

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 5, 2021

Sponsor Name: Geary Housing Partners, L.P.
Project Name: The Coronet
Project Address: 3595 Geary Blvd
Number of Units/Beds: 150 units
PACE units: 53 units
LOSP units: 25 units

Amount of Funds Requested: \$166,935 for Year 1 budget
(including \$43,992 from Rent Relief Program)
Up to \$3,701,100 for 16 years (including Year 1)

Amount of Funds Recommended: \$3,701,100

1. SUMMARY AND BACKGROUND

Geary Housing Partners, L.P., a California Limited Partnership and affiliate of BRIDGE Housing Corporation (BRIDGE), is requesting \$3,701,100 in General Funds from the Local Operating Subsidy Program (LOSP) to subsidize the continuing operations of The Coronet (Project) for a period of 16 years.

The Project is located in the Lone Mountain/USF neighborhood in Supervisorial District 1 on a site that was previously a movie theatre known as The Coronet. In 2000, the Institute on Aging (IOA) purchased the site to demolish the movie theater improvements and build a consolidated facility for its existing programs. IOA envisioned the development of supportive housing co-located with their PACE (Program of All-Inclusive Care for the Elderly) program for its clients as well as independent living senior housing whose residents could benefit from IOA's on-site senior services.

BRIDGE was selected in July 2001 to be the master developer for the project, which was funded with a combination of Federal and State tax credit equity, HCD MHP and TOD loans, and over \$22 million in City loan sources. The Project opened in 2008. The project was eligible for MHP Supportive Housing financing by targeting 1/3 of the units to seniors who are homeless or at risk of homelessness. At the time of development, this was the only building in California that utilized this set aside under the MHP Supportive Housing Program.

Year 15 of the tax credit compliance period is 2025. The Purchase Price under the Option is the greater of Fair Market Value (as determined by an appraisal) or debt plus taxes. The purchase price under the Right of First Refusal shall be the minimum purchase price required by Section 42(i)(7)(B) of the Code (debt plus taxes), increased by the amount of the Reserves unless the Reserves are restricted by any Lender of Authority. BRIDGE plans to execute on the Right of First Refusal for this project, unless Union Bank agrees that debt plus taxes is greater than Fair Market Value.

The first floor and half of the second-floor house the Institute on Aging's state-of-the-art senior-services facility. The residential component of the 6-story concrete frame building includes 150 units: 28 studios, 111 1-BR units, and 11 2-BR units.

53 units are designated for formerly homeless and at-risk very frail seniors (55 and over) and filled via referrals from Department of Homelessness and Supportive Housing (HSH) via the City's Coordinated Entry System. Referrals target patients from Laguna Honda Hospital who are able to live in a community setting, and seniors who can avoid premature institutionalization by being placed in supportive housing.

Of the 53 units, 25 units are supported by the LOSP subsidy and 21 units receive subsidy payments because the tenants have Section 8 Vouchers.

BRIDGE manages the property and the Institute on Aging (IOA) provides on-site support to residents.

2019 LOSP household income average at the Project was \$11,418, or 16% AMI, spanning a range of 1% to 32% AMI.

The average age of the 25 LOSP tenants is 72 years, and the median is 73. The average length of tenancy is six years, nine months. 8 of the LOSP tenants (32%) have been in place since the Project opened. To date, the Project has housed 55 formerly-homeless/at risk senior San Franciscans.

If this funding request is approved, a retroactive start date of 1/1/2021 would be executed resulting in a new contract with a term of 16 years. 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 \$166,935 in assistance is budgeted for the first year (CY2021). This equates to an annual subsidy of \$6,677, or \$556 monthly per LOSP unit.

Of the total funds requested, \$429,000 would be funded by the Rent Relief Program (RRP), which was created by the Board of Supervisors earlier this year to bring about greater affordability at certain permanent supportive housing projects in HSH’s portfolio and create parity among legacy subsidy programs serving homeless people. When DPH created the DAH program in the 1990s, it established a programmatic rent payment standard of 50% of household monthly income rather than 30%, which is used at most affordable housing developments that are supported by rent or operating subsidies. DPH’s justification for the higher payment standard was that tenants in DAH projects had access to a higher level of services, including direct health care, than was available at other types of supportive housing. As a DAH project originally, the Project has a 50% payment standard.

When the DAH program was subsumed within HSH’s permanent supportive housing portfolio, the 50% rent payment standard was retained, even though most projects in the portfolio had a 30% standard. In response to lobbying by tenants and their advocates, Supervisor Haney introduced legislation to create the RRP in order to provide funding that would enable the project owners to reduce the rent payment standard to 30%. The Board of Supervisors has appropriated funding for the program for FY20-21 only. The program benefits 13 projects originally created under DAH, six of which receive LOSP funding, including the Project. If funds are not appropriated to the RRP beyond the current fiscal year, BRIDGE will have to increase the payment standard back up to 50% and once again charge residents of the Project half of their monthly incomes as rent.

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 and is paid entirely by the non-LOSP budget. DSCR is above 2 for years one-three, above 1 for years four-six and 1 for all other years, when budget shortfalls are offset by withdrawals from a capitalized operating reserve.
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 (5%) and 2022 (4%), and are 2% thereafter.

Annual Income Growth from tenant rents is increased at 1% per year for LOSP units and 2.5% for non-LOSP units.	Y, except 2021	Because of COVID, tenant rent is not escalated for 2021.
Annual Operating Expenses are increased at 3.5% per year	Y, except utilities	Based on portfolio-wide trends and this project's history, BRIDGE expects Utilities expenses to increase at 5% over time.
Base year operating expenses per unit are reasonable per comparables	Y	Total Operating Expenses in 2021 are \$8,950 per unit. This is a slight increase above prior project trends, but still the lowest among all LOSP projects.
Property Management Fee is at allowable HUD Maximum	Y	Total Property Management Fee for 2021 is \$108,520 which is \$60, well under the current HUD Maximum of \$78 PUPM.
Property Management staffing level is reasonable per comparables	Y	8.1 FTEs, including 1 FTE Resident Manager and 1 FTE Resident Administrator, 2.6 FTE maintenance/custodial, and 3.2 FTE desk clerks (16 hours per day Monday – Friday and 24 hours a day on the weekend).
Asset Management and Partnership Management Fees meet standards	N/A	The budget does not include any AM or PM fees.
Replacement Reserve Deposits meet or exceed TCAC or MOHCD minimum standards	Y	Proposed Replacement Reserve Deposits are \$600 per unit, \$90k/yr. A 2019 CNA did not result in a recommendation to increase annual RR deposits.
Limited Partnership Asset Management Fee meets standards	Y	The only fee is an LP AM Fee, which is \$2,500 with no escalation.

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 \$75,816 is projected. This is 31% of the total LOSP revenue and represents an average monthly rent of \$253 (equivalent of 10% AMI). BRIDGE projects tenant rents to be lower than usual because of COVID-related impacts. As in all LOSP projects, tenants pay 30% of monthly income as rent. Compared to 2019 LOSP tenant rents, the amount projected for 2021 is considerably lower (54k) than 2019 because of the reduction in the rent payment standard from 50% to 30%, as made possible by the RRP funding.

LOSP/RRP Subsidy: A total of \$166,935 is budgeted for Year 1, of which \$122,943 is funded by the LOSP budget, and \$43,992 from the Rental Relief Program. The total funding comprises 69% of the LOSP portion of Effective Gross Income and equates to \$6,677 per unit per year and \$556 per month.

3.2 Annual Operating Expenses Evaluation

Operating expenses in Year 1 are budgeted at \$1,342,549 or \$8,950 per unit per year. This amount represents an annual growth rate of .45% above 2019 actual expenses, trending significantly lower than MOHCD’s default escalation assumptions.

Staffing: \$468,504 is budgeted for staff, including staffing provided under contract with 3rd parties. With a total of 8.1 FTEs for 150 units, the ratio of staff to units/tenants is approximately 1 to 19. This is somewhat lower compared 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		
<i>Resident Administrator</i>	1.0	\$42,342
Subtotal	1.0	\$42,342
Manager Salaries		
<i>Resident Manager</i>	1.0	\$58,500
Subtotal	1.0	\$58,500
Janitorial		
<i>Janitor A</i>	1.0	\$37,949
<i>Janitor B</i>	0.6	\$21,815
Subtotal	1.6	\$59,764
Maintenance		
<i>Maintenance Supervisor</i>	1.0	\$47,062
Subtotal	1.0	\$47,062
Front Desk Staffing (3rd party contract, SF Solutions)	3.2	\$218,000
Op Budget for Supportive Service (3rd party, Project Access)	0.25	\$42,836
Total FTEs and Expenses	8.1	\$468,504

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 2019. The withdrawals in the proposed budget are based on the needs projected in the CNA. Based on the results, BRIDGE does not currently see a need to increase the annual deposit to the Replacement Reserve.

The only Hard Debt payments are minimal required by HCD, and are covered entirely by the non-LOSP portion of the budget.

Because the LOSP funds subsidize operations only to a break-even level, the LOSP portion of the budget shows no surplus cash or residual receipts. Because the project does not rely exclusively on LOSP for operating subsidy, there is potential for the project to generate non-LOSP surplus, but HCD requires any non-LOSP surplus to be deposited in the secondary Operating Reserve.

