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 - Public Finance Division

Memo to Request Approval:	Cash-Out Policy Reinvestment Waiver
Prepared By:	Holly Babe Faust
Loan Committee Date:	September 18, 2020
Sponsor Name:	Tenderloin Neighborhood Development Corporation (TNDC)
Proposal:	Cash-Out Waiver for Reinvestment of 100% Excess Proceeds from the Refinance of Turk & Eddy Apartments into Yosemite & Folsom Dore and Ambassador & Ritz Syndications
Reinvestment:	Not to exceed $14,100,000 (secured by a Promissory Note/Deed of Trust)
Source of Funds:	Excess Proceeds from Refinance

SUMMARY

Tenderloin Neighborhood Development Corporation ("TNDC," the "Sponsor") requests approval (this "Request") for a Reinvestment Waiver (the "Waiver") to the MOHCD Cash-Out Acquisition/Rehabilitation, Resyndication, and Refinancing Policy, which is effective as of June 19, 2020 ("Cash-Out Policy," the "Policy"). The Waiver would allow the Sponsor to leverage the refinance of Turk & Eddy Apartments ("Turk & Eddy," the "Resource Property") to invest up to $14.1MM as a source of construction financing for four high-priority properties ("Receiver Properties") in need of significant rehabilitation, accessibility upgrades, and mandatory seismic upgrades.

The Cash-Out Policy provides for a 50-50 split between the Resource Property owner and the Mayor's Office of Housing and Community Development ("MOHCD," the "City") of "Excess Proceeds" from a refinance or syndication of a City-financed project. Excess Proceeds are the funds remaining after paying off senior debt and transaction fees, and funding reserves. Subject to MOHCD's review of supporting underwriting documentation required by the Policy, the Citywide Affordable Housing Loan Committee ("Loan Committee") "…may recommend to waive or modify any portion of the Cash-Out Policy for the purpose of ensuring project feasibility, maximizing affordability, and minimizing the use of public resources." (See the Attachment J: Cash-Out Policy.)

With the approval of this Waiver, MOHCD will contribute its 50% share or $7MM of Excess Proceeds to fill the gap in financing for essential scope items for Receiver Properties that are unable to generate enough of their own income or financing to pay for critical capital work. The Excess Proceeds will be secured by a Promissory Note ("Note") with a five-year term and Deed of Trust on the Resource Property.

This Request addresses only the Waiver for Phase I of the Sponsor's two-phase Recapitalization and Reinvestment Project ("Reinvestment Project"). The Reinvestment Project encompasses the findings of the Sponsor's comprehensive portfolio-wide analysis. With this analysis, the Sponsor has identified the properties with the most robust capacity to leverage financing and those properties with the most significant immediate unfunded capital needs. MOHCD staff has conducted the diligence to ensure that the Reinvestment Project and the Request comport with the requirements and meets the objectives of the Policy. (See Section 1 and Table 1: Timetable and Milestones for more information about the phases.)

This Waiver precludes the need to initiate additional funding from public resources or add more debt to four Receiver Properties. With the Loan Committee's approval, funds from the Reinvestment Project will extend the useful life of these Properties, three of which are on the National Register of Historic Places (as contributing structures to the Tenderloin Uptown Neighborhood District), and ensure the Properties' long-term sustainability and affordability for the benefit of 432 low-income households.

PRINCIPAL DEVELOPMENT ISSUES

1) **Uncertainty of CDLAC/TCAC Tax Credit Awards for Ambassador-Ritz and Yosemite-Folsom Dore:** The financing strategy for the Receiver Properties assumes two scattered sites tax credit syndications – Yosemite Apartments paired with Folsom Dore (4% tax credits) and Ambassador Hotel paired with Ritz Hotel (4% tax credits with 9% tax credits). Both projects are applying for allocations of tax credit awards and tax-exempt bonds from TCAC and CDLAC, respectively. This is no longer a certainty in today's competitive tax-credit environment. However, the TNDC team has worked diligently over the last several months to craft financing structures that maximize CDLAC and TCAC scoring. TNDC has engaged investors/lenders early to both mitigate risk and to position the syndications as best as possible for competitive pricing and terms. If a syndication does not receive an allocation in this round, TNDC will reapply for the next round. (See Section 3: Scattered Site Syndications, and Table 1: Timetable and Milestones for more information.)

2) **Rehab construction risk:** The construction market is unpredictable and the scope/architectural drawings and construction budgets for the Receiver Properties are not yet in their final state (the CR team has, however, preliminarily approved the scopes and budgets). As a condition of the close of bond financing in June 2021, the Sponsor will provide final costs and scopes of work through general

contractor contracts to ensure the highest possible quality of capital improvements for each property and the efficient use of resources. The syndications and construction projects have been underwritten with appropriate contingencies and escalation to allow for pricing increases. (See Section 4: Construction Scopes, Budgets, and Schedules for details.)

