidy, there is potential for the project to generate some surplus that can be distributed.

Like many other older City capital funding agreements, MOHCD's capital funding agreement caps the amount of annual distribution available to the Project at \$500 per unit per year. CHP responded to MOHCD's invitation to request the removal of per-unit distribution caps. MOHCD will discuss in greater detail how any future surplus can be distributed when evaluating CHP's request to remove the per-unit cap on annual owner distributions.

3.4 Sixteen (16)-Year Cash Flow Projection

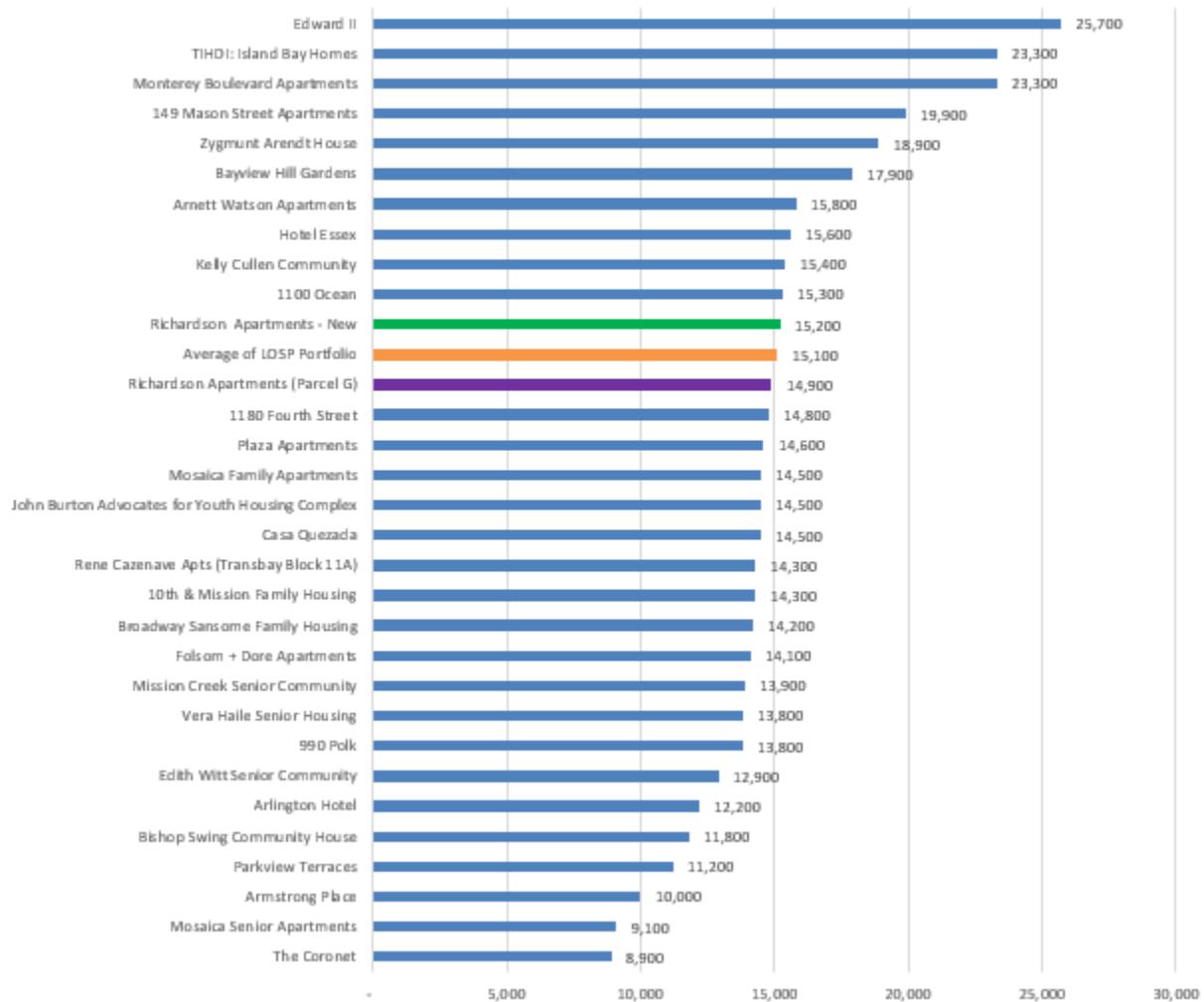
- Tenant Rents: escalated at 1%, per MOHCD standards
- Project Based Section 8: Because of the impact of COVID on the broader rental market, and how that is expected to impact FMRs, escalation is 1% for 2021-2024, 2% for 2024 & beyond
- Residential vacancy rate from 2014-2019 was 1.7%. CHP proposes a more conservative 3.82% from 2021 through 2024, and 2.5% beyond
- Commercial Space Revenue: since March, the commercial tenants have paid about 67% of the rent due, leaving a shortfall of over \$30k. CHP proposes higher vacancy assumptions for 2021 (55%) and 2022 (45%) and to resume standard 5% beyond.
- Operating expenses are escalated at 3.5% annually, per MOHCD default assumptions
- Replacement Reserve (RR) funding is sufficient to address all expected capital replacement needs until year 12; in both 2032 and 2034, a small shortfall is projected in the RR balance, but the shortfalls disappear in the year after, indicating that the RR is adequately funded. The RR withdrawal projections show relatively larger expenditures in 2021 (\$420k), 2027 (\$200k) and 2032 (\$893k). Additional information about planned rehabilitation work will be gathered and assessed when responding to the Distribution Cap Removal request described above.
- Annual deposits to the Operating Reserve are sized in order to maintain a balance equal to 25% of the prior year's operating expenses, as required under MOHCD's capital funding agreement.
- The LOSP subsidy is projected to increase an average of 6.75% annually over the term of the contract. This rate of growth is larger than usual, but reasonable because of the

mitigating assumptions made for escalation and vacancy based on anticipated COVID impacts.

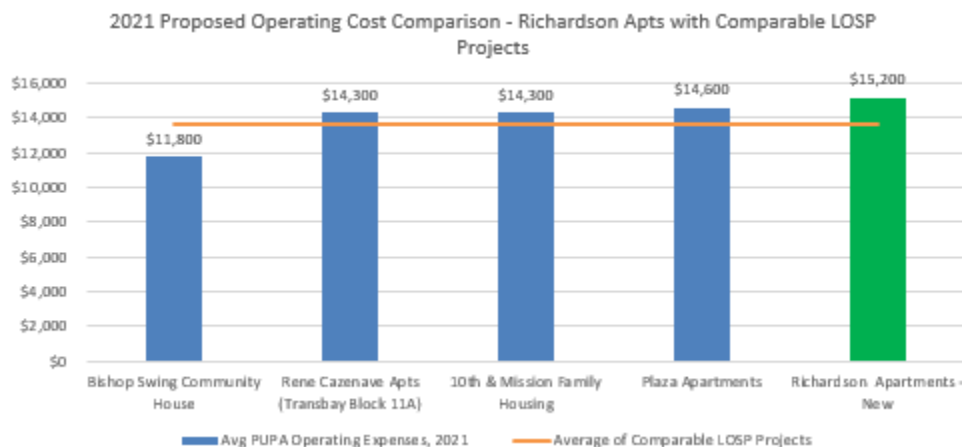
4. OPERATING COST COMPARATIVE ANALYSIS

Comparison with LOSP Portfolio: In 2018, MOHCD’s portfolio had a total of 30 supportive housing projects that were receiving LOSP operating grant funding. When trended up to 2021, average total operating expenses (before replacement reserve deposits and hard debt service) averaged \$15,100 per unit per year (PUPY), with a range from \$8,900 to \$25,700 PUPY. One of the greatest determinants of PUPY operating expenses is project size, with PUPY operating expenses higher for smaller and scattered-site buildings and lower for larger, single-site buildings. The proposed per unit annual operating expenses of \$15,200 is slightly above the average for the LOSP portfolio of \$15,100.

Estimated 2021 PUPA Operating Expenses of LOSP Projects, based on 2018 Operating Expenses



Comparison with similar LOSP Projects: The Project's proposed operating expenses are slightly higher when compared with the PUPY expenses for four other LOSP projects of similar size and target population:



5. SUPPORT SERVICES EVALUATION

Because the project exclusively serves a formerly homeless population, the Supportive Services funding is tracked in a separate budget and no services funding is included in the Project's operating budget.