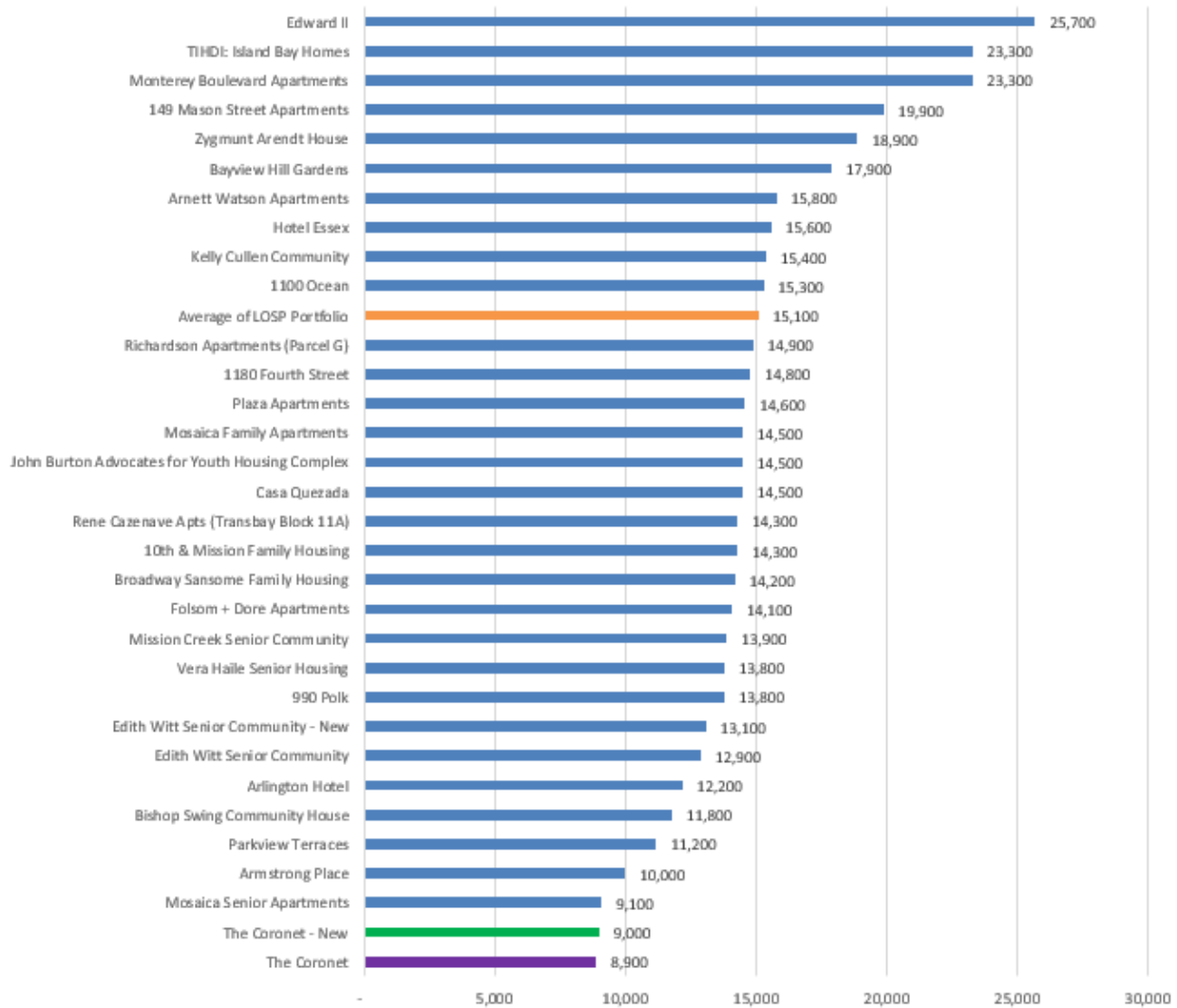
3.4 Sixteen (16)-Year Cash Flow Projection

- Tenant Rents: 2021: no escalation, due to COVID; 2020 and beyond: LOSP rents escalated at 1%, non-LOSP rents escalated at 2.5%, per MOHCD standards
- Section 8 Voucher subsidy: Because of the impact of COVID on the broader rental market, and how that is expected to impact FMRs, escalation is 0% for 2021-2024, 2% for 2025 & beyond
- Residential vacancy rate from 2014-2019 was .8%. BRIDGE proposes a more conservative 5% for 2021, 4% for 2022, because of a combination of slow referrals & COVID impacts. 2% used for 2023 & beyond based on historical average of .8%
- Operating expenses are escalated at 3.5% annually, per MOHCD default assumptions, except Utilities, which are escalated at 5%, which is supported by project history
- Replacement Reserve (RR) funding is sufficient to address all expected capital replacement needs over the next 20 years
- Because the project has a secondary Operating Reserve that was capitalized at project inception (using AHP funding, hard cost contingency savings, and construction loan interest savings), and remains well-funded (\$1.76 million), the project has more than ample Operating Reserve balance to meet the requirement of 25% of the prior year's operating expenses, as required under MOHCD's capital funding agreement. The secondary Operating Reserve will be needed in order to offset non-LOSP shortfalls, which are significant enough over time to fully deplete the secondary Operating Reserve by year 20. It is worth noting that original projections predicted a need to start making withdrawals from the secondary Operating Reserve in 2012; that was delayed in large part due to the benefit of the Section 8 voucher subsidies. The updated projections predict that the first non-LOSP shortfall will not occur until 2027.
- The LOSP subsidy is projected to increase an average of 5.3% annually over the term of the contract. This is rate of growth is slightly larger than usual, but reasonable because of the mitigating assumptions made for escalation and vacancy based on anticipated COVID impacts, and the higher than usual Utilities trends seen in San Francisco over the past decade.

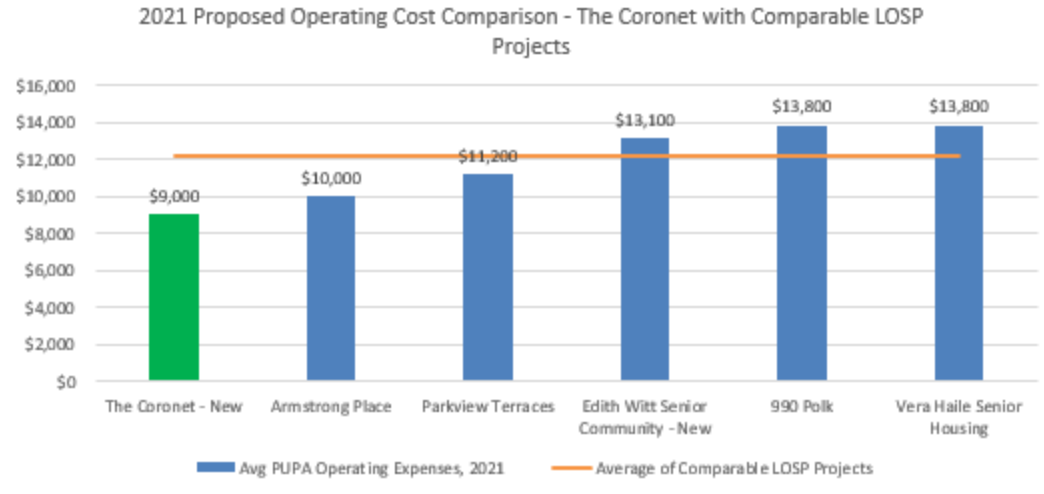
4. OPERATING COST COMPARATIVE ANALYSIS

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 \$8,950 is the lowest in the entire LOSP portfolio and considerably lower than the average 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 also considerably lower when compared with the PUPY expenses for five other LOSP projects of similar size and target population, including one other project under renewal currently:



5. SUPPORT SERVICES EVALUATION

Supportive Services are provided by the Institute on Aging, which occupies space on the first two floors of the building. IOA services happen under the umbrella of the Program of All Inclusive Care for the Elderly (PACE), a unique HMO style health plan funded through Medical and Medicare for income eligible participants, that was pioneered by On Lok in the 1970's as alternative to nursing home care. The PACE health plan offers full medical care, prescription drugs, adult day care, personal care, physical therapy, transportation, and home care, delivered through a team of doctors, nurses and other health professionals.

Tenants may enroll in the PACE program if determined eligible, whether or not they reside in a supportive housing unit. Tenants can also avail themselves of all other services provide by IOA at the site. Other on-site IOA programs and services include case management and coordination, adult day health care through the ADHC Clinic located on site, senior information and referral services, assistance signing up for food stamps or meal delivery programs and other benefits, regular speakers on health education, consultation and treatment center specializing in memory impairment, art programs, elder abuse prevention, and money management consultation.

To facilitate the connection with IOA and other services, BRIDGE also contracts with Project Access to provide part-time service coordination and referrals as well as community building activities. These services are funded by the operating budget, as noted in the staffing analysis above.

IOA staffing of the 53 PACE units include 7.8 FTE health services staff, including on-site registered Nurse and .8 FTE Social Worker. IOA bills these services through Medicare/Medical. This funding is generous enough that LOSP Service Grant funding from the City is not needed.

In lieu of a Services Grant, in 2011, a Memorandum of Understanding (MOU) was executed between, Geary Housing Partners, LP (GHP), BRIDGE Housing Corporation (BHC) BRIDGE Property Management Company (BPMC), The Institute on Aging (IOA), San Francisco Department of Public Health-Housing and Urban Health Section (DPH), the San Francisco

Redevelopment Agency (SFRA); the San Francisco Mayor's Office of Housing ("MOH"); Lutheran Social Services ("LSS"), and Project Access to facilitate the provision of high quality, affordable permanent supportive housing.