The MOHCD Construction Representative (CR) and Asset Management teams will be reviewing the construction work ongoing to ensure delivery according to contracts and schedules. Further, the Note will be structured to address specific line items in the Receiver Properties' construction contracts and will be reduced with the completion of these portions of the work. This will serve to mitigate the risk that construction will not be completed as agreed. (See Section 1.4: Securing Excess Proceeds for details.)

The Resource Property (Turk & Eddy) construction was fully scoped as of November 2019. In the intervening months since the accompanying budget was solidified, however, the financial markets have been shifting, making it difficult to assess the gap loan amount. The budget (see Attachment B: Turk & Eddy proforma), which has been approved by the MOHCD CR team, incorporates escalation and contingencies to mitigate the risk of cost overruns. The Sponsor will provide the construction contract, to be approved by the CR team, concurrent with the execution of the Note and City subordination to the new senior loan (closing scheduled for October 30, 2020). The MOHCD CR and Asset Management teams will approve withdrawals from replacement reserves for this work to ensure delivery of the work. Walker-Dunlop (the Freddie Mac loan servicer) also inspects and approves the seismic upgrade. (See Section 2.4: Turk & Eddy Physical Needs for details.) The Sponsor will also deliver approved project pay apps/draws and final permits as a condition of the reconveyance of the Note and Deed of Trust.

In the event of increased costs with the final contracts, the Sponsor will not come back to the City for additional financing. Instead, more Excess Proceeds will be applied to Phase I, as necessary, and less to Phase II (see Section 1: Structure of Proposed Transactions for details).

Covid-19 may pose challenges for relocations in projects, which all require occupied rehabilitation. TNDC has provided significantly complete relocation plans with budgets (approved by the CR team), but they were drafted primarily before the start of the Covid-19 pandemic. Since May, TNDC has successfully adopted the Department of Public Health Covid-19 guidelines at the sites and conducted exploratory demolition without incident. The Sponsor is confident that the experienced contractors they have engaged will be able to carry out the occupied rehabs within the health guidelines and without delays that would impact the timelines and budget. In advance of the close of bond financing the Sponsor will provide updated plans with Covid-19 protocols for the MOHCD staff to review. In the event of relocation budget increases, the remainder of funds held in contingency for Phase II will be applied to Phase I. (See Section 4: Construction Scopes, Budgets and Schedules for details.)

3) **Financial implications of Covid-19**: TNDC and MOHCD teams acknowledge there may be risks to the Reinvestment Project due to Covid-19. However, TNDC anticipates minimal impacts due to the pandemic. TNDC projects that strong scattered sites pairings and conservative underwriting assumptions will mitigate the potential financial and tax credit impacts for the syndications. TNDC is closely following equity pricing and interest rates with California Housing Partnership Corporation (CHPC), the Reinvestment Project financial consultant, and investor and lender partners. They are currently underwriting Phase I projects at $.95 LIHTC pricing and $.85 historic tax credit pricing, which they are confident is realistic based on the current market and assumptions about the economy and interest rates in the context of Covid-19, and also in alignment with TNDC's current portfolio project underwritings. (See Section 3.3 for more details).

Further, the Receiver properties and the syndications project healthy financial positions, regardless of Covid-19, given the secure rental assistance programs attached to the properties and the stable fixed incomes of the residents (see Section 3 for more details).

Financing for Turk & Eddy is not at risk due to Covid-19 and has been preliminarily secured. Due to 100% Project Based Section 8 financing and stable rent collections from residents on fixed incomes, the Property is financially secure and able to make debt service and ground lease payments and reserve deposits for the long term, regardless of the pandemic (see Section 2.1 for more details).

Shelter-in-place conditions for residents and Covid-19 related adaptations for crews may also affect construction schedules, with delays potentially increasing costs. The Sponsor, in conjunction with experienced contractors and relocation experts has built mitigations into the plans and timelines. As necessary, the Sponsor will be providing updated plans as a condition of the close of bond financing to ensure timeliness and budget management.

4) **Sponsor capacity:** The Reinvestment Project is a multi-dimensional, large scale project involving five properties. With a refinance, two syndications yet to be closed, and several lender and jurisdictional approvals pending, this will be one of the most complex projects in the TNDC portfolio. TNDC demonstrates that it has the financial and staff capacity to manage the complexities and potential financial risks. TNDC has a healthy balance sheet position, strong governance, and the ability to leverage its assets and attract investors. The TNDC team has engaged financing consultants, all familiar to MOHCD staff as experts in their respective fields, to support their assumptions and financing plans. The CCSF Human Services Department audit verifies that TNDC has satisfied fiscal and governance compliance (see Attachment K: CCSF Human Services Agency audit letter dated May 23, 2019).

In terms of project management and construction management, TNDC has demonstrated its capacity to manage several large scale occupied rehabs simultaneously (most recently five RAD projects in 2016-2019). The TNDC team is using consultants they have used in other successful occupied rehab projects. TNDC is devoting expert internal staff and significant portions of their time. These staff are very familiar with the Reinvestment Project and have many years of experience. The MOHCD staff is confident that the Sponsor has allocated the appropriate level of staff to the projects. The CR team will be reviewing the work as it progresses to ensure delivery of the completed scope (see Section 5: Sponsor Capacity for more information; see Attachment G: Sponsor Qualifications and Assignments.)