UCSF Citywide provides an array of optional supportive services onsite to the Project's tenants.

UCSF Citywide is under contract with DPH, for which HSH work orders the funds. The contract with DPH also leverages Medi-Cal billing, which offsets the General Fund contribution. The current contract provides Annually \$1,976,083 in annual funding; it started July 1, 2020 and ends June 30, 2021.

While referrals are coming from Coordinated Entry, the project is still part of the legacy Direct Access to Housing (DAH) program which maintains program rules requiring enrollment in third party rent payment services, clients maximizing benefits they are eligible for, and temporary vacancies not to exceed 90 calendar days.

The services are provided at Tier V, which is the second highest level of services in HSH-funded permanent supportive housing, and are designed to support individuals who have the highest vulnerabilities and face multiple barriers to housing stability. But the budget for UCSF Citywide's services far exceeds the Tier V amount.

The services staffing includes 5.0 FTE Clinical Social Workers, 1.0 FTE Social Work Associates (Bachelors Level Social Worker), 2.0 FTE Clinical Supervisor (Licensed, Team Lead), 2.20 FTE Registered Nurse, 0.20 FTE Psychiatrist, 1.0 FTE Admin Assistant, and approx. 0.1 FTE Program Director. The case management staffing ratio is 10.5 FTEs to 120 units or 1:11. Supportive services include outreach and assessment; case management; benefits advocacy and assistance; referrals and coordination of services; housing stability support; connection to

primary medical care; clinical services; individual and group therapy; community building activities; medication management; and psych support.

UCSF Citywide is in good standing under the current contract. An area for improvement is strengthening the partnership between UCSF Citywide Support Services and CHP Property Management where distinct and overlapping roles and responsibilities are clear and formalized in an MOU.

6. CONCLUSION

MOHCD staff recommend approval of the request in full - with three recommended conditions.

Richardson Apartments has, since inception, served a very high-need tenant community. Retention rates and the CHP-UCSF Citywide team is meeting the service challenges.

While the expenses proposed in the requested budget are relatively reasonable, some expenses have risen dramatically over recent years. CHP has not been able to demonstrate adequate efforts to manage the budget and communicate with MOHCD about the causes for increasing expenses. The increases in utilities costs, especially for water and sewer, are of particular concern, and justify further research. CHP needs to demonstrate that it is able to manage LOSP budgets more proactively and create systems that allow institutional memory to be retained when the inevitable staffing transitions occur so that successor staff can pick up where predecessors left off. Because the prior budget and communications problems were connected to staff turnover across multiple departments at CHP, CHP also needs to continue to show that it will be able to maintain stable staffing in key roles, most notably Asset Managers, Director of Housing Operations, Facility Director, and CFO/Finance Team.

7. RECOMMENDED CONDITIONS

Water & Sewer Expenses:

- Before executing the LOSP Grant Agreement, CHP will work with the leader of MOHCD's Construction Services Team, Erin Carson, to investigate and find remedies. Since February 2021, Erin has supported CHP's efforts to bring the matter to the attention of SFPUC. SFPUC has agreed to replace the meter on 3/16/21.
- If it is not possible to adequately resolve this prior to executing the Agreement for the contract renewal CHP must agree to accept a provision in the LOSP Grant Agreement about ongoing requirements related to the efforts to investigate the cause(s) and find & implement remedy(ies).

Budget Management, LOSP Projects:

- CHP reports that over the past year, they developed new policies & procedures to ensure regular coordination between the Asset Management staff and the Property Management staff, particularly with CHP's Director of Housing Operations
- CHP also reports that the current efforts to implement the Yardi Voyager property management system will yield improvements by the 3rd quarter of 2021 in CHP's ability to produce and monitor reports that compare budgets-to-actuals.

- As a condition in the LOSP Grant Agreement, MOHCD will require CHP to supply reports (as requested but no more often than quarterly) that thoroughly document CHP's efforts to
 - Facilitate cross-team discussions about budgets between Asset Management & Property Management staff
 - Perform variance analyses at least quarterly to detect instances where budget actuals are not matching the budget estimates
 - Take action to mitigate any budget variances and track if the mitigations have any impact

Stability of Staffing:

- As a condition in the LOSP Grant Agreement,
 - CHP agrees to alert MOHCD within two business days of learning about a future vacancy in any of these key roles: Director of Housing Operations, Facility Director, either Asset Manager, the CFO, and any other important Finance Team members; and to supply MOHCD an Emergency staffing coverage plan within 2 weeks of learning about a vacancy in any of these key roles.
 - CHP agrees to supply to MOHCD, no less than quarterly, metrics used by CHP to measure staffing stability – both organization-wide and by division.

8. 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 for Housing
Department of Homelessness and Supportive Housing

APPROVE. DISAPPROVE. TAKE NO ACTION.

_____ Date: _____

Sally Oerth, Interim 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. 16-year Operating Pro Forma
 - D. LOSP Funding and Disbursement Schedule

Chavez, Rosanna (MYR)

From: Shaw, Eric (MYR)
Sent: Thursday, March 25, 2021 2:43 PM
To: Chavez, Rosanna (MYR)
Cc: Gotthelf, Felicia (MYR)
Subject: RE: Loan Committee Approvals from 3/19/21

I approve all. I apologize.

From: Chavez, Rosanna (MYR) <rosanna.chavez@sfgov.org>
Sent: Thursday, March 25, 2021 2:43 PM
To: Shaw, Eric (MYR) <eric.shaw@sfgov.org>
Cc: Gotthelf, Felicia (MYR) <felicia.gotthelf@sfgov.org>
Subject: Loan Committee Approvals from 3/19/21

Hello Eric,

If you could please submit to me your votes for the Agenda items from the 3/19/2021 Loan Committee meeting.

Balboa Park Upper Yard
Drs. Julian and Ray Richardson Apartments
Hotel Diva
Mission Bay South Block 9

Thank you,

Rosie Chavez

Assistant Housing Loan Administrator
Mayor's Office of Housing and Community Development
1 South Van Ness, 5th Floor, San Francisco, CA 94103

Chavez, Rosanna (MYR)

From: Menjivar, Salvador (HOM)
Sent: Friday, March 26, 2021 5:08 PM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: Drs. Julian and Ray Richardson Apartments

I approve the renewal LOSP funding for the Drs. Julian and Ray Richardson Apartments.

Best,

salvador



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

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Chavez, Rosanna (MYR)

From: Oerth, Sally (CII)
Sent: Friday, March 19, 2021 11:58 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR); McLoone, Michael (MYR)
Subject: LOSP Renewal at Richardson Apts - 3.19.21 Loan Committee

I approve the LOSP funding renewal for Richardson Apartments, as presented at the 3.19.21 Loan Committee



Sally Oerth
Interim Executive Director

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San Francisco, CA 94103
☎ 415.749.2588
🏠 www.sfocii.org

Chavez, Rosanna (MYR)

From: Katz, Bridget (CON)
Sent: Friday, March 19, 2021 11:57 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: LOSP Renewal for Richardson Apartments

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 is developing 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.

LOSP FUNDING SCHEDULE

Project Address:	Richardson Apartments
Project Start Date:	1/1/2021

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 2021	\$538,463	12	\$538,463	1/1/2021	FY2020/21
CY-2 2022	\$596,458	12	\$596,458	1/1/2022	FY2021/22
CY-3 2023	\$615,729	12	\$615,729	1/1/2023	FY2022/23
CY-4 2024	\$668,824	12	\$668,824	1/1/2024	FY2023/24
CY-5 2025	\$693,063	12	\$693,063	1/1/2025	FY2024/25
CY-6 2026	\$704,361	12	\$704,361	1/1/2026	FY2025/26
CY-7 2027	\$751,431	12	\$751,431	1/1/2027	FY2026/27
CY-8 2028	\$798,573	12	\$798,573	1/1/2028	FY2027/28
CY-9 2029	\$848,867	12	\$848,867	1/1/2029	FY2028/29
CY-10 2030	\$901,399	12	\$901,399	1/1/2030	FY2029/30
CY-11 2031	\$956,255	12	\$956,255	1/1/2031	FY2030/31
CY-12 2032	\$1,054,703	12	\$1,054,703	1/1/2032	FY2031/32
CY-13 2033	\$1,107,012	12	\$1,107,012	1/1/2033	FY2032/33
CY-14 2034	\$1,200,760	12	\$1,200,760	1/1/2034	FY2033/34
CY-15 2035	\$1,268,712	12	\$1,268,712	1/1/2035	FY2034/35
CY-16 2036	\$1,338,531	12	\$1,338,531	1/1/2036	FY2035/36
Total Contract Amount:			\$14,043,143		