When the Project receives a 30-day notice from an existing LOSP household, BRIDGE property management staff emails the Department on Homelessness and Supportive Housing (HSH) to alert that a referral request is pending. Once the move-out occurs, property management completes a Vacancy Alert and Referral Request form and submits to HSH. HSH then identifies a referral, and forwards the candidate info to the IOA for intake into the PACE Program. Once the candidate is approved by PACE, they are interviewed by property management and the file is processed. If the candidate is income qualified and passes all background checks, they are offered the apartment.

BRIDGE reports that the relationship between BRIDGE, residents, and IOA staff has been mutually beneficial. From the very first contact with a prospective tenant, BRIDGE, the applicant, and IOA staff work closely to guide the applicant through the process. Once approved for move-in, BRIDGE and IOA staff work together to assist the new resident with lease signing and physical move-in. BRIDGE staff and IOA staff meet both formally and as-needed to problem solve in support of PACE households' stability and the working relationship.

BRIDGE is pleased with the synergies that have been realized from designing a residential senior housing facility above the Institute on Aging's senior health facility. By partnering to provide effective residential and services on the same site, the collective efforts of BRIDGE and IOA have simplified and improved the lives of many senior San Franciscans.

6. CONCLUSION

MOHCD staff recommend approval of the request. IOA's vision for the reuse of the former movie theatre site has proven effective: a wide range of important supports are being provided to seniors in the neighborhood and across San Francisco from a modern campus designed to serve as a hub for the wide array of services offered by IOA. Support services are located on-site and available to all residents of the Project, with intensive supports readily available to the neediest seniors that are placed via HSH referrals. This is also one of very few supportive housing sites situated this far west in San Francisco. The non-LOSP portion of the project has been self-sustaining because of the income levels of the non-LOSP seniors, augmented by twenty-one Section 8 voucher contract rents. The size of the project also is ideal for economies of scale; operating expenses per unit are the lowest in the LOSP portfolio.

7. RECOMMENDED CONDITIONS

none

8. LOAN COMMITTEE MODIFICATIONS

LOAN COMMITTEE RECOMMENDATION

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

APPROVE. DISAPPROVE. TAKE NO ACTION.

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

Date: _____

APPROVE. DISAPPROVE. TAKE NO ACTION.

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

Date: _____

APPROVE. DISAPPROVE. TAKE NO ACTION.

Sally Oerth, Interim Executive Director
Office of Community Investment and Infrastructure

Date: _____

APPROVE. DISAPPROVE. TAKE NO ACTION.

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

Date: _____

- Attachments:
- A. 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: Friday, March 5, 2021 11:53 AM
To: Chavez, Rosanna (MYR)
Subject: LOSP Renewal for the Coronet

Approve

Eric D. Shaw
Director

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

Chavez, Rosanna (MYR)

From: Menjivar, Salvador (HOM)
Sent: Tuesday, March 9, 2021 2:54 PM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: LOSP Renewal for the Coronet

I approve the request for LOSP Renewal for the Coronet

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 5, 2021 11:15 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR); McLoone, Michael (MYR)
Subject: LOSP Renewal for The Coronet - 3.5.21 Loan Committee

I approve the LOSP renewal request for the Coronet project, as presented at the 3.5.21 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 5, 2021 11:15 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: LOSP Renewal of Coronet

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.

Application Date: 11/15/2020
Total # Units: 150
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations): 2021

Table showing LOSP Units (25) and Non-LOSP Units (125) with allocation percentages (17% LOSP, 83% non-LOSP).

Project Name: The Coronet
Project Address: 3595 Geary Boulevard
Project Sponsor: BRIDGE Housing Corporation

Table showing INCOME components: Residential - Tenant Rents, Residential - Tenant Assistance Payments, Commercial Space, Residential Parking, etc.

Table showing OPERATING EXPENSES: Management (Management Fee, Asset Management Fee), Salaries/Benefits (Office Salaries, Manager's Salary, Health Insurance, etc.), Administration, Utilities, Taxes and Licenses, Insurance.

Table showing RESERVES/GROUND LEASE BASE RENT/BOND FEES: Ground Lease Base Rent, Bond Monitoring Fee, Replacement Reserve Deposit, etc.

Table showing DEBT SERVICE/MUST PAY PAYMENTS: Hard Debt - First Lender, Hard Debt - Second Lender (HCD Program), Hard Debt - Third Lender, etc.

Table showing CASH FLOW: Commercial Only Cash Flow, Allocation of Commercial Surplus to LOPS/non-LOSP (residual income), AVAILABLE CASH FLOW.

Table showing SOFT DEBT LENDERS WITH RESIDUAL RECEIPTS OBLIGATIONS: MOHCD/OCHII - Soft Debt Loans, MOHCD/OCHII - Ground Lease Value or Land Acq Cost, etc.

Table showing MOHCD RESIDUAL RECEIPTS DEBT SERVICE: MOHCD Residual Receipts Amount Due, Proposed MOHCD Residual Receipts Amount to Loan Repayment, etc.

Table showing REMAINDER (Should be zero unless there are distributions below): Owner Distributions/Incentive Management Fee, Other Distributions/Use, Final Balance.

Table showing SOFT DEBT LENDERS WITH RESIDUAL RECEIPTS OBLIGATIONS (continued): MOHCD Residual Receipts Amount Due, Proposed MOHCD Residual Receipts Amount to Loan Repayment, etc.