1. STRUCTURE OF PROPOSED TRANSACTIONS

1.1. Portfolio-wide Analysis – Reinvestment Project

TNDC has undertaken an analysis of its existing portfolio – informed by seismic assessments, third party capital needs assessments, and physical needs analyses (PNA) – to identify Receiver Properties with the greatest capital needs and to develop financing strategies to address these needs by utilizing Resource Properties with the most capacity to leverage financing. The resulting Reinvestment Project encompasses two phases and ten properties identified to date (see Table 1: Timetable and Milestones). Phase I, encompassing one Resource and four Receiver Properties, is the subject of this Request.

MOHCD staff plans to return to the Loan Committee in early 2021 with a request for a Waiver for Phase II once due diligence and underwriting for the Resource and Receiver Properties are complete.

1.2. Resource Property Refinance and Excess Proceeds

Phase I features Turk & Eddy as the Resource Property, which is being refinanced with a Freddie Mac loan with a principal amount of approximately $17,750,000. After repayment of the commercial loan, financing costs, and capitalizing its replacement reserves, Turk & Eddy will generate Excess Proceeds of approximately $14.1MM. These funds will be allocated to fill the gap in financing for capital needs at four Receiver Properties.

1.3. Receiver Properties Excess Proceeds Allocations

Four Receiver Properties have been paired in two scattered sites syndications: Yosemite Apartments (“Yosemite”)/ Folsom Dore Apartments (“Folsom Dore”) and Ambassador Hotel (“Ambassador”)/Ritz Hotel (“Ritz”). Of the $14.1MM in Excess Proceeds, $10.5MM will be allocated to Phase I for essential, specifically identified scope items at each Property: $7MM to Yosemite-Folsom Dore and $3.5MM to Ambassador-Ritz. The CR team will approve the specific portions of the work, and the City Attorney will work with MOHCD Asset Management staff to document the specific scope items with the Note. The remainder of $3.5MM is reserved as Phase I contingency and for Phase II gap financing currently projected for rehab work at Plaza Ramona. (See Table 1: Timeline and Milestones, Table 2: Resource Property Refinancing Sources and Uses, and Section 3: Scattered Sites Syndications.)

Table 1: Timetable and Milestones

Property	Tax Credit application	Closing date	Anticipated construction completion dates	Note maturity date
PHASE I (this Request)				
Turk & Eddy refinance/rehab -- Note #1 (Resource)	N/A	Freddie Mac October 2020	June 2021 (permit priority status letter issued by MOHCD August 2020)	
Yosemite + Folsom Dore -- rehab/syndication (Receiver)	4% LIHTC, Historic Tax Credits, applying Sept 2020; award expected Dec 2020	Bond financing April 2021	October 2022	October 2025
Ambassador + Ritz -- rehab/resyndication (Receiver)	Hybrid 4%/9% -- 4% applying Sept 2020; 9% applied July 2020; Historic Tax Credits; award expected Dec 2020	Bond financing June 2021	December 2022	October 2025
PHASE II (subject to subsequent request/Loan Committee approval)				
Antonia Manor Apartments- Note #2 -- resyndication/refinance/ rehab (proposed Resource)	4%, Historic Tax Credits, applying May 2021; award expected Sept 2021	Bond financing December 2021	June 2023	December 2026
Plaza Ramona -- rehab/syndication/rehab, Phase I + Phase II Excess Proceeds (proposed Receiver)	4%, Historic Tax Credits, applying Jan 2021; award June 2022	Bond financing September 2022	December 2023	October 2025 (Note #1 assuming funds available from Phase I)
Sierra Madre -- rehab/syndication (proposed Receiver)	4%, Historic Tax Credits, applying Jan 2021; award June 2022	Bond financing September 2022	December 2023	September 2027 (Note #2)
Additional Resource Property and Receiver Properties -- rehab/syndications		TBD	TBD	TBD (Note #2)

* *Plaza Ramona is slated to receive Excess Proceeds from both Phase I and Phase II Resource Properties. MOHCD staff will monitor each portion allotted to Plaza Ramona from respective phase promissory notes.*

1.4. Securing Excess Proceeds

Upon close of Turk & Eddy's refinance, MOHCD and TNDC will execute a Note in the amount of the Excess Proceeds secured with a Deed of Trust against Turk & Eddy as the Resource Property. The Note matures five years from the date of execution and establishes a five-year timeline for completion of rehab projects for Receiver Properties (four for Phase I and one for Phase II). The Excess Proceeds will be held in a segregated account ("Reinvestment Account"). The Note shall be reduced proportionately, corresponding to the Sponsor's withdrawals from the Reinvestment Account and completion of identified, pre-approved essential portions of rehabilitation/ improvements at Receiver Properties. These portions will be memorialized by the Letter Agreement accompanying the Note, and completion of said portions will be verified through contractor pay apps and the CR team reviews. The Deed of Trust will then be reconveyed upon completion of the identified work. The City Attorney office has approved this form of security and monitoring and will work with MOHCD staff to draft the Note and Letter Agreement.