Application Date: 9/25/2020
 Total # Units: 120
 First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations): 2021

Project Name: Richardson Apartments
 Project Address: 365 Fulton St
 Project Sponsor: Community Housing Partnership

INCOME	LOSP Units		Non-LOSP Units		Total	Comments	Alternative LOSP Split	LOSP	non-LOSP	Approved By (req'd)	PUPA	PUM
	2021	2021	2021	2021								
Residential - Tenant Rents	400,000	0	400,000	0	400,000	Links from 'Existing Proj. - Rent Info' Worksheet	Alternative LOSP Split	LOSP	non-LOSP	Approved By (req'd)	3,333	274
Residential - Tenant Assistance Payments (Non-LOSP)	1,085,712	0	1,085,712	0	1,085,712	Links from 'Existing Proj. - Rent Info' Worksheet	Residential - Tenant Assistance Pay	100.00%	0.00%		9,048	754
Residential - LOSP - Tenant Assistance Payments	538,463	0	538,463	0	538,463						4,487	
Commercial Space	0	0	0	0	93,928	0%					783	
Residential Parking	0	0	0	0	0	Links from 'Utilities & Other Income' Worksheet						
Miscellaneous Rent Income	0	0	0	0	0	Links from 'Utilities & Other Income' Worksheet	Alternative LOSP Split	LOSP	non-LOSP	Approved By (req'd)		
Supportive Services Income	0	0	0	0	0		Supportive Services Income					
Interest Income - Project Operations	546	0	546	0	546	Links from 'Utilities & Other Income' Worksheet					5	
Laundry and Vending	0	0	0	0	0	Links from 'Utilities & Other Income' Worksheet	Projected LOSP Split	LOSP	non-LOSP	only acceptable if LOSP-specific expenses are being		
Tenant Charges	0	0	0	0	0	Links from 'Utilities & Other Income' Worksheet	Tenant Charges					
Miscellaneous Residential Income	0	0	0	0	0	Links from 'Utilities & Other Income' Worksheet						
Other Commercial Income	0	0	0	0	0	Links from 'Commercial Op. Budget' Worksheet	Alternative LOSP Split	LOSP	non-LOSP	Approved By (req'd)		
Withdrawal from Capitalized Reserve (deposit to operating account)	0	0	0	0	0		Withdrawal from Capitalized Reserve (deposit to					
Gross Potential Income	2,024,721	0	2,024,721	0	2,118,650							
Vacancy Loss - Residential - Tenant Rents	(15,280)	0	(15,280)	0	(15,280)	Vacancy loss is 3.8% of Tenant Rents					(127)	
Vacancy Loss - Residential - Tenant Assistance Payments	(41,474)	0	(41,474)	0	(41,474)	Vacancy loss is 3.8% of Tenant Assistance Payments					(248)	
Vacancy Loss - Commercial	0	0	0	0	(51,661)	Links from 'Commercial Op. Budget' Worksheet					(431)	
EFFECTIVE GROSS INCOME	1,967,967	0	1,967,967	0	2,010,235							

OPERATING EXPENSES												
Management												
Management Fee	118,080	0	118,080	0	118,080	1st Year to be set according to HUD schedule.	Alternative LOSP Split	LOSP	non-LOSP	Approved By (req'd)	984	82
Asset Management Fee	22,670	0	22,670	0	22,670		Asset Management Fee				189	
Sub-total Management Expenses	140,750	0	140,750	0	140,750							
Salaries/Benefits	272,451	0	272,451	0	272,451							
Office Salaries	43,444	0	43,444	0	43,444		Office Salaries				362	
Manager's Salary	114,053	0	114,053	0	114,053		Manager's Salary				958	
Health Insurance and Other Benefits	114,053	0	114,053	0	114,053		Health Insurance and Other Benefits				900	
Other Salaries/Benefits	0	0	0	0	0		Other Salaries/Benefits				-	
Administrative Pay-For-Line	0	0	0	0	0		Administrative Pay-For-Line				-	
Sub-total Salaries/Benefits	272,451	0	272,451	0	272,451							
Administration	12,000	0	12,000	0	12,000							
Advertising and Marketing	0	0	0	0	0							
Office Expenses	57,489	0	57,489	0	57,489		Projected LOSP Split	LOSP	non-LOSP	only acceptable if LOSP-specific expenses are being	479	
Office Rent	0	0	0	0	0							
Legal Expense - Property	12,000	0	12,000	0	12,000		Legal Expense - Property	100.00%	0.00%		100	
Audit Expense	19,000	0	19,000	0	19,000		Projected LOSP Split	LOSP	non-LOSP	only acceptable if LOSP-specific expenses are being	158	
Bookkeeping/Accounting Services	13,660	0	13,660	0	13,660						114	
Bad Debts	7,000	0	7,000	0	7,000		Bad Debts	100.00%	0.00%		58	
Miscellaneous	13,186	0	13,186	0	13,186						110	
Sub-total Administration Expenses	122,335	0	122,335	0	122,335							
Utilities	491,000	0	491,000	0	491,000							
Electricity	88,000	0	88,000	0	88,000		Projected LOSP Split	LOSP	non-LOSP	only acceptable if LOSP-specific expenses are being	567	47
Water	168,000	0	168,000	0	168,000		Electricity	100.00%	0.00%		1,400	117
Gas	27,600	0	27,600	0	27,600						230	19
Sewer	228,000	0	228,000	0	228,000						1,900	158
Sub-total Utilities	491,000	0	491,000	0	491,000							
Taxes and Licenses	54,924	0	54,924	0	54,924							
Real Estate Taxes	12,251	0	12,251	0	12,251		Alternative LOSP Split	LOSP	non-LOSP	Approved By (req'd)	102	
Payroll Taxes	42,673	0	42,673	0	42,673		Real Estate Taxes				356	
Miscellaneous Taxes, Licenses and Permits	0	0	0	0	0		Payroll Taxes					
Sub-total Taxes and Licenses	54,924	0	54,924	0	54,924							
Insurance	158,041	0	158,041	0	158,041							
Property and Liability Insurance	158,041	0	158,041	0	158,041		Alternative LOSP Split	LOSP	non-LOSP	Approved By (req'd)	1,317	
Fidelity Bond Insurance	0	0	0	0	0							
Worker's Compensation	23,000	0	23,000	0	23,000		Worker's Compensation				192	
Director's & Officers' Liability Insurance	0	0	0	0	0							
Sub-total Insurance	181,041	0	181,041	0	181,041							
Maintenance & Repair	552,120	0	552,120	0	552,120							
Payroll	186,916	0	186,916	0	186,916		Projected LOSP Split	LOSP	non-LOSP	only acceptable if LOSP-specific expenses are being	1,658	
Supplies	32,450	0	32,450	0	32,450		Supplies	100.00%	0.00%		270	
Contracts	81,251	0	81,251	0	81,251	Pest Control, contractor, maintenance, Fire Protection, etc.	Contracts				677	
Garbage and Trash Removal	48,000	0	48,000	0	48,000		Alternative LOSP Split	LOSP	non-LOSP	Approved By (req'd)	400	
Security Patrol/Contract	181,372	0	181,372	0	181,372						1,511	
HVAC Repairs and Maintenance	0	0	0	0	0							
Vehicle and Maintenance Equipment Operation and Repairs	20,001	0	20,001	0	20,001							
Miscellaneous Operating and Maintenance Expenses	2,130	0	2,130	0	2,130	Fees, licenses, permits					167	
Sub-total Maintenance & Repair Expenses	552,120	0	552,120	0	552,120							
Supportive Services	0	0	0	0	0		Alternative LOSP Split	LOSP	non-LOSP	Approved By (req'd)		
Commercial Expenses	0	0	0	0	4,696	Links from 'Commercial Op. Budget' Worksheet	Commercial Expenses				39	
TOTAL OPERATING EXPENSES	1,815,221	0	1,815,221	0	1,815,221							