The Coronet

INCOME	Total # Units:		Comments (related to annual inc assumptions)	Year 1 2021			Year 2 2022			Year 3 2023			
	150	25		LOSP Units	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
	17.00%	83.00%		% annual inc	% annual increase								
Residential - Tenant Rents	1.0%	2.5%	No rent increases in 2021 due to COVID. Zero escalation 2021-24, 2% increases for Section 8 vouchers starting 2025	75,816	944,880	1,020,696	76,574	988,502	1,045,076	77,340	992,715	1,070,054	
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.0%		-	373,812	373,812	-	373,812	373,812	-	373,812	373,812	
Residential - LOSP Tenant Assistance Payments	n/a	n/a		166,935	-	166,935	173,504	-	173,504	179,575	-	179,575	
Commercial Space	n/a	2.5%		-	-	-	-	-	-	-	-	-	
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-	
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-	
Supportive Services Income	1.0%	1.0%		-	-	-	-	-	-	-	-	-	
Interest Income - Project Operations	1.0%	1.0%		-	-	-	-	-	-	-	-	-	
Laundry and Vending	1.0%	1.0%		1,989	9,705	11,692	2,008	9,802	11,809	2,028	9,900	11,927	
Tenant Charges	1.0%	1.0%		51	249	300	82	251	303	82	254	306	
Miscellaneous Residential Income	1.0%	1.0%		-	-	-	-	-	-	-	-	-	
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				244,789	1,328,646	1,543,435	252,137	1,352,367	1,604,504	258,995	1,376,680	1,635,675	
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	5% for LOSP units for 2021, 4% for 2022, due to combo of slow referrals & pandemic.	(3,791)	(18,999)	(22,688)	(3,063)	(19,370)	(22,433)	(1,547)	(19,854)	(21,401)	
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		-	(7,476)	(7,476)	-	(7,476)	(7,476)	-	(7,476)	(7,476)	
Vacancy Loss - Commercial	n/a	n/a	2% used for 2024 & beyond based on historical average of .8%	-	-	-	-	-	-	-	-	-	
EFFECTIVE GROSS INCOME				240,999	1,302,272	1,543,270	249,074	1,325,521	1,574,595	257,448	1,349,350	1,606,798	
OPERATING EXPENSES													
Management													
Management Fee	3.0%	3.0%	1st Year to be set according to HUD schedule.	18,448	90,072	108,520	19,002	92,774	111,776	19,572	95,557	115,129	
Asset Management Fee	3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-	-	-	-	
Sub-total Management Expenses				18,448	90,072	108,520	19,002	92,774	111,776	19,572	95,557	115,129	
Salaries/Benefits													
Office Salaries	3.5%	3.5%		7,198	35,144	42,342	7,450	36,374	43,824	7,711	37,647	45,358	
Manager's Salary	3.5%	3.5%		9,045	48,555	58,500	10,293	50,254	60,548	10,653	52,013	62,667	
Health Insurance and Other Benefits	3.5%	3.5%		12,139	59,269	71,408	12,564	61,243	73,907	13,004	63,490	76,944	
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Administrative Rent-Free Unit	3.5%	3.5%		-	18,792	18,792	-	19,450	19,450	-	20,130	20,130	
Sub-total Salaries/Benefits				29,283	161,760	191,042	30,307	167,421	197,728	31,368	173,281	204,649	
Administration													
Advertising and Marketing	3.5%	3.5%		17	83	100	18	86	104	18	89	107	
Office Expenses	3.5%	3.5%		7,445	36,948	43,793	7,705	37,620	45,326	7,975	38,937	46,812	
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Legal Expense - Property	3.5%	3.5%		1,000	1,000	2,000	1,035	1,035	2,070	1,071	1,071	2,142	
Audit Expense	3.5%	3.5%		1,794	8,757	10,550	1,856	9,063	10,919	1,921	9,380	11,301	
Bookkeeping/Accounting Services	0.0%	0.0%	HCD - no escalation on fees	2,907	14,193	17,100	2,907	14,193	17,100	2,907	14,193	17,100	
Bad Debts	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Miscellaneous	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Sub-total Administration Expenses				13,162	60,381	73,543	13,521	61,997	75,519	13,893	63,670	77,563	
Utilities													
Electricity	3.5%	3.5%		10,955	53,484	64,439	11,338	55,356	66,694	11,735	57,294	69,029	
Water	5.0%	5.0%	increases have been averaging 5-8%	9,894	48,305	58,199	10,389	50,720	61,109	10,908	53,256	64,164	
Gas	3.5%	3.5%		8,228	40,174	48,402	8,516	41,580	50,096	8,814	43,035	51,849	
Sewer	5.0%	5.0%	increases have been averaging 5-8%	14,773	72,129	86,902	15,512	75,735	91,247	16,288	79,522	95,809	
Sub-total Utilities				43,850	214,092	257,942	45,755	223,392	269,146	47,745	233,107	280,852	
Taxes and Licenses													
Real Estate Taxes	3.5%	3.5%		19	95	114	20	98	118	21	101	122	
Payroll Taxes	3.5%	3.5%		3,177	15,513	18,890	3,289	16,056	19,344	3,404	16,618	20,021	
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		949	4,631	5,580	982	4,793	5,775	1,016	4,961	5,977	
Sub-total Taxes and Licenses				4,145	20,239	24,384	4,290	20,947	25,237	4,441	21,680	26,121	
Insurance													
Property and Liability Insurance	3.5%	3.5%		9,662	47,172	56,834	10,000	48,823	58,823	10,350	50,532	60,882	
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Worker's Compensation	3.5%	3.5%		1,925	9,398	11,323	1,992	9,727	11,719	2,062	10,067	12,129	
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-	
Sub-total Insurance				11,587	56,570	68,157	11,992	58,550	70,542	12,412	60,600	73,011	
Maintenance & Repair													
Payroll	3.5%	3.5%		18,160	88,666	106,826	18,796	91,769	110,565	19,454	94,981	114,435	
Supplies	3.5%	3.5%		5,977	29,183	35,160	6,186	30,204	36,391	6,403	31,261	37,664	
Contracts	3.5%	3.5%		19,291	94,184	113,475	19,966	97,481	117,447	20,665	100,893	121,557	
Garbage and Trash Removal	3.5%	3.5%		6,891	33,644	40,535	7,132	34,822	41,954	7,382	36,640	43,422	
Security Payroll/Contract	3.5%	3.5%		45,482	222,057	267,539	47,073	229,829	276,309	48,721	237,973	286,594	
HVAC Repairs and Maintenance	3.5%	3.5%		1,386	6,765	8,150	1,434	7,001	8,435	1,494	7,246	8,730	
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		445	2,175	2,620	461	2,251	2,712	477	2,329	2,807	
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		309	1,511	1,820	320	1,563	1,884	331	1,618	1,950	
Sub-total Maintenance & Repair Expenses				97,941	478,184	576,125	101,369	494,920	596,289	104,917	512,242	617,160	
Supportive Services	3.5%	3.5%		7,282	35,554	42,836	7,537	36,798	44,335	7,801	38,086	45,887	
Commercial Expenses				-	-	-	-	-	-	-	-	-	
TOTAL OPERATING EXPENSES				225,699	1,116,850	1,342,549	233,774	1,156,799	1,390,574	242,148	1,198,224	1,440,372	
PUPA (w/o Reserves/GL Base Rent/Bond Fees)						8,950							
Reserves/Ground Lease Base Rent/Bond Fees													
Ground Lease Base Rent				-	-	-	-	-	-	-	-	-	
Bond Monitoring Fee				-	-	-	-	-	-	-	-	-	
Replacement Reserve Deposit				15,300	74,700	90,000	15,300	74,700	90,000	15,300	74,700	90,000	
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-	
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-	
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-	
Required Reserve Deposits, Commercial				-	-	-	-	-	-	-	-	-	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				15,300	74,700	90,000	15,300	74,700	90,000	15,300	74,700	90,000	
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				240,999	1,191,550	1,432,549	249,074	1,231,499	1,480,574	257,448	1,272,924	1,530,372	
PUPA (w/ Reserves/GL Base Rent/Bond Fees)						9,550							
NET OPERATING INCOME (INCOME minus OP EXPENSES)				-	110,721	110,721	-	94,021	94,021	-	76,426	76,426	
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)													
Hard Debt - First Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	-	29,400	29,400	-	29,400	29,400	-	29,400	29,400	
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				-	29,400	29,400	-	29,400	29,400	-	29,400	29,400	
CASH FLOW (NOI minus DEBT SERVICE)				-	81,321	81,321	-	64,621	64,621	-	47,026	47,026	
Commercial Only Cash Flow				-	-	-	-	-	-	-	-	-	
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)				-	-	-	-	-	-	-	-	-	
AVAILABLE CASH FLOW				-	81,321	81,321	-	64,621	64,621	-	47,026	47,026	
USES OF CASH FLOW BELOW (This row also shows DSCR.)						3.77			3.2			2.6	
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 Services Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	-	2,500	2,500							