If the rehabilitation projects are not completed and funds not drawn down within the five-year period, MOHCD may exercise its authority to designate funds to gap financing for other properties in need of rehab in the Sponsor's portfolio or otherwise recapture the remaining funds to be used for other lending.

2. TURK & EDDY APARTMENTS – RESOURCE PROPERTY

2.1. Property description and status

Turk & Eddy Apartments ("Turk & Eddy," this "Resource Property") comprises two buildings totaling 82 units for seniors. Turk & Eddy is fully subsidized with Project Based Section 8. Income levels are restricted to 50% area median income (AMI). TNDC acquired the Property in 2007. The two buildings, built in 1923 and 1925 respectively, underwent a moderate rehab in 2010.

MOHCD due diligence confirms that Turk & Eddy is well positioned to serve as a Resource Property. MOHCD Asset Management staff has approved the 2019 Annual Monitoring Report (AMR), finding the Property in compliance with the requirements of the City's agreements, including affordability and maximum rent restrictions, reserves, and insurance. Financial management has been consistently excellent with steady income and expenses and positive trends and low vacancy from 2014 through 2019. The Sponsor has made the required ground lease rent payments to the City as well as required deposits to operating and replacement reserves each year. Management fees comply with MOHCD policy. The operating budget provided by TNDC projects healthy financial performance for the next 20 years, complies with our underwriting guidelines for debt service coverage ratio (DSCR) (see Attachment A: 1st year Operating Budget and Attachment B: 20-year cash flow proforma).

2.2. MOHCD financing and ground lease

Turk & Eddy is financed with a Tax Increment loan with current principal balance of $1,266,302 and accrued interest of approximately $2.4MM. Loan payments are through residual receipts, with a 3% interest rate. The loan matures November 17, 2064. The Borrower is Turk & Eddy Associates, L.P., an affiliate of TNDC (see Attachment H: Borrower Org Chart). The loan will be amended concurrent with the close of the refinance to integrate the current MOHCD Residual Receipts Policy and extend the term and affordability restrictions.

The Turk & Eddy Associates, L.P. leases the land from the City. The ground lease has a 55-year term ground lease that began on November 2009 and is set to expire in 2064. The lease has an option to extend its term to 44 more years. The ground lease requires annual $15K base rent and $325K residual rent (payable to the extent there is surplus cash available and does not accrue). The Sponsor has made annual residual receipts payments and will continue to do so following the refinance.

Turk & Eddy is being refinanced with a Freddie Mac loan. This loan requires the ground lease to be amended to incorporate certain standard mortgage protections.[1] The Board of Supervisors approved the resolution to amend (February 4, 2020), and the City and the Sponsor will sign the amendment with the close of the Freddie Mac loan (October 2020) and subordination of the City loan. The amended ground lease incorporates all material terms and conditions of the original lease and provisions that are consistent with current MOHCD policies. As with the original ground lease, payments are made to the extent that surplus cash is available, and unpaid rent does not accrue.

2.3. Sources and Uses

This Resource Property is being refinanced with a senior position Freddie Mac loan, with proposed principal of approximately $17,750,000, for a term of 30 years at 4% interest. The new loan is scheduled to close by October 30, 2020. After paying off the existing commercial Citibank loan (with a 7% interest rate) and capitalizing reserves, the refinance will provide Excess Proceeds of up to $14.1MM to be allocated to the Receiver Properties' syndications for gap financing.

Turk & Eddy will continue to deliver residual rent payments on the ground lease after the refinancing. The 20-year cash flow illustrates positive cash flow with a positive replacement reserve running balance through 2034 when TNDC anticipates resyndicating (see Attachment B: Turk & Eddy 20-Year Cash Flow).

[1] The Turk & Eddy ground lease amendment incorporates lender protections, including prohibiting the City from encumbering its fee interest; permitting Freddie Mac one transfer post-foreclosure without the City's consent provided the transfer is to a borrower controlled by a California non-profit and they elect to keep the income restrictions in place; and limits the liability of a foreclosing lender and releases the lender from any acts or omissions of the borrower pre-foreclosure.

This Reinvestment Waiver is not conditioned on repayment of the existing Tax Increment loan (First Amendment 2009). Concurrent with the close of the Freddie Mac refinance, execution of the Note, and MOHCD subordination, the Declaration of Restrictions will be amended to extend affordability and the loan amended to incorporate current MOHCD residual receipts, operating fees, and reserves policies. (Table 2 below summarizes the Turk & Eddy Sources and Uses.)