RESERVES/GROUND LEASE BASE RENT/BOND FEES												
Ground Lease Base Rent	1	0	1	0	1	Ground lease with MOHCD	Provide additional comments here, if					
Bond Monitoring Fee	0	0	0	0	0		Alternative LOSP Split	LOSP	non-LOSP	Approved By (req'd)		
Replacement Reserve Deposit	118,428	0	118,428	0	118,428	Per 2020 PNA	Replacement Reserve Deposit				987	
Operating Reserve Deposit	0	0	0	0	0		Operating Reserve Deposit					
Other Required Reserve 1 Deposit	0	0	0	0	0		Other Required Reserve 1 Deposit					
Other Required Reserve 2 Deposit	0	0	0	0	0							
Required Reserve Deposits, Commercial	0	0	0	0	0	Links from 'Commercial Op. Budget' Worksheet						
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	118,428	0	118,428	0	118,428							
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)	1,933,650	0	1,933,650	0	1,933,650							

NET OPERATING INCOME (INCOME MINUS OP EXPENSES)												
NET OPERATING INCOME (INCOME MINUS OP EXPENSES)	34,317	0	34,317	0	71,888							
DEBT SERVICE/MUST PAY PAYMENTS (hard debt/amortized loans)	37,413	0	37,413	0	37,413							
Hard Debt - First Lender	37,413	0	37,413	0	37,413	MHP Loan	Alternative LOSP Split	LOSP	non-LOSP	Approved By (req'd)		
Hard Debt - Second Lender (HCD Program 0.42% pmt, or other 2nd L)	0	0	0	0	0	MHSA	Hard Debt - First Lender	100.00%	0.00%			
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0	0	0	0	0		Hard Debt - Second Lender (HCD Program 0.42%					
Hard Debt - Fourth Lender	0	0	0	0	0		Hard Debt - Third Lender (Other HCD Program, or					
Commercial Hard Debt Service	0	0	0	0	0	Links from 'Commercial Op. Budget' Worksheet	Hard Debt - Fourth Lender					
TOTAL HARD DEBT SERVICE	42,453	0	42,453	0	42,453							
CASH FLOW (NOI minus DEBT SERVICE)	(8,136)	0	(8,136)	0	29,435							
Commercial Only Cash Flow	0	0	0	0	37,571							
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)	37,571	0	37,571	0	37,571							
AVAILABLE CASH FLOW	29,435	0	29,435	0	1,69							
USES OF CASH FLOW BELOW (This row also shows DSCR)	29,435	0	29,435	0	29,435							
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL	0	0	0	0	0							
Partnership Management Fee (see policy for limits)	22,650	0	22,650	1st	22,650							
Investor Service Fee (aka 'LP Asset Mgt Fee') (see policy for limits)	6,786	0	6,786	2nd	6,786		Alternative LOSP Split	LOSP	non-LOSP	Approved By (req'd)		
Other Payments	0	0	0	0	0		Other Payments					
Non-amortizing Loan Pmt - Lender 1 (asked lender in comments field)	0	0	0	0	0		Non-amortizing Loan Pmt - Lender 1 (asked lender					
Non-amortizing Loan Pmt - Lender 2 (asked lender in comments field)	0	0	0	0	0							
Deferred Developer Fee (Enter amt. or Max Fee from call 1/30)	0	0	0	0	0		Deferred Developer Fee (Enter amt. or Max Fee from call 1/30)	0.00%	100.00%			
TOTAL PAYMENTS PRECEDING MOHCD	29,435	0	29,435	0	29,435							
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)	0	0	0	0	(8)							

Residual Receipts Calculation
 Does Project have a MOHCD Residual Receipt Obligation? **Yes** Project has MOHCD around lease? **Yes**
 Will Project Defeat Developer Fee

Richardson Apartments

INCOME	Total # Units:			Comments (related to annual inc assumptions)	Year 1 2021			Year 2 2022			Year 3 2023				
	LOSP Units	Non-LOSP Units			LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total		
	120	64	56		% annual inc LOSP	% annual increase									
Residential - Tenant Rents				1.0%	1.0%		400,000	-	400,000	404,000	-	404,000	408,040	-	408,040
Residential - Tenant Assistance Payments (Non-LOSP)				n/a	2.0%	0% for 2022, 1% for years 2023-24; 2% for 2025-end	1,085,712	-	1,085,712	1,085,712	-	1,085,712	1,096,569	-	1,096,569
Residential - LOSP Tenant Assistance Payments				n/a	n/a		538,463	-	538,463	596,458	-	596,458	615,729	-	615,729
Commercial Space				n/a	3.0%		-	-	93,928	-	-	96,746	-	-	99,649
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%		546	-	546	559	-	559	573	-	573
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							2,024,721	-	2,118,650	2,086,729	-	2,183,475	2,120,912	-	2,220,560
Vacancy Loss - Residential - Tenant Rents				n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(15,280)	-	(15,280)	(15,433)	-	(15,433)	(15,587)	-	(15,587)
Vacancy Loss - Residential - Tenant Assistance Payments				n/a	n/a		(41,474)	-	(41,474)	(41,474)	-	(41,474)	(41,889)	-	(41,889)
Vacancy Loss - Commercial				n/a	n/a		(51,651)	-	(51,651)	(53,555)	-	(53,555)	(55,822)	-	(55,822)
EFFECTIVE GROSS INCOME							1,967,967	-	2,010,235	2,029,822	-	2,083,033	2,063,436	-	2,158,102
OPERATING EXPENSES Management															
Management Fee				3.5%	3.5%	1st Year to be set according to HUD schedule.	118,080	-	118,080	122,213	-	122,213	126,490	-	126,490
Asset Management Fee				3.5%	3.5%	per MOHCD policy	22,670	-	22,670	23,463	-	23,463	24,285	-	24,285
Sub-total Management Expenses							140,750	-	140,750	145,676	-	145,676	150,775	-	150,775
Salaries/Benefits															
Office Salaries				3.5%	3.5%		43,444	-	43,444	44,965	-	44,965	46,538	-	46,538
Manager's Salary				3.5%	3.5%		114,954	-	114,954	118,977	-	118,977	123,142	-	123,142
Health Insurance and Other Benefits				3.5%	3.5%		114,053	-	114,053	118,045	-	118,045	122,176	-	122,176
Other Salaries/Benefits				3.5%	3.5%		-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit				3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits							272,451	-	272,451	281,987	-	281,987	291,856	-	291,856
Administration															
Advertising and Marketing				3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses				3.5%	3.5%		57,489	-	57,489	59,501	-	59,501	61,584	-	61,584
Office Rent				3.5%	3.5%		-	-	-	-	-	-	-	-	-
Legal Expense - Property				3.5%	3.5%		12,000	-	12,000	12,420	-	12,420	12,855	-	12,855
Audit Expense				3.5%	3.5%		19,000	-	19,000	19,665	-	19,665	20,353	-	20,353
Bookkeeping/Accounting Services				3.5%	3.5%		13,680	-	13,680	14,159	-	14,159	14,654	-	14,654
Bad Debts				3.5%	3.5%		7,000	-	7,000	7,245	-	7,245	7,499	-	7,499
Miscellaneous				3.5%	3.5%		13,166	-	13,166	13,626	-	13,626	14,103	-	14,103
Sub-total Administration Expenses							122,335	-	122,335	126,617	-	126,617	131,048	-	131,048
Utilities															
Electricity				3.5%	3.5%		68,000	-	68,000	70,390	-	70,390	72,843	-	72,843
Water				3.5%	3.5%		168,000	-	168,000	173,880	-	173,880	179,966	-	179,966
Gas				3.5%	3.5%		27,600	-	27,600	28,566	-	28,566	29,566	-	29,566
Sewer				3.5%	3.5%		228,000	-	228,000	235,980	-	235,980	244,239	-	244,239
Sub-total Utilities							491,600	-	491,600	508,806	-	508,806	526,614	-	526,614
Taxes and Licenses															
Real Estate Taxes				3.5%	3.5%		12,251	-	12,251	12,680	-	12,680	13,124	-	13,124
Payroll Taxes				3.5%	3.5%		42,673	-	42,673	44,167	-	44,167	45,712	-	45,712
Miscellaneous Taxes, Licenses and Permits				3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Taxes and Licenses							54,924	-	54,924	56,847	-	56,847	58,836	-	58,836
Insurance															
Property and Liability Insurance				3.5%	3.5%		158,041	-	158,041	163,573	-	163,573	169,298	-	169,298
Fidelity Bond Insurance				3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation				3.5%	3.5%		23,000	-	23,000	23,805	-	23,805	24,638	-	24,638
Director's & Officers' Liability Insurance				3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance							181,041	-	181,041	187,378	-	187,378	193,936	-	193,936
Maintenance & Repair															
Payroll				3.5%	3.5%		186,916	-	186,916	193,458	-	193,458	200,229	-	200,229
Supplies				3.5%	3.5%		32,450	-	32,450	33,586	-	33,586	34,761	-	34,761
Contracts				3.5%	3.5%		81,251	-	81,251	84,095	-	84,095	87,038	-	87,038
Garbage and Trash Removal				3.5%	3.5%		48,000	-	48,000	49,680	-	49,680	51,419	-	51,419
Security Payroll/Contract				3.5%	3.5%		181,372	-	181,372	187,720	-	187,720	194,290	-	194,290
HVAC Repairs and Maintenance				3.5%	3.5%		-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs				3.5%	3.5%		20,001	-	20,001	20,701	-	20,701	21,426	-	21,426
Miscellaneous Operating and Maintenance Expenses				3.5%	3.5%		2,130	-	2,130	2,205	-	2,205	2,282	-	2,282
Sub-total Maintenance & Repair Expenses							552,120	-	552,120	571,444	-	571,444	591,445	-	591,445
Supportive Services				3.5%	3.5%		-	-	-	-	-	-	-	-	-
Commercial Expenses							-	-	-	4,931	-	4,931	-	-	5,178
TOTAL OPERATING EXPENSES							1,815,221	-	1,819,918	1,878,754	-	1,883,685	1,944,511	-	1,949,688
RESERVES/GROUND LEASE BASE RENT/BOND FEES															
Ground Lease Base Rent							1	-	1	1	-	1	1	-	1
Bond Monitoring Fee							-	-	-	-	-	-	-	-	-
Replacement Reserve Deposit							118,428	-	118,428	118,428	-	118,428	118,428	-	118,428
Operating Reserve Deposit							-	-	8,000	-	-	8,000	16,000	-	16,000
Other Required Reserve 1 Deposit							-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit							-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial							-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees							118,429	-	118,429	126,429	-	126,429	134,429	-	134,429
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)							1,933,650	-	1,938,347	2,005,183	-	2,010,114	2,078,940	-	2,084,117
NET OPERATING INCOME (INCOME minus OP EXPENSES)							34,317	-	71,888	24,639	-	72,918	(15,504)	-	73,985
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)															
Hard Debt - First Lender							37,413	-	37,413	37,413	-	37,413	37,413	-	37,413
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)							5,040	-	5,040	5,040	-	5,040	5,040	-	5,040
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)							-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender							-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service							-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE							42,453	-	42,453	42,453	-	42,453	42,453	-	42,453
CASH FLOW (NOI minus DEBT SERVICE)							(8,136)	-	29,435	(17,814)	-	30,465	(57,957)	-	31,532
Commercial Only Cash Flow							-	-	37,571	-	-	48,279	-	-	89,488
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)							37,571	-	-	48,279	-	-	89,488	-	-
AVAILABLE CASH FLOW							29,435	-	29,435	30,465	-	30,465	31,532	-	31,532
USES OF CASH FLOW BELOW (This row also shows DSCR.)															
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL															