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INCOME	Total # Units:		Comments (related to annual inc assumptions)	Year 4 2024			Year 5 2025			Year 6 2026				
	150	25		LOSP Units	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	
	17.00%	83.00%		% annual inc	% annual increase									
Residential - Tenant Rents			1.0%	2.5%	78,113	1,017,532	1,095,646	78,894	1,042,971	1,121,865	79,683	1,069,045	1,148,728	
Residential - Tenant Assistance Payments (Non-LOSP)			n/a	2.0%	-	373,812	373,812	-	381,288	381,288	-	388,914	388,914	
Residential - LOSP Tenant Assistance Payments			n/a	n/a	187,480	-	187,480	187,480	195,698	-	195,698	204,242	204,242	
Commercial Space			n/a	2.5%	-	-	-	-	-	-	-	-	-	
Residential Parking			2.5%	2.5%	-	-	-	-	-	-	-	-	-	
Miscellaneous Rent Income			2.5%	2.5%	-	-	-	-	-	-	-	-	-	
Supportive Services Income			1.0%	1.0%	-	-	-	-	-	-	-	-	-	
Interest Income - Project Operations			1.0%	1.0%	-	-	-	-	-	-	-	-	-	
Laundry and Vending			1.0%	1.0%	2,048	9,999	12,046	2,068	10,099	12,167	2,089	10,200	12,289	
Tenant Charges			1.0%	1.0%	53	257	309	53	259	312	54	262	315	
Miscellaneous Residential Income			1.0%	1.0%	-	-	-	-	-	-	-	-	-	
Other Commercial Income			n/a	2.5%	-	-	-	-	-	-	-	-	-	
Withdrawal from Capitalized Reserve (deposit to operating account)			n/a	n/a	-	-	-	-	-	-	-	-	-	
Gross Potential Income					267,694	1,401,600	1,669,293	276,714	1,434,617	1,711,331	286,069	1,468,420	1,754,489	
Vacancy Loss - Residential - Tenant Rents			n/a	n/a	(1,562)	(20,357)	(21,913)	(1,578)	(20,859)	(22,437)	(1,594)	(21,381)	(22,975)	
Vacancy Loss - Residential - Tenant Assistance Payments			n/a	n/a	-	(7,476)	(7,476)	-	(7,626)	(7,626)	-	(7,776)	(7,776)	
Vacancy Loss - Commercial			n/a	n/a	-	-	-	-	-	-	-	-	-	
EFFECTIVE GROSS INCOME					266,132	1,373,773	1,639,904	275,136	1,406,131	1,681,268	284,475	1,439,261	1,723,736	
OPERATING EXPENSES														
Management														
Management Fee			3.0%	3.0%	20,159	98,424	118,583	20,764	101,376	122,140	21,387	104,418	125,804	
Asset Management Fee			3.5%	3.5%	-	-	-	-	-	-	-	-	-	
Sub-total Management Expenses					20,159	98,424	118,583	20,764	101,376	122,140	21,387	104,418	125,804	
Salaries/Benefits														
Office Salaries			3.5%	3.5%	7,981	38,965	46,945	8,260	40,328	48,588	8,549	41,740	50,289	
Manager's Salary			3.5%	3.5%	11,026	53,834	64,860	11,412	55,718	67,130	11,812	57,668	69,480	
Health Insurance and Other Benefits			3.5%	3.5%	13,459	65,712	79,171	13,930	68,012	81,942	14,418	70,393	84,810	
Other Salaries/Benefits			3.5%	3.5%	-	-	-	-	-	-	-	-	-	
Administrative Rent-Free Unit			3.5%	3.5%	-	20,835	20,835	-	21,564	21,564	-	22,319	22,319	
Sub-total Salaries/Benefits					32,466	179,346	211,811	33,602	185,623	219,225	34,778	192,120	226,898	
Administration														
Advertising and Marketing			3.5%	3.5%	19	92	111	20	95	115	20	99	119	
Office Expenses			3.5%	3.5%	8,254	40,300	48,554	8,543	41,710	50,253	8,842	43,170	52,012	
Office Rent			3.5%	3.5%	-	-	-	-	-	-	-	-	-	
Legal Expense - Property			3.5%	3.5%	1,109	1,109	2,217	1,148	1,148	2,295	1,188	1,188	2,375	
Audit Expense			3.5%	3.5%	1,988	9,708	11,697	2,058	10,048	12,106	2,130	10,400	12,530	
Bookkeeping/Accounting Services			0.0%	0.0%	2,907	14,193	17,100	2,907	14,193	17,100	2,907	14,193	17,100	
Bad Debts			3.5%	3.5%	-	-	-	-	-	-	-	-	-	
Miscellaneous			3.5%	3.5%	-	-	-	-	-	-	-	-	-	
Sub-total Administration Expenses					14,277	65,402	79,679	14,675	67,194	81,870	15,087	69,049	84,137	
Utilities														
Electricity			3.5%	3.5%	12,146	59,299	71,445	12,571	61,375	73,945	13,011	63,523	76,533	
Water			5.0%	5.0%	11,453	55,919	67,373	12,026	58,715	70,741	12,627	61,651	74,278	
Gas			3.5%	3.5%	9,123	44,541	53,664	9,442	46,100	55,542	9,773	47,714	57,486	
Sewer			5.0%	5.0%	17,102	83,498	100,600	17,957	87,673	105,630	18,855	92,056	110,911	
Sub-total Utilities					49,824	243,256	293,081	51,996	255,663	305,859	54,266	264,944	319,209	
Taxes and Licenses														
Real Estate Taxes			3.5%	3.5%	21	105	126	22	109	131	23	112	135	
Payroll Taxes			3.5%	3.5%	3,523	17,199	20,722	3,646	17,901	21,447	3,774	18,424	22,198	
Miscellaneous Taxes, Licenses and Permits			3.5%	3.5%	1,082	5,135	6,187	1,089	5,315	6,403	1,127	5,501	6,627	
Sub-total Taxes and Licenses					4,596	22,439	27,035	4,757	23,224	27,981	4,923	24,037	28,961	
Insurance														
Property and Liability Insurance			3.5%	3.5%	10,712	52,301	63,013	11,087	54,131	65,218	11,475	56,026	67,501	
Fidelity Bond Insurance			3.5%	3.5%	-	-	-	-	-	-	-	-	-	
Worker's Compensation			3.5%	3.5%	2,134	10,420	12,554	2,209	10,785	12,993	2,286	11,162	13,448	
Director's & Officers' Liability Insurance			3.5%	3.5%	-	-	-	-	-	-	-	-	-	
Sub-total Insurance					12,846	62,721	75,567	13,296	64,916	78,212	13,761	67,188	80,949	
Maintenance & Repair														
Payroll			3.5%	3.5%	20,135	98,305	118,440	20,839	101,746	122,585	21,569	105,307	126,876	
Supplies			3.5%	3.5%	6,627	32,355	38,983	6,859	33,488	40,347	7,099	34,660	41,759	
Contracts			3.5%	3.5%	21,388	104,424	125,812	22,137	108,079	130,215	22,911	111,861	134,773	
Garbage and Trash Removal			3.5%	3.5%	7,640	37,302	44,942	7,908	38,607	46,515	8,184	39,859	48,143	
Security Payroll/Contract			3.5%	3.5%	50,426	246,199	296,625	52,191	254,916	307,007	54,019	263,734	317,752	
HVAC Repairs and Maintenance			3.5%	3.5%	1,536	7,500	9,036	1,590	7,782	9,352	1,646	8,034	9,680	
Vehicle and Maintenance Equipment Operation and Repairs			3.5%	3.5%	494	2,411	2,905	511	2,495	3,007	529	2,583	3,112	
Miscellaneous Operating and Maintenance Expenses			3.5%	3.5%	343	1,675	2,018	355	1,733	2,088	367	1,794	2,162	
Sub-total Maintenance & Repair Expenses					108,589	530,171	638,760	112,390	548,727	661,117	116,323	567,932	684,256	
Supportive Services														
Commercial Expenses			3.5%	3.5%	8,074	39,419	47,493	8,356	40,799	49,155	8,649	42,227	50,876	
TOTAL OPERATING EXPENSES					250,832	1,241,179	1,492,010	259,836	1,285,722	1,545,559	269,175	1,331,915	1,601,090	
RESERVES/GROUND LEASE BASE RENT/BOND FEES														
PUPA (w/o Reserves/GL Base Rent/Bond Fees)														
Ground Lease Base Rent			-	-	-	-	-	-	-	-	-	-	-	
Bond Monitoring Fee			-	-	-	-	-	-	-	-	-	-	-	
Replacement Reserve Deposit			15,300	74,700	90,000	15,300	74,700	90,000	15,300	74,700	90,000	15,300	74,700	90,000
Operating Reserve Deposit			-	-	-	-	-	-	-	-	-	-	-	
Other Required Reserve 1 Deposit			-	-	-	-	-	-	-	-	-	-	-	
Other Required Reserve 2 Deposit			-	-	-	-	-	-	-	-	-	-	-	
Required Reserve Deposits, Commercial			-	-	-	-	-	-	-	-	-	-	-	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			15,300	74,700	90,000	15,300	74,700	90,000	15,300	74,700	90,000	15,300	74,700	90,000
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)					266,132	1,315,879	1,582,010	275,136	1,360,422	1,635,559	284,475	1,406,615	1,691,090	
PUPA (w/ Reserves/GL Base Rent/Bond Fees)														
NET OPERATING INCOME (INCOME minus OP EXPENSES)					-	57,894	57,894	-	45,709	45,709	-	32,646	32,646	
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)			-	-	29,400	29,400	-	29,400	29,400	-	29,400	29,400	29,400	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			-	-	-	-	-	-	-	-	-	-	-	
Hard Debt - Fourth Lender			-	-	-	-	-	-	-	-	-	-	-	
Commercial Hard Debt Service			-	-	-	-	-	-	-	-	-	-	-	
TOTAL HARD DEBT SERVICE					-	29,400	29,400	-	29,400	29,400	-	29,400	29,400	
CASH FLOW (NOI minus DEBT SERVICE)					-	28,494	28,494	-	16,309	16,309	-	3,246	3,246	
Commercial Only Cash Flow			-	-	-	-	-	-	-	-	-	-	-	
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)			-	-	-	-	-	-	-	-	-	-	-	
AVAILABLE CASH FLOW					-	28,494	28,494	-	16,309	16,309	-	3,246	3,246	
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%	-	-	-	-	-	-	-	-	-	
Partnership Management Fee (see policy for limits)			3.5%	3.5%	-	-	-	-	-	-	-	-	-	
Investor Services Fee (aka "LP Asset Mgt Fee") (see policy for limits)			-	-	-	2,500	2,500							