Table 2: Turk & Eddy Sources and Uses

Permanent Sources	**Amount**	**Per Unit**	**Remarks**
New Freddie Mac Permanent Loan	$17,750,000	$216,463	40-year loan; closing pending MOHCD Loan Committee
Existing CCSF Tax Increment Loan	$2,393,704	$29,192	55 yrs@AFR; to be amended/extended
Existing AHP Loan	$530,000	$6,463	To be restructured
Existing HUD-Held Residual Receipts	$1,400,000	$17,073	Approved by HUD
Turk & Eddy Residual Receipts (existing 2019)	$253,081	$3,086	Approved by MOHCD for deposit to Replacement Reserves
Turk & Eddy Replacement Reserves (existing)	$113,620	$1,386	Approved by MOHCD
Total	**$22,440,405**	$273,663	
Permanent Uses	**Amount**	**Per Unit**	
Total Acquisition	$6,111,865	$74,535	
Existing Perm Loan Payoff and Fees	*$3,188,161*	*$38,880*	
Existing CCSF TI Loan	*$2,393,704*	*$29,192*	
Existing AHP Loan	*$530,000*	*$6,463*	
Reserves	$55,706	$679	
Developer Fee	$0	$0	
Construction Costs - Turk & Eddy	$2,224,276	$27,125	
Hard Costs -T&E Seismic/Cap Imprvmts	*$1,902,471*	*$23,201*	
Soft Costs - T&E Seismic/Cap Imprvmts	*$321,805*	*$3,924*	
Excess Proceeds allocated to Receiver Properties	$14,048,558	$171,324	
Rehab - Yosemite/Folsom Dore	*$7,000,000*		
Rehab - Ambassador/Ritz	*$3,500,000*		
Rehab - Phase II	*$3,548,558*		
Total	**$22,440,405**	$273,663	
Units - Turk & Eddy	82		

2.4. Physical needs

The buildings at Turk & Eddy are nearly 100 years old. They underwent a partial rehab in 2010 after the Sponsor acquired the Property in 2007. According to the July 2020 PNA, the Property is in need of immediate capital improvements valued at $819K. The work entails fire sprinkler and alarm system upgrades for all residential units, heating and domestic hot water systems and plumbing upgrades, roof and window replacement, electrical upgrades, and extensive accessibility upgrades, among other improvements. The Freddie Mac loan also requires that the Property undergo a major seismic upgrade.

The rehab work and the seismic upgrade are fully scoped by architect/engineer and budgeted by a general contractor. The construction budget includes offsite relocation. In December 2019, the CR team reviewed and approved the seismic report/budget and the general contractor's assessment and budget for additional work. (The general contractor is D&H, the same one that has worked on the recent successful RAD projects.) The CR team found the costs to be comparable to similarly scaled projects in the MOHCD portfolio. As a condition of subordination to senior financing (closing in October 2020), the Sponsor will provide updated materials and a final construction contract which the CR team will review again for feasibility. (See Attachment F: Comparison of City Investment in Other Housing Developments.)

The rehab work is scheduled to start in early 2021 and be complete by the end of that year. Should costs of the essential elements of the rehab go over the expected budget, the Sponsor will utilize more of the contingency funding from the Phase I Excess Proceeds from the Turk & Eddy refinance and less for Phase II of the Reinvestment Project. With additional cost assessments the work may be spread out over a longer period to utilize the capitalized replacement reserves. In August 2020, the MOHCD CR team issued a letter confirming City Priority Permit Status for the purposes of expedited processing of permits by DBI and other permitting agencies.

2.5. Replacement Reserves

Proceeds of the refinance will capitalize the Turk & Eddy replacement reserves to fund the immediate rehab work in 2020-2021. The Sponsor is allocating the 2019 owner share of residual receipts to make an additional deposit to the replacement reserves for the rehab. An additional source will be the balance ($1.4MM) of a HUD-required residual reserve account. HUD has already approved the deposit of these funds into the replacement reserves to fund the seismic work.[2]

[2] Prior to July 1, 2019 the Turk&Eddy Section 8 contract was an Option 4 Limited Distribution contract with surplus distributions limited to $97,000. GP Asset Management fee, GP Incentive Management fee, City ground rent and soft debt residual receipt payments were limited in total to that $97k. HUD required surplus cash deposits over that limited amount to be deposited into a HUD-controlled Residual Receipt account with the funds restricted to the property. The account accumulated approximately $1.4 MM. July, 1 2019 was the effective date of contract conversion to an Option 1

The Freddie Mac loan requires a $36,900 annual Replacement Reserve deposit. MOHCD staff has approved additional annual deposits of $53,100, based on its review of the Property Condition Report/Lender Analysis (Walker-Dunlop, March 2019) and PNA (July 2020), for a total annual deposit of $90,000. These deposits ensure a positive replacement reserve balance each year through 2034 (see Attachment B: Turk & Eddy 20-year cash flow).

The Sponsor will provide MOHCD staff with quarterly updates of the rehab and seismic construction work, and MOHCD asset managers will approve withdrawals from replacement reserves associated with the work stages. The Sponsor will also provide a post-rehab PNA and reserves study to confirm completion of the scope and any remaining work yet to be completed using the replacement reserves. The senior lender is also closely monitoring this work, particularly the seismic upgrade it has required.