Richardson Apartments

INCOME	Total # Units:			Year 4 2024			Year 5 2025			Year 6 2026		
	LOSP Units	Non-LOSP Units		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
	120	64	56	100.00%	0.00%							
	% annual 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%	1.0%		412,120	-	412,120	416,242	-	416,242	420,404	-	420,404
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.0%	0% for 2022, 1% for years 2023-24; 2% for 2025-end	1,107,535	-	1,107,535	1,129,668	-	1,129,668	1,152,279	-	1,152,279
Residential - LOSP Tenant Assistance Payments	n/a	n/a		668,824	-	668,824	693,063	-	693,063	704,361	-	704,361
Commercial Space	n/a	3.0%		-	-	102,638	-	-	105,717	-	-	108,889
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%		588	-	588	602	-	602	617	-	617
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				2,189,067	-	2,291,705	2,239,593	-	2,345,310	2,277,662	-	2,386,551
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(15,743)	-	(15,743)	(10,406)	-	(10,406)	(10,510)	-	(10,510)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		(42,308)	-	(42,308)	(28,242)	-	(28,242)	(28,807)	-	(28,807)
Vacancy Loss - Commercial	n/a	n/a		-	-	(5,132)	-	-	(6,295)	-	-	(5,444)
EFFECTIVE GROSS INCOME				2,131,016	-	2,228,522	2,200,945	-	2,301,376	2,238,345	-	2,341,790
OPERATING EXPENSES Management												
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	130,917	-	130,917	135,500	-	135,500	140,242	-	140,242
Asset Management Fee	3.5%	3.5%	per MOHCD policy	25,135	-	25,135	26,014	-	26,014	26,925	-	26,925
Sub-total Management Expenses				156,052	-	156,052	161,514	-	161,514	167,167	-	167,167
Salaries/Benefits												
Office Salaries	3.5%	3.5%		48,167	-	48,167	49,853	-	49,853	51,598	-	51,598
Manager's Salary	3.5%	3.5%		127,452	-	127,452	131,912	-	131,912	136,529	-	136,529
Health Insurance and Other Benefits	3.5%	3.5%		126,453	-	126,453	130,878	-	130,878	135,459	-	135,459
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				302,071	-	302,071	312,644	-	312,644	323,586	-	323,586
Administration												
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%		63,739	-	63,739	65,970	-	65,970	68,279	-	68,279
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		13,305	-	13,305	13,770	-	13,770	14,252	-	14,252
Audit Expense	3.5%	3.5%		21,066	-	21,066	21,803	-	21,803	22,566	-	22,566
Bookkeeping/Accounting Services	3.5%	3.5%		15,167	-	15,167	15,698	-	15,698	16,248	-	16,248
Bad Debts	3.5%	3.5%		7,761	-	7,761	8,033	-	8,033	8,314	-	8,314
Miscellaneous	3.5%	3.5%		14,597	-	14,597	15,108	-	15,108	15,637	-	15,637
Sub-total Administration Expenses				135,635	-	135,635	140,382	-	140,382	145,295	-	145,295
Utilities												
Electricity	3.5%	3.5%		75,393	-	75,393	78,032	-	78,032	80,763	-	80,763
Water	3.5%	3.5%		186,265	-	186,265	192,784	-	192,784	199,531	-	199,531
Gas	3.5%	3.5%		30,601	-	30,601	31,672	-	31,672	32,780	-	32,780
Sewer	3.5%	3.5%		252,788	-	252,788	261,635	-	261,635	270,792	-	270,792
Sub-total Utilities				545,046	-	545,046	564,122	-	564,122	583,867	-	583,867
Taxes and Licenses												
Real Estate Taxes	3.5%	3.5%		13,583	-	13,583	14,059	-	14,059	14,551	-	14,551
Payroll Taxes	3.5%	3.5%		47,312	-	47,312	48,968	-	48,968	50,682	-	50,682
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Taxes and Licenses				60,896	-	60,896	63,027	-	63,027	65,233	-	65,233
Insurance												
Property and Liability Insurance	3.5%	3.5%		175,223	-	175,223	181,356	-	181,356	187,703	-	187,703
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		25,501	-	25,501	26,393	-	26,393	27,317	-	27,317
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance				200,724	-	200,724	207,749	-	207,749	215,020	-	215,020
Maintenance & Repair												
Payroll	3.5%	3.5%		207,237	-	207,237	214,490	-	214,490	221,998	-	221,998
Supplies	3.5%	3.5%		35,978	-	35,978	37,237	-	37,237	38,540	-	38,540
Contracts	3.5%	3.5%		90,084	-	90,084	93,237	-	93,237	96,501	-	96,501
Garbage and Trash Removal	3.5%	3.5%		53,218	-	53,218	55,081	-	55,081	57,009	-	57,009
Security Payroll/Contract	3.5%	3.5%		201,090	-	201,090	208,129	-	208,129	215,413	-	215,413
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		22,175	-	22,175	22,992	-	22,992	23,755	-	23,755
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		2,382	-	2,382	2,444	-	2,444	2,530	-	2,530
Sub-total Maintenance & Repair Expenses				612,145	-	612,145	633,570	-	633,570	655,745	-	655,745
Supportive Services	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Commercial Expenses				-	-	5,437	-	-	5,709	-	-	5,994
TOTAL OPERATING EXPENSES				2,012,568	-	2,018,005	2,083,008	-	2,088,717	2,155,914	-	2,161,908
Reserves/Ground Lease Base Rent/Bond Fees												
Ground Lease Base Rent				-	-	1	-	-	1	-	-	1
Bond Monitoring Fee				-	-	-	-	-	-	-	-	-
Replacement Reserve Deposit				118,428	-	118,428	118,428	-	118,428	118,428	-	118,428
Operating Reserve Deposit				17,000	-	17,000	18,000	-	18,000	19,000	-	19,000
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				135,428	-	135,428	136,428	-	136,428	137,429	-	137,429
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				2,147,997	-	2,153,434	2,219,437	-	2,225,146	2,293,343	-	2,299,337
NET OPERATING INCOME (INCOME minus OP EXPENSES)												
				(16,981)	-	75,088	(18,493)	-	76,230	(54,997)	-	42,453
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)												
Hard Debt - First Lender				37,413	-	37,413	37,413	-	37,413	37,413	-	37,413
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)				5,040	-	5,040	5,040	-	5,040	5,040	-	5,040
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)				-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender				-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service				-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE				42,453	-	42,453	42,453	-	42,453	42,453	-	42,453
CASH FLOW (NOI minus DEBT SERVICE)				(59,434)	-	32,635	(60,946)	-	33,777	(97,450)	-	-
Commercial Only Cash Flow				-	-	92,070	-	-	94,723	-	-	97,450
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)				92,070	-	-	-	-	-	-	-	-
AVAILABLE CASH FLOW				32,635	-	32,635	33,777	-	33,777	0	-	-
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	25,112	-	25,112	25,991	-	25,991	-	-	-
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	7,523	-	7,523	7,786	-	7,786	-	-	-
Other Payments				-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 1				-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2				-	-	-	-	-	-	-	-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD				32,635	-	32,635	33,777	-	33,777	0	-	-
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				(0)	-	(0)	0	-	0	0	-	-
Does Project have a MOHCD Residual Receipt Obligation?			Yes									