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INCOME	Total # Units: 150	LOSP Units 25 17.00%	Non-LOSP Units 125 83.00%	Comments (related to annual inc assumptions)	Year 7 2027			Year 8 2028			Year 9 2029				
					% annual inc	% annual inc	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
Residential - Tenant Rents		1.0%	2.5%	No rent increases in 2021 due to COVID. Zero escalation 2021-24, 2% increases for Section 8 vouchers starting 2025	60,480	1,095,771	1,176,251	81,285	1,123,165	1,204,450	82,098	1,151,245	1,233,342		
Residential - Tenant Assistance Payments (Non-LOSP)		n/a	2.0%		-	396,692	396,692	-	404,626	404,626	-	412,719	412,719		
Residential - LOSP Tenant Assistance Payments		n/a	n/a		213,125	-	213,125	222,359	-	222,359	231,957	-	231,957		
Commercial Space		n/a	2.5%		-	-	-	-	-	-	-	-	-		
Residential Parking		2.5%	2.5%		-	-	-	-	-	-	-	-	-		
Miscellaneous Rent Income		2.5%	2.5%		-	-	-	-	-	-	-	-	-		
Supportive Services Income		1.0%	1.0%		-	-	-	-	-	-	-	-	-		
Interest Income - Project Operations		1.0%	1.0%		-	-	-	-	-	-	-	-	-		
Laundry and Vending		1.0%	1.0%		2,110	10,302	12,412	2,131	10,405	12,536	2,152	10,509	12,681		
Tenant Charges		1.0%	1.0%		54	264	318	55	267	322	55	270	325		
Miscellaneous Residential Income		1.0%	1.0%		-	-	-	-	-	-	-	-	-		
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	-	10,738	10,738	-	25,691	25,691	-	41,660	41,660		
Gross Potential Income					295,769	1,513,768	1,809,537	305,829	1,564,154	1,869,984	316,263	1,616,402	1,932,664		
Vacancy Loss - Residential - Tenant Rents		n/a	n/a	5% for LOSP units for 2021, 4% for 2022, due to combo of slow referrals & pandemic.	(1,610)	(21,915)	(23,525)	(1,626)	(22,463)	(24,089)	(1,642)	(23,023)	(24,667)		
Vacancy Loss - Residential - Tenant Assistance Payments		n/a	n/a	2% used for 2024 & beyond based on historical average of .8%	-	(7,934)	(7,934)	-	(8,093)	(8,093)	-	(8,254)	(8,254)		
Vacancy Loss - Commercial		n/a	n/a		-	-	-	-	-	-	-	-	-		
EFFECTIVE GROSS INCOME					294,160	1,483,919	1,778,078	304,204	1,533,599	1,837,802	314,621	1,585,122	1,899,743		
OPERATING EXPENSES															
Management															
Management Fee		3.0%	3.0%	1st Year to be set according to HUD schedule.	22,028	107,550	129,579	22,689	110,777	133,466	23,370	114,100	137,470		
Asset Management Fee		3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-	-	-	-		
Sub-total Management Expenses					22,028	107,550	129,579	22,689	110,777	133,466	23,370	114,100	137,470		
Salaries/Benefits															
Office Salaries		3.5%	3.5%		8,848	43,201	52,049	9,158	44,713	53,871	9,479	46,278	55,756		
Manager's Salary		3.5%	3.5%		12,225	59,686	71,911	12,653	61,776	74,428	13,096	63,938	77,033		
Health Insurance and Other Benefits		3.5%	3.5%		14,922	72,856	87,779	15,445	75,406	90,851	15,985	78,045	94,031		
Other Salaries/Benefits		3.5%	3.5%		-	-	-	-	-	-	-	-	-		
Administrative Rent-Free Unit		3.5%	3.5%		-	23,100	23,100	-	23,909	23,909	-	24,745	24,745		
Sub-total Salaries/Benefits					35,996	198,844	234,839	37,256	205,803	243,059	38,559	213,006	251,566		
Administration															
Advertising and Marketing		3.5%	3.5%		21	102	123	22	106	127	22	109	132		
Office Expenses		3.5%	3.5%		9,152	44,681	53,833	9,472	46,245	55,717	9,803	47,864	57,687		
Office Rent		3.5%	3.5%		-	-	-	-	-	-	-	-	-		
Legal Expense - Property		3.5%	3.5%		1,229	1,229	2,459	1,272	1,272	2,545	1,317	1,317	2,634		
Audit Expense		3.5%	3.5%		2,205	10,764	12,969	2,282	11,141	13,423	2,362	11,531	13,892		
Bookkeeping/Accounting Services		0.0%	0.0%	HCD - no escalation on fees	2,907	14,193	17,100	2,907	14,193	17,100	2,907	14,193	17,100		
Bad Debts		3.5%	3.5%		-	-	-	-	-	-	-	-	-		
Miscellaneous		3.5%	3.5%		-	-	-	-	-	-	-	-	-		
Sub-total Administration Expenses					15,513	70,969	86,483	15,955	72,957	88,911	16,411	75,013	91,425		
Utilities															
Electricity		3.5%	3.5%		13,466	65,746	79,212	13,937	68,047	81,984	14,425	70,429	84,854		
Water		5.0%	5.0%	increases have been averaging 5-8%	13,259	64,734	77,992	13,922	67,970	81,892	14,618	71,369	85,986		
Gas		3.5%	3.5%		10,115	49,384	59,498	10,469	51,112	61,581	10,835	52,901	63,738		
Sewer		5.0%	5.0%	increases have been averaging 5-8%	19,798	96,659	116,457	20,788	101,492	122,280	21,827	106,567	128,394		
Sub-total Utilities					56,637	276,522	333,160	59,115	288,622	347,737	61,705	301,265	362,970		
Taxes and Licenses															
Real Estate Taxes		3.5%	3.5%		24	116	140	25	120	145	26	125	150		
Payroll Taxes		3.5%	3.5%		3,906	19,069	22,975	4,042	19,736	23,779	4,184	20,427	24,611		
Miscellaneous Taxes, Licenses and Permits		3.5%	3.5%		1,166	5,693	6,859	1,207	5,892	7,099	1,249	6,099	7,348		
Sub-total Taxes and Licenses					5,096	24,879	29,974	5,274	25,749	31,023	5,459	26,651	32,109		
Insurance															
Property and Liability Insurance		3.5%	3.5%		11,877	57,987	69,863	12,292	60,016	72,309	12,723	62,117	74,840		
Fidelity Bond Insurance		3.5%	3.5%		-	-	-	-	-	-	-	-	-		
Worker's Compensation		3.5%	3.5%		2,366	11,553	13,919	2,449	11,957	14,406	2,535	12,375	14,910		
Director's & Officers' Liability Insurance		3.5%	3.5%		-	-	-	-	-	-	-	-	-		
Sub-total Insurance					14,243	69,539	83,782	14,742	71,973	86,715	15,257	74,492	89,750		
Maintenance & Repair															
Payroll		3.5%	3.5%		22,324	108,993	131,316	23,105	112,807	135,913	23,914	116,756	140,669		
Supplies		3.5%	3.5%		7,348	35,873	43,221	7,605	37,129	44,733	7,871	38,428	46,299		
Contracts		3.5%	3.5%		23,713	115,776	139,490	24,543	119,829	144,372	25,402	124,023	149,425		
Garbage and Trash Removal		3.5%	3.5%		6,471	41,367	48,838	6,767	42,805	51,572	7,074	44,303	53,577		
Security Payroll/Contract		3.5%	3.5%		55,909	272,965	328,874	57,885	282,519	340,394	59,891	292,407	352,298		
HVAC Repairs and Maintenance		3.5%	3.5%		1,703	8,315	10,018	1,763	8,606	10,369	1,824	8,908	10,732		
Vehicle and Maintenance Equipment Operation and Repairs		3.5%	3.5%		548	2,673	3,221	567	2,767	3,333	587	2,864	3,450		
Miscellaneous Operating and Maintenance Expenses		3.5%	3.5%		380	1,857	2,237	394	1,922	2,316	407	1,989	2,397		
Sub-total Maintenance & Repair Expenses					120,395	587,810	708,205	124,609	608,383	732,992	128,970	629,677	758,647		
Supportive Services															
Commercial Expenses		3.5%	3.5%		8,952	43,705	52,656	9,265	45,234	54,499	9,589	46,818	56,407		
TOTAL OPERATING EXPENSES					278,860	1,379,819	1,658,678	288,904	1,429,499	1,718,402	299,321	1,481,022	1,780,343		
PUPA (w/o Reserves/GL Base Rent/Bond Fees)															
Reserves/Ground Lease Base Rent/Bond Fees					-	-	-	-	-	-	-	-	-		
Ground Lease Base Rent					-	-	-	-	-	-	-	-	-		
Bond Monitoring Fee					-	-	-	-	-	-	-	-	-		
Replacement Reserve Deposit					15,300	74,700	90,000	15,300	74,700	90,000	15,300	74,700	90,000		
Operating Reserve Deposit					-	-	-	-	-	-	-	-	-		
Other Required Reserve 1 Deposit					-	-	-	-	-	-	-	-	-		
Other Required Reserve 2 Deposit					-	-	-	-	-	-	-	-	-		
Required Reserve Deposits, Commercial					-	-	-	-	-	-	-	-	-		
Sub-total Reserves/Ground Lease Base Rent/Bond Fees					15,300	74,700	90,000	15,300	74,700	90,000	15,300	74,700	90,000		
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)					294,160	1,454,519	1,748,678	304,204	1,504,199	1,808,402	314,621	1,555,722	1,870,343		
PUPA (w/ Reserves/GL Base Rent/Bond Fees)															
NET OPERATING INCOME (INCOME minus OP EXPENSES)					-	29,400	29,400	-	29,400	29,400	-	29,400	29,400		
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)															
Hard Debt - First Lender				Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-		
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)				Enter comments re: annual increase, etc.	-	29,400	29,400	-	29,400	29,400	-	29,400	29,400		
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					-	29,400	29,400	-	29,400	29,400	-	29,400	29,400		
CASH FLOW (NOI minus DEBT SERVICE)					0	0	0	0	0	0	0	0	0		
Commercial Only Cash Flow															
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)					-	-	-	-	-	-	-	-	-		
AVAILABLE CASH FLOW					0	0	0	0	0	0	0	0	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%													