3. SCATTERED SITES SYNDICATIONS – RECEIVER PROPERTIES

The respective syndications pair Yosemite Apartments with Folsom Dore Apartments and the Ambassador Hotel with the Ritz Hotel. For full Receiver Property descriptions, see Attachment I: Property Descriptions.

3.1. Yosemite-Folsom Dore

3.1.1. Scattered sites tax credits

Yosemite and Folsom Dore will be combined in a scattered sites 4% tax credit project to increase the competitiveness for TCAC and CDLAC funding. A scattered sites project also alleviates the CDLAC bond cap constraint Yosemite would have encountered if it had applied as a standalone 4% project. TNDC will apply for 4% tax credits and tax-exempt bonds in September 2020. TNDC will also leverage historic tax credits. TNDC anticipates receiving an award from CDLAC/TCAC in December 2020. Bond financing will close by April 2021 assuming an award from the September application.

3.1.2. Excess Proceeds for gap financing

The Turk & Eddy refinancing Excess Proceeds provides approximately $7MM as a source for gap for the Yosemite-Folsom Dore syndication and rehabs. The syndication is also funded through $1.8MM in excess proceeds from the syndication of O'Farrell Towers (approved by Loan Committee July 19, 2019, for Yosemite pre-development).

Mark-up-to-Market Section 8, with no cap on surplus distributions. HUD has approved the use of the accumulated residual receipts in Turk-Eddy seismic retrofit.

3.1.3. Combined Budgets

The combined budget projects a healthy financial performance for the next twenty years, realizing sufficient NOI to adequately fund the respective properties' reserves and generate positive cash flow. The Sponsor has conservatively underwritten the syndication, and the Covid-19 pandemic should have little if any impact on the financial status of these properties. Yosemite generates modest surplus cash each year due to partial Project Based Section 8 and Section 8 vouchers. Folsom Dore generates substantial surplus cash with Project Based Section 8 rental assistance, Shelter+Care subsidies, and households with Section 8 portable vouchers. Residents in both properties primarily earn fixed incomes providing stable rent collections. (See Attachment C: Yosemite-Folsom Dore syndication 20-year proforma and Attachment E: Syndications Sources and Uses: Yosemite-Folsom Dore and Ambassador-Ritz.) Folsom Dore may be able to absorb the debt of a City PASS loan. As a condition for the close of the bond financing, the Sponsor will evaluate the feasibility of utilizing this financing rather than of utilizing the Excess Proceeds from the Turk&Eddy refinance.

3.2. Ambassador-Ritz

3.2.1. Scattered sites tax credits

Ambassador-Ritz is a scattered sites syndication utilizing a hybrid tax credit structure, including both 4% acquisition rehab credits and a 9% tax credit allocation of the City and County of San Francisco's geographic set aside. TNDC decided to pursue this structure because the 9% allocation does not fully fund the level of rehabilitation required while a hybrid structure allows the project to leverage additional 4% tax-credit equity to cover the full cost. TNDC received approval from TCAC staff to move forward with the hybrid structure and applied for 9% tax credits on July 1, 2020 and will apply for 4% tax credits in September 2020, with the award anticipated in December 2020. The Sponsor has already engaged US Bank as the intended investor interested in this optimal structure, and retained legal counsel familiar with this financing structure.

3.2.2. Air rights subdivision

The hybrid financing structure requires an air rights subdivision for Ambassador in order to split the property into separate parcels, each for the 9% and 4% components. The execution of the subdivision is underway, and will be completed as a condition of the close of financing in order to access tax credits. TNDC has conferred with TCAC about the subdivision since it involves division of an existing regulated TCAC property, and the Sponsor has followed their direction on the appropriate physical split strategy. TNDC has engaged a fair housing attorney to ensure the subdivision meets Fair Housing requirements and does not present risks. TNDC has also worked closely with the investor and their tax attorney to develop the physical split strategy to minimize their risk. Finally, TNDC engaged a civil engineer – Luk and Associates – that has deep experience with air rights parcelization in San Francisco to complete the proposed split documents and application to SF Department of Public Works (DPW)/Bureau of Street Management (BSM). TNDC has been preparing for the application for several months as they are aware that approval can take up to a year (see Pending Approvals).

3.2.3. Additional financing

In addition to tax credits, the syndication is funded through historic tax credits and excess proceeds from the syndication of O'Farrell Towers (approved by Loan Committee July 2019). TNDC is also expecting to utilize approximately $4.43MM of surplus cash from the Ritz that MOHCD authorized the Sponsor to set aside in a special replacement reserve from years 2018 through 2021. This will require California Department of Housing and Community Development (HCD) approval, which TNDC expects to obtain based on previous years' approvals (see Pending Approvals). In the event HCD does not approve the release of the surplus cash, TNDC has agreed to utilize its own equity as a financing source.