Richardson Apartments

	Total # Units:		Comments (related to annual inc assumptions)	Year 7 2027			Year 8 2028			Year 9 2029		
	LOSP Units	Non-LOSP Units		LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
	120	64										
	100.00%	0.00%										
INCOME	% annual inc LOSP	% annual increase										
Residential - Tenant Rents	1.0%	1.0%	0% for 2022, 1% for years 2023-24; 2% for 2025-end	424,608	-	424,608	428,854	-	428,854	433,143	-	433,143
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.0%		1,175,325	-	1,175,325	1,198,831	-	1,198,831	1,222,808	-	1,222,808
Residential - LOSP Tenant Assistance Payments	n/a	n/a		751,431	-	751,431	798,573	-	798,573	848,867	-	848,867
Commercial Space	n/a	3.0%		-	-	112,156	-	-	115,520	-	-	118,986
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%		633	-	633	649	-	649	665	-	665
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				2,351,997	-	2,464,152	2,426,907	-	2,542,427	2,505,483	-	2,624,469
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(10,615)	-	(10,615)	(10,721)	-	(10,827)	(10,829)	-	(10,829)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		(29,383)	-	(29,383)	(29,977)	-	(30,971)	(30,570)	-	(30,570)
Vacancy Loss - Commercial	n/a	n/a		-	-	(5,608)	-	-	(5,776)	-	-	(5,540)
EFFECTIVE GROSS INCOME				2,311,998	-	2,418,546	2,386,215	-	2,495,959	2,464,084	-	2,577,121
OPERATING EXPENSES Management												
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	145,150	-	145,150	150,231	-	150,231	155,489	-	155,489
Asset Management Fee	3.5%	3.5%	per MOHCD policy	27,867	-	27,867	28,843	-	28,843	29,852	-	29,852
Sub-total Management Expenses				173,018	-	173,018	179,073	-	179,073	185,341	-	185,341
Salaries/Benefits												
Office Salaries	3.5%	3.5%		53,404	-	53,404	55,273	-	55,273	57,207	-	57,207
Manager's Salary	3.5%	3.5%		141,308	-	141,308	146,254	-	146,254	151,372	-	151,372
Health Insurance and Other Benefits	3.5%	3.5%		140,200	-	140,200	145,107	-	145,107	150,186	-	150,186
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				334,912	-	334,912	346,634	-	346,634	358,766	-	358,766
Administration												
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%		70,669	-	70,669	73,142	-	73,142	75,702	-	75,702
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		14,751	-	14,751	15,267	-	15,267	15,802	-	15,802
Audit Expense	3.5%	3.5%		23,356	-	23,356	24,173	-	24,173	25,019	-	25,019
Bookkeeping/Accounting Services	3.5%	3.5%		16,816	-	16,816	17,405	-	17,405	18,014	-	18,014
Bad Debts	3.5%	3.5%		8,605	-	8,605	8,906	-	8,906	9,218	-	9,218
Miscellaneous	3.5%	3.5%		16,184	-	16,184	16,750	-	16,750	17,337	-	17,337
Sub-total Administration Expenses				150,381	-	150,381	155,644	-	155,644	161,092	-	161,092
Utilities												
Electricity	3.5%	3.5%		83,589	-	83,589	86,515	-	86,515	89,543	-	89,543
Water	3.5%	3.5%		206,515	-	206,515	213,743	-	213,743	221,224	-	221,224
Gas	3.5%	3.5%		33,927	-	33,927	35,115	-	35,115	36,344	-	36,344
Sewer	3.5%	3.5%		280,270	-	280,270	290,080	-	290,080	300,232	-	300,232
Sub-total Utilities				604,302	-	604,302	625,452	-	625,452	647,343	-	647,343
Taxes and Licenses												
Real Estate Taxes	3.5%	3.5%		15,060	-	15,060	15,587	-	15,587	16,133	-	16,133
Payroll Taxes	3.5%	3.5%		52,456	-	52,456	54,292	-	54,292	56,192	-	56,192
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Taxes and Licenses				67,516	-	67,516	69,879	-	69,879	72,325	-	72,325
Insurance												
Property and Liability Insurance	3.5%	3.5%		194,273	-	194,273	201,073	-	201,073	208,110	-	208,110
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		28,273	-	28,273	29,262	-	29,262	30,287	-	30,287
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance				222,546	-	222,546	230,335	-	230,335	238,397	-	238,397
Maintenance & Repair												
Payroll	3.5%	3.5%		229,767	-	229,767	237,809	-	237,809	246,133	-	246,133
Supplies	3.5%	3.5%		39,889	-	39,889	41,285	-	41,285	42,730	-	42,730
Contracts	3.5%	3.5%		99,878	-	99,878	103,374	-	103,374	106,992	-	106,992
Garbage and Trash Removal	3.5%	3.5%		59,004	-	59,004	61,069	-	61,069	63,207	-	63,207
Security Payroll/Contract	3.5%	3.5%		222,952	-	222,952	230,756	-	230,756	238,832	-	238,832
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		24,586	-	24,586	25,447	-	25,447	26,337	-	26,337
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		2,618	-	2,618	2,710	-	2,710	2,805	-	2,805
Sub-total Maintenance & Repair Expenses				678,696	-	678,696	702,451	-	702,451	727,037	-	727,037
Supportive Services	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Commercial Expenses				-	-	6,294	-	-	6,808	-	-	6,939
TOTAL OPERATING EXPENSES				2,231,371	-	2,237,664	2,309,469	-	2,316,077	2,390,300	-	2,397,239
RESERVES/GROUND LEASE BASE RENT/BOND FEES												
Ground Lease Base Rent				1	-	1	1	-	1	1	-	1
Bond Monitoring Fee				-	-	-	-	-	-	-	-	-
Replacement Reserve Deposit				118,428	-	118,428	118,428	-	118,428	118,428	-	118,428
Operating Reserve Deposit				20,000	-	20,000	19,000	-	19,000	19,000	-	19,000
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				138,429	-	138,429	137,429	-	137,429	137,429	-	137,429
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				2,369,800	-	2,376,093	2,446,898	-	2,453,506	2,527,729	-	2,534,668
NET OPERATING INCOME (INCOME minus OP EXPENSES)												
				(57,801)	-	42,453	(60,683)	-	42,453	(63,645)	-	42,453
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)												
Hard Debt - First Lender			Enter comments re: annual increase, etc.	37,413	-	37,413	37,413	-	37,413	37,413	-	37,413
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	5,040	-	5,040	5,040	-	5,040	5,040	-	5,040
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				42,453	-	42,453	42,453	-	42,453	42,453	-	42,453
CASH FLOW (NOI minus DEBT SERVICE)				(100,254)	-	-	(103,136)	-	(0)	(106,098)	-	(0)
Commercial Only Cash Flow				-	-	100,254	-	-	103,136	-	-	106,098
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)				100,254	-	-	103,136	-	-	106,098	-	-
AVAILABLE CASH FLOW				-	-	-	(0)	-	(0)	(0)	-	(0)
USES OF CASH FLOW BELOW (This row also shows DSCR.)												
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL			DSCR:			1			1			1
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-	-	-	-
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	-	-	-	-	-	-	-	-	-
Other Payments				-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmt - Lender 1			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmt - Lender 2			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD				-	-	-	-	-	-	-	-	-
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				-	-	-	(0)	-	(0)	(0)	-	(0)
Does Project have a MOHCD Residual Receipt Obligation?		Yes										
Will Project Defer Developer Fee?		No										
Residual Receipts split for all years. - Lender/Owner		67% / 33%										
MOHCD RESIDUAL RECEIPTS DEBT SERVICE												
MOHCD Residual Receipts Amount Due		42.54%	Dist. Soft Debt Loans									
Proposed MOHCD Residual Receipts Amount to Loan Repayment			Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy									
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		50.64%	loans, and HCD residual receipt policy.									