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INCOME	Total # Units:	LOSP Units	Non-LOSP Units	Comments (related to annual inc assumptions)	Year 10 2030			Year 11 2031			Year 12 2032		
					LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
Residential - Tenant Rents	150	25	125	Zero rent increases in 2021 due to COVID. Zero escalation 2021-24, 2% increases for Section 8 vouchers starting 2025	82,919	1,180,026	1,262,944	83,749	1,209,526	1,293,274	84,586	1,239,764	1,324,350
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.0%	n/a			420,973	420,973		429,302	429,392		437,960	437,980
Residential - LOSP Tenant Assistance Payments	n/a	n/a	n/a		241,935	-	-	282,306	-	-	263,087	-	-
Commercial Space	n/a	2.5%	n/a		-	-	-	-	-	-	-	-	-
Residential Parking	n/a	2.5%	n/a		-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	n/a	2.5%	n/a		-	-	-	-	-	-	-	-	-
Supportive Services Income	n/a	1.0%	n/a		-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	n/a	1.0%	n/a		-	-	-	-	-	-	-	-	-
Laundry and Vending	n/a	1.0%	n/a		2,174	10,614	12,788	2,196	10,720	12,915	2,218	10,827	13,045
Tenant Charges	n/a	1.0%	n/a		96	272	328	56	275	331	57	278	335
Miscellaneous Residential Income	n/a	1.0%	n/a		-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	2.5%	n/a		-	-	-	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	n/a	Link from Reserve Section below, as applicable	-	58,695	58,695	-	76,849	76,849	-	96,176	96,176
Gross Potential Income					327,083	1,670,580	1,997,663	338,306	1,726,762	2,065,069	349,947	1,785,026	2,134,972
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	n/a	5% for LOSP units for 2021, 4% for 2022, due to combo of slow referrals & pandemic.	(1,658)	(23,607)	(25,259)	(1,675)	(24,197)	(25,865)	(1,692)	(24,795)	(26,487)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	n/a	2% used for 2024 & beyond based on historical average of .8%	-	(8,419)	(8,419)	-	(8,588)	(8,588)	-	(8,760)	(8,760)
Vacancy Loss - Commercial	n/a	n/a	n/a		-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME					325,425	1,636,560	1,963,985	336,631	1,693,984	2,030,615	348,255	1,751,471	2,099,725
OPERATING EXPENSES													
Management													
Management Fee	3.0%	3.0%		1st Year to be set according to HUD schedule	24,071	117,523	141,594	24,793	121,049	145,842	25,537	124,680	150,217
Asset Management Fee	3.5%	3.5%		per MOHCD policy	-	-	-	-	-	-	-	-	-
Sub-total Management Expenses					24,071	117,523	141,594	24,793	121,049	145,842	25,537	124,680	150,217
Salaries/Benefits													
Office Salaries	3.5%	3.5%			9,810	47,897	57,708	10,154	49,574	59,728	10,509	51,309	61,818
Manager's Salary	3.5%	3.5%			13,554	66,175	79,729	14,028	68,492	82,520	14,519	70,889	85,408
Health Insurance and Other Benefits	3.5%	3.5%			16,545	80,777	97,322	17,124	83,604	100,728	17,723	86,530	104,254
Other Salaries/Benefits	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%			-	25,612	25,612	-	26,508	26,508	-	27,436	27,436
Sub-total Salaries/Benefits					39,909	220,462	260,371	41,306	228,178	269,484	42,752	236,164	279,916
Administration													
Advertising and Marketing	3.5%	3.5%			23	113	136	24	117	141	25	121	146
Office Expenses	3.5%	3.5%			10,147	49,539	59,685	10,302	51,273	61,774	10,869	53,067	63,936
Office Rent	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%			1,363	1,363	2,726	1,411	1,411	2,821	1,460	1,460	2,920
Audit Expense	3.5%	3.5%			2,444	11,934	14,379	2,530	12,352	14,882	2,618	12,794	15,403
Bookkeeping/Accounting Services	0.0%	0.0%		HCD - no escalation on fees	2,907	14,193	17,100	2,907	14,193	17,100	2,907	14,193	17,100
Bad Debts	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Miscellaneous	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Sub-total Administration Expenses					16,884	77,142	94,026	17,373	79,345	96,718	17,879	81,626	99,505
Utilities													
Electricity	3.5%	3.5%			14,930	72,894	87,824	15,453	75,445	90,898	15,993	78,086	94,079
Water	5.0%	5.0%		increases have been averaging 5-8%	15,349	74,937	90,286	16,116	78,684	94,800	16,922	82,618	99,540
Gas	3.5%	3.5%			11,214	54,753	65,967	11,607	56,669	68,276	12,013	58,652	70,685
Sewer	5.0%	5.0%		increases have been averaging 5-8%	22,918	111,895	134,814	24,064	117,490	141,554	25,267	123,364	148,632
Sub-total Utilities					64,411	314,479	378,890	67,240	328,288	395,528	70,196	342,721	412,916
Taxes and Licenses													
Real Estate Taxes	3.5%	3.5%			26	129	155	27	133	161	28	138	166
Payroll Taxes	3.5%	3.5%			4,330	21,142	25,473	4,482	21,882	26,384	4,639	22,648	27,287
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%			1,293	6,312	7,605	1,338	6,533	7,871	1,385	6,762	8,147
Sub-total Taxes and Licenses					5,650	27,583	33,233	5,847	28,549	34,396	6,052	29,540	35,600
Insurance													
Property and Liability Insurance	3.5%	3.5%			13,168	64,291	77,459	13,629	66,541	80,170	14,106	68,870	82,976
Fidelity Bond Insurance	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%			2,623	12,809	15,432	2,715	13,257	15,972	2,810	13,721	16,531
Director's & Officers' Liability Insurance	3.5%	3.5%			-	-	-	-	-	-	-	-	-
Sub-total Insurance					15,791	77,100	92,891	16,344	79,798	96,142	16,916	82,591	99,507
Maintenance & Repair													
Payroll	3.5%	3.5%			24,751	120,842	145,593	25,617	125,072	150,689	26,514	129,449	155,963
Supplies	3.5%	3.5%			8,146	39,773	47,919	8,431	41,165	49,597	8,727	42,606	51,333
Contracts	3.5%	3.5%			26,291	128,363	154,855	27,212	132,856	160,068	28,164	137,508	165,870
Garbage and Trash Removal	3.5%	3.5%			9,392	45,853	55,245	9,720	47,458	57,179	10,061	49,119	59,180
Security Payroll/Contract	3.5%	3.5%			61,987	302,641	364,628	64,186	313,234	377,390	66,402	324,197	390,599
HVAC Repairs and Maintenance	3.5%	3.5%			1,888	9,219	11,108	1,954	9,542	11,496	2,023	9,876	11,889
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%			607	2,964	3,571	628	3,067	3,696	650	3,175	3,825
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%			422	2,059	2,480	436	2,131	2,567	452	2,205	2,657
Sub-total Maintenance & Repair Expenses					133,484	651,715	785,199	138,156	674,525	812,681	142,991	698,134	841,125
Supportive Services													
Commercial Expenses	3.5%	3.5%			9,925	48,456	58,381	10,272	50,152	60,424	10,632	51,908	62,539
TOTAL OPERATING EXPENSES					310,125	1,534,460	1,844,585	321,331	1,589,884	1,911,215	332,955	1,647,371	1,980,325
RESERVES													
Reserves/Ground Lease Base Rent/Bond Fees													
Ground Lease Base Rent					-	-	-	-	-	-	-	-	-
Bond Monitoring Fee					-	-	-	-	-	-	-	-	-
Replacement Reserve Deposit					15,300	74,700	90,000	15,300	74,700	90,000	15,300	74,700	90,000
Operating Reserve Deposit					-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit					-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit					-	-	-	-	-	-	-	-	-
Required Reserve Deposits, Commercial					-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees					15,300	74,700	90,000	15,300	74,700	90,000	15,300	74,700	90,000
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)					325,425	1,609,160	1,934,585	336,631	1,664,584	2,001,215	348,255	1,722,071	2,070,325
NET OPERATING INCOME (INCOME minus OP EXPENSES)					-	29,400	29,400	-	29,400	29,400	-	29,400	29,400
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)					-	29,400	29,400	-	29,400	29,400	-	29,400	29,400
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)					-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender					-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service					-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE					-	29,400	29,400	-	29,400	29,400	-	29,400	29,400
CASH FLOW (NOI minus DEBT SERVICE)					(0)	(0)	(0)						