The Federal Home Loan Bank (FHLB) Affordable Housing Program (AHP) loan on Ambassador represents a $1.25MM permanent source for the syndication. The Sponsor must apply by March 2021 to renew this funding. TNDC is confident of receiving this funding given the target population of formerly homeless people. In the event the application is not successful**,** TNDC will apply again in March 2022. In the event this fails, the Sponsor will seek MOHCD approval to allocate more of the Turk & Eddy Excess Proceeds to Ambassador-Ritz with a lower allocation for Phase II (see Pending Approvals). The Turk & Eddy refinancing Excess Proceeds provides approximately $3.5MM as a source for gap financing for the Ambassador-Ritz syndication and rehabs (see Attachment E: Sources and Uses.)

3.2.4. Combined budgets

The combined budget projects a healthy financial performance for the next 20 years, realizing sufficient NOI to adequately fund reserve accounts and generate positive cash flow. The Sponsor has underwritten the syndication with contingencies and escalations built in, and determined that Covid-19 should have little if any impact on the financial status of these properties. Together the properties generate substantial surplus cash owing to stable rental assistance program subsidies and secure rent collection revenues due to the fixed incomes of the resident populations. (See Attachment D: Ambassador-Ritz syndication 20-year proforma; see Attachment I: Property Descriptions.)

3.3. Restructuring existing City debt

Proceeds from the Turk & Eddy refinance will not be utilized to pay off the existing City debt on Receiver Properties. These existing loans will be recast in the name of the syndication entities in advance of the financing close. The debt restructuring extends affordability restrictions to 55 years. MOHCD staff has delegated authority to restructure debt so long as there is no forgiveness involved.

With regard to the Ritz, two forgivable loans have accrued and deferred interest in a combined amount that exceeds the value of the property and must be restructured and partially forgiven to facilitate the proposed tax exempt bond and 4% LIHTC financing. Pending an award of private activity bonds, staff will return to the Loan Committee for approval of debt restructuring in conformance with existing MOHCD policy, and partial forgiveness on the following forgivable loans (see Pending Approvals):

- CDBG/Community Housing Rehabilitation Program (CHRP) -- $4.4MM in accrued interest proposed to be fully written down, remaining balance to be restructured as payable from residual receipts at a rate of up to 3% or the AFR.
- CDBG/Urban Development Action Grant (UDAG) -- $20MM-22MM of $30MM in accrued/deferred interest proposed to be written down, remaining amount restructured as payable from residual receipts at a rate of up to 3% or the AFR.

The proposed debt restructuring will preserve the City's existing investments in the Property to the maximum extent possible, minimize seller carry back financing, and leverage new debt and equity to recapitalize and secure affordability for the long term. (See Attachment E: Syndication/Receiver Properties Sources and Uses.)

3.4. Tax credit pricing

TNDC is closely following equity pricing and interest rates with CHPC and investor and lender partners. They are currently underwriting the syndications at $.95 LIHTC pricing and $.85 historic tax credit pricing, which TNDC is confident is realistic pricing, confirmed by CHPC, based on the current market and the internal rate of return requirements quoted by investors when compared to TNDC's current project underwritings.

4. CONSTRUCTION SCOPES, BUDGETS AND SCHEDULES

TNDC has designated the portions of Excess Proceeds to respective Receiver Properties based on current due diligence findings and budget projections. With final underwriting for the syndications, the Sponsor will provide final general contractor budgets as a condition for the City's issuance of bond financing.

4.1. Scopes and schedule

The construction has been fully scoped by a general contractor for Yosemite and scoped through 75% construction documents for Ambassador and Ritz; Folsom Dore currently has a concept scope (construction documents due October 2020). The Sponsor has provided 20-year PNAs for each property with replacement reserve running balances. The MOHCD CR team has reviewed and approved the scopes and budgets at this stage and endorses the approval of the Waiver. The Sponsor has begun pre-development work for Yosemite (funded through the excess proceeds generated by the O'Farrell Towers project, approved by the Loan Committee July 2019, and cited as a source for the syndication.)

As a condition of the close of financing, the Sponsor will provide full scopes and final construction budgets and contracts, final relocations plans, and projected post-rehab PNAs for the review and approval of MOHCD CR staff. The summary scopes of work and cost comparisons with similar projects in the MOHCD portfolio are found in Attachment F: Comparison of City Investment in Other Housing Developments. The MOHCD CR team has preliminarily confirmed that the respective Properties' construction costs compare favorably to other seismic upgrades/substantial rehabs of similar scale recently funded in the MOHCD portfolio.[3]

Work is scheduled to begin for Yosemite and Folsom Dore in Q2 2021 and Ambassador and Ritz in Q3 2021 with all construction projects scheduled to be completed by December 2022. The Note matures with a five-year term requiring completion of all rehabs by October 2025. (See Table 1: Timetable and Milestones.)

4.2. <u>Allocations of Excess Proceeds</u>

The Excess Proceeds will be allocated to specific line items of the final construction budgets in the amounts of $7MM for Yosemite-Folsom Dore and $3.5MM for Ambassador-Ritz. MOHCD staff and the TNDC team will agree to the specific portions of the work with a timeline for completion as a condition of the execution of the Note. Once the specified work is complete, and signed off by the CR team, the Note will be reduced accordingly.