Richardson Apartments

Total # Units:	LOSP Units		Non-LOSP Units		Year 16 2036			Year 17 2037			Year 18 2038		
	120	64	56	0.00%	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
INCOME	% annual inc	% annual inc	Comments (related to annual inc assumptions)										
Residential - Tenant Rents	1.0%	1.0%	0% for 2022, 1% for years 2023-24; 2% for 2025-end	464,388	-	464,388	469,031	-	469,031	473,722	-	473,722	(11,843)
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.0%		1,404,622	-	1,404,622	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a		1,338,531	-	1,338,531	2,883,586	-	2,883,586	2,989,671	-	2,989,671	-
Commercial Space	n/a	3.0%		-	-	146,338	-	-	-	-	-	-	-
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%		790	-	790	810	-	810	830	-	830	-
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				3,208,331	-	3,354,669	3,353,428	-	3,353,428	3,464,223	-	3,464,223	-
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(11,610)	-	(11,610)	(11,726)	-	(11,726)	(11,843)	-	(11,843)	-
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		(35,116)	-	(35,116)	-	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a		-	-	(73,169)	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME				3,161,606	-	3,234,775	3,341,702	-	3,341,702	3,452,380	-	3,452,380	-
OPERATING EXPENSES Management													
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	197,825	-	197,825	204,749	-	204,749	211,915	-	211,915	-
Asset Management Fee	3.5%	3.5%	per MOHCD policy	37,980	-	37,980	39,309	-	39,309	40,685	-	40,685	-
Sub-total Management Expenses				235,805	-	235,805	244,059	-	244,059	252,601	-	252,601	-
Salaries/Benefits													
Office Salaries	3.5%	3.5%		73,784	-	73,784	75,331	-	75,331	77,968	-	77,968	-
Manager's Salary	3.5%	3.5%		192,888	-	192,888	199,329	-	199,329	206,305	-	206,305	-
Health Insurance and Other Benefits	3.5%	3.5%		191,079	-	191,079	197,766	-	197,766	204,688	-	204,688	-
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				456,450	-	456,450	472,426	-	472,426	488,961	-	488,961	-
Administration													
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%		96,315	-	96,315	99,686	-	99,686	103,175	-	103,175	-
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		20,104	-	20,104	20,808	-	20,808	21,536	-	21,536	-
Audit Expense	3.5%	3.5%		31,832	-	31,832	32,946	-	32,946	34,099	-	34,099	-
Bookkeeping/Accounting Services	3.5%	3.5%		22,919	-	22,919	23,721	-	23,721	24,551	-	24,551	-
Bad Debts	3.5%	3.5%		11,727	-	11,727	12,138	-	12,138	12,563	-	12,563	-
Miscellaneous	3.5%	3.5%		22,057	-	22,057	22,829	-	22,829	23,628	-	23,628	-
Sub-total Administration Expenses				204,954	-	204,954	212,127	-	212,127	219,551	-	219,551	-
Utilities													
Electricity	3.5%	3.5%		113,924	-	113,924	117,911	-	117,911	122,038	-	122,038	-
Water	3.5%	3.5%		281,459	-	281,459	291,310	-	291,310	301,505	-	301,505	-
Gas	3.5%	3.5%		46,240	-	46,240	47,858	-	47,858	49,533	-	49,533	-
Sewer	3.5%	3.5%		381,980	-	381,980	395,349	-	395,349	409,186	-	409,186	-
Sub-total Utilities				823,601	-	823,601	852,428	-	852,428	882,263	-	882,263	-
Taxes and Licenses													
Real Estate Taxes	3.5%	3.5%		20,525	-	20,525	21,244	-	21,244	21,987	-	21,987	-
Payroll Taxes	3.5%	3.5%		71,492	-	71,492	73,994	-	73,994	76,584	-	76,584	-
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Taxes and Licenses				92,017	-	92,017	95,238	-	95,238	98,571	-	98,571	-
Insurance													
Property and Liability Insurance	3.5%	3.5%		264,774	-	264,774	274,041	-	274,041	283,633	-	283,633	-
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		38,533	-	38,533	39,882	-	39,882	41,278	-	41,278	-
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Insurance				303,307	-	303,307	313,923	-	313,923	324,910	-	324,910	-
Maintenance & Repair													
Payroll	3.5%	3.5%		313,150	-	313,150	324,110	-	324,110	335,454	-	335,454	-
Supplies	3.5%	3.5%		54,365	-	54,365	56,268	-	56,268	58,237	-	58,237	-
Contracts	3.5%	3.5%		136,124	-	136,124	140,888	-	140,888	145,819	-	145,819	-
Garbage and Trash Removal	3.5%	3.5%		80,417	-	80,417	83,231	-	83,231	86,144	-	86,144	-
Security Payroll/Contract	3.5%	3.5%		303,861	-	303,861	314,497	-	314,497	325,504	-	325,504	-
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		33,509	-	33,509	34,681	-	34,681	35,895	-	35,895	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		22,858	-	22,858	23,629	-	23,629	24,403	-	24,403	-
Sub-total Maintenance & Repair Expenses				924,994	-	924,994	967,368	-	967,368	990,876	-	990,876	-
Supportive Services	3.5%	3.5%		-	-	-	-	-	-	-	-	-	-
Commercial Expenses				-	-	9,764	-	10,252	-	10,764	-	10,764	-
TOTAL OPERATING EXPENSES PUPA (w/o Reserves/GL Base Rent/Bond Fees)				3,041,129	-	3,050,893	3,147,569	-	3,157,820	3,257,733	-	3,268,498	-
Reserves/Ground Lease Base Rent/Bond Fees													
Ground Lease Base Rent				1	-	1	1	-	1	1	-	1	-
Bond Monitoring Fee				-	-	-	-	-	-	-	-	-	-
Replacement Reserve Deposit				118,428	-	118,428	118,428	-	118,428	118,428	-	118,428	-
Operating Reserve Deposit				23,000	-	23,000	23,000	-	23,000	23,000	-	23,000	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				141,429	-	141,429	141,429	-	141,429	141,429	-	141,429	-
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees) PUPA (w/ Reserves/GL Base Rent/Bond Fees)				3,182,558	-	3,192,322	3,288,998	-	3,299,249	3,399,162	-	3,409,927	-
NET OPERATING INCOME (INCOME minus OP EXPENSES)				(20,952)	-	42,453	52,705	-	42,453	53,217	-	42,453	-
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)													
Hard Debt - First Lender			Enter comments re: annual increase, etc.	37,413	-	37,413	37,413	-	37,413	37,413	-	37,413	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	5,040	-	5,040	5,040	-	5,040	5,040	-	5,040	-
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				42,453	-	42,453	42,453	-	42,453	42,453	-	42,453	-
CASH FLOW (NOI minus DEBT SERVICE)				(63,405)	-	0	10,252	-	(0)	10,764	-	(10,764)	-
Commercial Only Cash Flow				-	-	63,405	-	(10,252)	-	(10,764)	-	(10,764)	-
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				63,405	-	-	-	-	-	-	-	-	-
AVAILABLE CASH FLOW				0	-	0	(0)	-	(0)	-	-	-	-
USES OF CASH FLOW BELOW (This row also shows DSCR.) USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL			DSCR:			1			1			1	
"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)				-	-	-	-	-					