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INCOME	Total # Units:		Comments (related to annual inc assumptions)	Year 19 2019			Year 20 2020			
	150	25		LOSP Units	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
	17.00%	83.00%		% annual inc LOSP	% annual inc LOSP					
Residential - Tenant Rents			No rent increases in 2021 due to COVID. Zero escalation 2021-24, 2% increases for Section 8 vouchers starting 2025	90,687	1,473,690	1,564,377	91,694	1,510,533	1,602,127	
Residential - Tenant Assistance Payments (Non-LOSP)				-	503,102	503,102	-	513,164	513,164	
Residential - LOSP Tenant Assistance Payments				351,413	-	351,413	366,092	-	366,092	
Commercial Space				-	-	-	-	-	-	
Residential Parking				-	-	-	-	-	-	
Miscellaneous Rent Income				-	-	-	-	-	-	
Supportive Services Income				-	-	-	-	-	-	
Interest Income - Project Operations				-	-	-	-	-	-	
Laundry and Vending				2,378	11,608	13,986	2,401	11,724	14,125	
Tenant Charges				61	298	359	62	301	362	
Miscellaneous Residential Income				-	-	-	-	-	-	
Other Commercial Income				-	-	-	-	-	-	
Withdrawal from Capitalized Reserve (deposit to operating account)			Link from Reserve Section below, as applicable	-	269,473	269,473	-	300,480	300,480	
Gross Potential Income				444,539	2,258,171	2,702,709	480,149	2,336,217	2,796,350	
Vacancy Loss - Residential - Tenant Rents			5% for LOSP units for 2021, 4% for 2022, due to combo of slow referrals & pandemic.	(1,814)	(29,474)	(31,288)	(1,832)	(30,211)	(32,043)	
Vacancy Loss - Residential - Tenant Assistance Payments				-	(10,062)	(10,062)	-	(10,263)	(10,263)	
Vacancy Loss - Commercial			2% used for 2024 & beyond based on historical average of .8%	-	-	-	-	-	-	
EFFECTIVE GROSS INCOME				442,725	2,218,635	2,661,360	478,317	2,295,728	2,754,044	
OPERATING EXPENSES										
Management										
Management Fee	3.0%	3.0%	1st Year to be set according to HUD schedule.	31,407	153,341	184,748	32,349	157,941	190,290	
Asset Management Fee	3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-	
Sub-total Management Expenses				31,407	153,341	184,748	32,349	157,941	190,290	
Salaries/Benefits										
Office Salaries	3.5%	3.5%		13,370	65,279	78,650	13,838	67,564	81,403	
Manager's Salary	3.5%	3.5%		18,473	90,190	108,663	19,119	93,347	112,466	
Health Insurance and Other Benefits	3.5%	3.5%		22,549	110,091	132,640	23,338	113,944	133,282	
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-	
Administrative Rent-Free Unit	3.5%	3.5%		-	34,906	34,906	-	36,128	36,128	
Sub-total Salaries/Benefits				54,392	300,467	354,858	56,296	310,983	367,278	
Administration										
Advertising and Marketing	3.5%	3.5%		32	154	186	33	160	192	
Office Expenses	3.5%	3.5%		13,829	67,516	81,345	14,313	69,879	84,192	
Office Rent	3.5%	3.5%		-	-	-	-	-	-	
Legal Expense - Property	3.5%	3.5%		1,857	1,857	3,715	1,923	1,923	3,845	
Audit Expense	3.5%	3.5%		3,331	16,265	19,597	3,448	16,834	20,282	
Bookkeeping/Accounting Services	0.0%	0.0%	HCD - no escalation on fees	2,907	14,193	17,100	2,907	14,193	17,100	
Bad Debts	3.5%	3.5%		-	-	-	-	-	-	
Miscellaneous	3.5%	3.5%		-	-	-	-	-	-	
Sub-total Administration Expenses				21,956	99,986	121,942	22,623	102,989	125,612	
Utilities										
Electricity	3.5%	3.5%		20,348	99,347	119,695	21,060	102,824	123,884	
Water	5.0%	5.0%	increases have been averaging 5-8%	23,811	116,252	140,063	25,001	122,065	143,066	
Gas	3.5%	3.5%		15,284	74,622	89,906	15,819	77,234	93,053	
Sewer	5.0%	5.0%	increases have been averaging 5-8%	35,554	173,596	209,140	37,331	182,266	219,597	
Sub-total Utilities				94,997	463,807	558,804	99,212	484,388	580,600	
Taxes and Licenses										
Real Estate Taxes	3.5%	3.5%		36	176	212	37	182	219	
Payroll Taxes	3.5%	3.5%		5,902	28,815	34,716	6,108	29,823	36,932	
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		1,762	8,603	10,365	1,824	8,904	10,728	
Sub-total Taxes and Licenses				7,700	37,593	45,293	7,969	38,909	46,878	
Insurance										
Property and Liability Insurance	3.5%	3.5%		17,947	87,622	105,569	18,575	90,689	109,263	
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	
Worker's Compensation	3.5%	3.5%		3,575	17,457	21,032	3,701	18,068	21,768	
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	
Sub-total Insurance				21,522	105,079	126,601	22,275	108,756	131,032	
Maintenance & Repair										
Payroll	3.5%	3.5%		33,733	164,695	198,428	34,913	170,460	205,373	
Supplies	3.5%	3.5%		11,103	54,207	65,309	11,491	56,104	67,595	
Contracts	3.5%	3.5%		35,832	174,946	210,779	37,086	181,069	218,156	
Garbage and Trash Removal	3.5%	3.5%		12,800	62,493	75,293	13,248	64,681	77,929	
Security Payroll/Contract	3.5%	3.5%		84,482	412,469	498,951	87,438	426,906	514,344	
HVAC Repairs and Maintenance	3.5%	3.5%		2,574	12,565	15,139	2,664	13,005	15,688	
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		827	4,039	4,867	856	4,181	5,037	
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		575	2,806	3,381	595	2,904	3,499	
Sub-total Maintenance & Repair Expenses				181,925	888,221	1,070,146	188,292	919,309	1,107,601	
Supportive Services	3.5%	3.5%		13,526	66,041	79,567	14,000	68,352	82,352	
Commercial Expenses				-	-	-	-	-	-	
TOTAL OPERATING EXPENSES				427,425	2,114,535	2,541,960	443,017	2,191,628	2,634,644	
PUPA (w/o Reserves/GL Base Rent/Bond Fees)										
Reserves/Ground Lease Base Rent/Bond Fees										
Ground Lease Base Rent				-	-	-	-	-	-	
Bond Monitoring Fee				-	-	-	-	-	-	
Replacement Reserve Deposit				15,300	74,700	90,000	15,300	74,700	90,000	
Operating Reserve Deposit				-	-	-	-	-	-	
Other Required Reserve 1 Deposit				-	-	-	-	-	-	
Other Required Reserve 2 Deposit				-	-	-	-	-	-	
Required Reserve Deposits, Commercial				-	-	-	-	-	-	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				15,300	74,700	90,000	15,300	74,700	90,000	
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				442,725	2,189,235	2,631,960	458,317	2,266,328	2,724,644	
PUPA (w/ Reserves/GL Base Rent/Bond Fees)										
NET OPERATING INCOME (INCOME minus OP EXPENSES)				-	29,400	29,400	-	29,400	29,400	
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)										
Hard Debt - First Lender			Enter comments re: annual increase, etc.	-	-	-	-	-	-	
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	-	29,400	29,400	-	29,400	29,400	
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				-	29,400	29,400	-	29,400	29,400	
CASH FLOW (NOI minus DEBT SERVICE)										
Commercial Only Cash Flow				-	0	-	-	0	-	
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				-	-	-	-	-	-	
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										
Below-the-line Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-	
Partnership Management Fee (see policy for limits)	3.5%	3.5%	per MOHCD policy	-	-	-	-	-	-	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	-	-	-	-	-	-	
Other Payments				-	-	-	-	-	-	
Non-amortizing Loan Pmnt - Lender 1			Enter comments re: annual increase, etc.	-	-	-	-	-	-	
Non-amortizing Loan Pmnt - Lender 2			Enter comments re: annual increase, etc.	-	-	-	-	-	-	
Deferred Developer Fee (Enter amt. <= Max Fee from row 131)				-	-	-	-	-	-	
TOTAL PAYMENTS PRECEDING MOHCD				-	-	-	-	-	-	
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)					0	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				72.54%						
Proposed MOHCD Residual Receipts Amount to Loan Repayment										
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease										
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE										
HCD Residual Receipts Amount Due				22.67%						
Lender 4 Residual Receipts Due				4.79%						
Lender 5 Residual Receipts Due				0.00%						
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)										
REPLACEMENT RESERVE - RUNNING BALANCE										
Replacement Reserve Starting Balance						1,017,569		1,107,569		
Replacement Reserve Deposits						90,000		90,000		
Replacement Reserve Withdrawals (ideally tied to CNA)						-		-		
Replacement Reserve Interest						-		-		
RR Running Balance						1,107,569		1,197,569		
OPERATING RESERVE - RUNNING BALANCE										
Operating Reserve Starting Balance						283,413		283,413		
Operating Reserve Deposits						-		-		
Operating Reserve Withdrawals						-		-		
Operating Reserve Interest						-		-		
OR Running Balance						283,413		283,413		
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE										
Other Reserve 1 Starting Balance						395,863		126,390		
Other Reserve 1 Deposits						-		-		
Other Reserve 1 Withdrawals						269,473		300,480		
Other Reserve 1 Interest						-		-		
Other Required Reserve 1 Running Balance						126,390		(174,090)		
Combined Balance of Operating Reserves as a % of Prior Yr Op Exps + Debt Service										
						15.9%		4.1%		

LOSP FUNDING SCHEDULE

Project Address:	The Coronet
Project Start Date:	1/1/2021

Exhibit A

Calendar Year	LOSP Funding Amount	Additional Funds needed for Rent Relief Program (RRP*)	Total Disbursement for Fiscal Year if RRP* Funding is appropriated	Estimated Disbursement Date	FY Budgeted (for Disbursement)
CY-1 2021	\$122,943	\$43,992	\$166,935	1/1/2021	FY2020/21
CY-2 2022	\$129,512	\$43,992	\$173,504	1/1/2022	FY2021/22
CY-3 2023	\$135,583	\$43,992	\$179,575	1/1/2023	FY2022/23
CY-4 2024	\$143,488	\$43,992	\$187,480	1/1/2024	FY2023/24
CY-5 2025	\$151,706	\$43,992	\$195,698	1/1/2025	FY2024/25
CY-6 2026	\$160,250	\$43,992	\$204,242	1/1/2026	FY2025/26
CY-7 2027	\$169,133	\$43,992	\$213,125	1/1/2027	FY2026/27
CY-8 2028	\$178,367	\$43,992	\$222,359	1/1/2028	FY2027/28
CY-9 2029	\$187,965	\$43,992	\$231,957	1/1/2029	FY2028/29
CY-10 2030	\$197,943	\$43,992	\$241,935	1/1/2030	FY2029/30
CY-11 2031	\$208,314	\$43,992	\$252,306	1/1/2031	FY2030/31
CY-12 2032	\$219,095	\$43,992	\$263,087	1/1/2032	FY2031/32
CY-13 2033	\$230,300	\$43,992	\$274,292	1/1/2033	FY2032/33
CY-14 2034	\$241,946	\$43,992	\$285,938	1/1/2034	FY2033/34
CY-15 2035	\$254,051	\$43,992	\$298,043	1/1/2035	FY2034/35
CY-16 2036	\$266,632	\$43,992	\$310,624	1/1/2036	FY2035/36
Total LOSP Amount:	\$2,997,228				
		Total RRP Amount:	\$703,872		
		Total Contract Amount:	\$3,701,100		

* The Rent Relief Program (RRP) reduces the required minimum tenant rent payment from 50% of Household Income to 30% of Household Income. RRP Funding has thus far only been appropriated for FY 19-20. While it is currently expected to continue, the permanence of this policy change is not yet certain.