Richardson Apartments

	Total # Units:		Comments (related to annual inc assumptions)	Year 19 2019			Year 20 2020		
	LOSP Units 120	Non-LOSP Units 64		LOSP	non- LOSP	Total	LOSP	non- LOSP	Total
	100.00%	0.00%							
INCOME	% annual inc	% annual increase							
Residential - Tenant Rents	1.0%	1.0%	0% for 2022, 1% for years 2023-24; 2% for 2025-end	478,459	-	478,459	483,244	-	483,244
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.0%		-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a		3,099,590	-	3,099,590	3,213,480	-	3,213,480
Commercial Space	n/a	3.0%		-	-	-	-	-	-
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%		851	-	851	872	-	872
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				3,578,900	-	3,578,900	3,697,596	-	3,697,596
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(11,961)	-	(11,961)	(12,081)	-	(12,081)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a		-	-	-	-	-	-
EFFECTIVE GROSS INCOME				3,566,939	-	3,566,939	3,685,515	-	3,685,515

OPERATING EXPENSES

Management				Year 19 2019			Year 20 2020		
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	219,332	-	219,332	227,009	-	227,009
Asset Management Fee	3.5%	3.5%	per MOHCD policy	42,109	-	42,109	43,583	-	43,583
Sub-total Management Expenses				261,442	-	261,442	270,592	-	270,592
Salaries/Benefits									
Office Salaries	3.5%	3.5%		80,697	-	80,697	83,521	-	83,521
Manager's Salary	3.5%	3.5%		213,526	-	213,526	220,999	-	220,999
Health Insurance and Other Benefits	3.5%	3.5%		211,852	-	211,852	219,267	-	219,267
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-
Sub-total Salaries/Benefits				506,075	-	506,075	523,787	-	523,787
Administration									
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-
Office Expenses	3.5%	3.5%		106,786	-	106,786	110,523	-	110,523
Office Rent	3.5%	3.5%		-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		22,290	-	22,290	23,070	-	23,070
Audit Expense	3.5%	3.5%		35,292	-	35,292	36,528	-	36,528
Bookkeeping/Accounting Services	3.5%	3.5%		25,410	-	25,410	26,300	-	26,300
Bad Debts	3.5%	3.5%		13,002	-	13,002	13,458	-	13,458
Miscellaneous	3.5%	3.5%		24,455	-	24,455	25,311	-	25,311
Sub-total Administration Expenses				227,236	-	227,236	235,189	-	235,189
Utilities									
Electricity	3.5%	3.5%		126,309	-	126,309	130,730	-	130,730
Water	3.5%	3.5%		312,058	-	312,058	322,980	-	322,980
Gas	3.5%	3.5%		51,267	-	51,267	53,061	-	53,061
Sewer	3.5%	3.5%		423,508	-	423,508	438,330	-	438,330
Sub-total Utilities				913,142	-	913,142	945,102	-	945,102
Taxes and Licenses									
Real Estate Taxes	3.5%	3.5%		22,757	-	22,757	23,553	-	23,553
Payroll Taxes	3.5%	3.5%		79,265	-	79,265	82,039	-	82,039
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		-	-	-	-	-	-
Sub-total Taxes and Licenses				102,021	-	102,021	105,592	-	105,592
Insurance									
Property and Liability Insurance	3.5%	3.5%		293,560	-	293,560	303,834	-	303,834
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		42,722	-	42,722	44,218	-	44,218
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-
Sub-total Insurance				336,282	-	336,282	348,052	-	348,052
Maintenance & Repair									
Payroll	3.5%	3.5%		347,194	-	347,194	359,346	-	359,346
Supplies	3.5%	3.5%		60,276	-	60,276	62,385	-	62,385
Contracts	3.5%	3.5%		150,923	-	150,923	156,205	-	156,205
Garbage and Trash Removal	3.5%	3.5%		89,159	-	89,159	92,280	-	92,280
Security Payroll/Contract	3.5%	3.5%		336,897	-	336,897	348,688	-	348,688
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		37,152	-	37,152	38,452	-	38,452
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		3,956	-	3,956	4,095	-	4,095
Sub-total Maintenance & Repair Expenses				1,025,557	-	1,025,557	1,061,451	-	1,061,451
Supportive Services									
Commercial Expenses	3.5%	3.5%		-	-	11,303	-	-	11,868
TOTAL OPERATING EXPENSES				3,371,754	-	3,383,057	3,489,765	-	3,501,633

RESERVES/GROUND LEASE BASE RENT/BOND FEES				Year 19 2019			Year 20 2020		
Ground Lease Base Rent				1	-	1	1	-	1
Bond Monitoring Fee				-	-	-	-	-	-
Replacement Reserve Deposit				118,428	-	118,428	118,428	-	118,428
Operating Reserve Deposit				23,000	-	23,000	23,000	-	23,000
Other Required Reserve 1 Deposit				-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				141,429	-	141,429	141,429	-	141,429

TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				3,513,183	-	3,524,486	3,631,194	-	3,643,062
NET OPERATING INCOME (INCOME minus OP EXPENSES)				53,756	-	42,453	54,321	-	42,453

DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)				Year 19 2019			Year 20 2020		
Hard Debt - First Lender			Enter comments re: annual increase, etc.	37,413	-	37,413	37,413	-	37,413
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	5,040	-	5,040	5,040	-	5,040
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				42,453	-	42,453	42,453	-	42,453

CASH FLOW (NOI minus DEBT SERVICE)				11,303	-	(0)	11,868	-	0
Commercial Only Cash Flow				-	-	(11,303)	-	-	(11,868)
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				(11,303)	-	-	(11,868)	-	-
AVAILABLE CASH FLOW				(0)	-	(0)	0	-	0

USES OF CASH FLOW BELOW (This row also shows DSCR.)				Year 19 2019			Year 20 2020		
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL									
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	-	-	-	-	-	-
Other Payments				-	-	-	-	-	-
Non-amortizing Loan Pmt - Lender 1			Enter comments re: annual increase, etc.	-	-	-	-	-	-
Non-amortizing Loan Pmt - Lender 2			Enter comments re: annual increase, etc.	-	-	-	-	-	-
Deferred Developer Fee (Enter amt <= Max Fee from row 131)				-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD									

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				(0)	-	(0)	0	-	0
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Does Project have a MOHCD Residual Receipt Obligation? **Yes**
 Will Project Defer Developer Fee? **No**
 Residual Receipts split for all years. - Lender/Owner **67% / 33%**

MOHCD RESIDUAL RECEIPTS DEBT SERVICE				Year 19 2019			Year 20 2020		
MOHCD Residual Receipts Amount Due	42.54%		Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	-	-	-	0	-	0
Proposed MOHCD Residual Receipts Amount to Loan Repayment				-	-	-	0	-	0
Proposed Total MOHCD Amt Due less Loan Repayment				-	-	-	-	-	-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE									
HCD Residual Receipts Amount Due	50.64%		loans, and HCD residual receipt policy.	-	-	-	0	-	0
Lender 4 Residual Receipts Due	6.82%		Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy.	-	-	-	0	-	0
Lender 5 Residual Receipts Due	0.00%			-	-	-	0	-	0
Total Non-MOHCD Residual Receipts Debt Service							0		0

REMAINDER (Should be zero unless there are distributions below)

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

REPLACEMENT RESERVE - RUNNING BALANCE				Year 19 2019			Year 20 2020		
Replacement Reserve Starting Balance						372,480			490,908
Replacement Reserve Deposits						118,428			118,428
Replacement Reserve Withdrawals (ideally tied to CNA)						-			-
Replacement Reserve Interest						-			-
RR Running Balance						490,908			609,336

OPERATING RESERVE - RUNNING BALANCE				Year 19 2019			Year 20 2020		
Operating Reserve Starting Balance						808,212			831,212
Operating Reserve Deposits						23,000			23,000
Operating Reserve Withdrawals						-			-
Operating Reserve Interest						-			-
OR Running Balance						831,212			854,212

OTHER REQUIRED RESERVE 1 - RUNNING BALANCE				Year 19 2019			Year 20 2020		
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