Table 3 below illustrates the Receiver Properties, the rehab needs and costs, and portions of the Excess Proceeds allocated as gap.

[3] The CR team evaluation is based on comparisons to recent RAD projects and also takes into consideration that the TNDC properties have been better maintained than the SFHA properties.

Table 3: Receiver Property Descriptions and Allocated Excess Proceeds

Receiver Property	Property Description	Needs	Seismic & Rehab Costs	Gap/Excess Proceeds Allocated
Yosemite Apartments, 480 Eddy Street (syndicated with Folsom Dore)	32 studio units with one commercial space; built in 1924, on the National Register of Historic Places; 50% and 80% AMI; Partial Section 8. TNDC acquired the building in 1983. Incremental capital improvements over 35 years.	Major seismic, substantial rehab, life safety, accessibility upgrades, unit and common area upgrades	$11,150,000	$7,000,000
Folsom Dore Apartments, 1340 Folsom Street (syndicated with Yosemite)	98-units with 74 restricted for special needs households; partial LOSP subsidy; 50% and 80% AMI. Built by Citizens Housing Corp in 2005 in partnership with TNDC, acquired by TNDC in 2009 when TNDC bought out Citizens	Moderate rehab and accessibility and unit upgrades	$4,000,000	
Ambassador Hotel, 55 Mason Street (syndicated with Ritz)	134-unit SRO serving formerly homeless, five commercial spaces. Built in 1922 and on the National Register of Historic Places; 50% AMI; acquired 1998 by TNDC; substantially rehabbed in 2003.	Major seismic, substantial rehab, life safety, accessibility upgrades, unit and common area upgrades	$19,300,000	$3,500,000
Ritz Hotel, 216 Eddy Street (syndicated with Ambassador)	89-unit SRO serving formerly homeless, with four commercial spaces; 50% AMI; 100% Section 8. Built in 1928 and on the National Register of Historic Places. Acquired by TNDC in 1991 with substantial rehab; additional substantial rehab in 2009.	Major seismic, substantial rehab, life safety, accessibility upgrades, unit and common area upgrades	$9,840,000	

4.3. Relocation

Turk & Eddy and each of the four Receiver Property rehabs will require temporary resident relocation during construction. TNDC procured a third-party consultant to complete the TCAC-compliant initial relocation plans and budgets. TNDC plans to utilize its in-house relocation team of three fulltime staff to handle the resident interviews, planning, and execution of the relocation prior to and during construction. Residents will be relocated to off-site units on the private market (in some cases, short-term residency in hotels), off-site units in TNDC's buildings, and/or on-site in vacant units as part of a phased construction plan.

The Sponsor has incorporated robust relocation budgets, which include all planning-related expenses, off-site unit rental costs, moving costs, resident benefits costs, and other related administrative expenses. The MOHCD CR team has preliminarily reviewed and approved these plans and budgets. Though these plans were drafted before the Covid-19 pandemic, since May 2020 TNDC has successfully adopted the Department of Public Health (DPH) Covid-19 guidelines for exploratory demolition without incident. The Sponsor is confident that the experienced contractors they have engaged will be able to carry out the occupied rehabs within the health guidelines and without additional costs or delays that would impact the timeline and budget. In advance of the close of bond financing, the Sponsor will provide updated plans with Covid-19 protocols for the MOHCD staff to review. These must comply with TCAC/CDLAC and DPH requirements. In the event costs of updated plans have risen from the original relocation budgets, the remainder of funds held in contingency for Phase II will be applied to Phase I.

4.4. MOHCD Construction Monitoring

The CR team will monitor progress of the full scopes of work for construction at Receiver Properties as part of compliance for the syndications, and in alignment with the PNAs and the construction contracts. (The construction lenders also monitor.) The CR team will also focus its reviews on the specific line items identified in the construction budgets that pertain to the specific allocations of the Excess Proceeds as described by the Note. The City Attorney has approved this mechanism for monitoring the work.

The Sponsor will provide new PNAs at completion of the full scope of these Receiver Property construction projects. The Sponsor will also deliver approved project pay apps/draws as evidence of the completed work and final permits as a condition of the reconveyance of the Note and Deed of Trust.

For Turk & Eddy, MOHCD Asset Management and CR staff will monitor the withdrawals from replacement reserves as they correspond to portions of the work completed. The Sponsor will provide a post-rehab RULA, and copies of pay apps and signed off permits as evidence of completion. Walker-Dunlop, the servicer of the Freddie Mac loan, will also be closely monitoring the seismic upgrade (which is a condition of the refinance loan) and providing reports to MOHCD.

5. SPONSOR CAPACITY

5.1. Track record

TNDC has 35 years of experience developing both family and supportive housing in San Francisco. TNDC has 42 developments in its portfolio and 17 are in the pipeline, with 75 to 120 units per project. TNDC has extensive experience with occupied rehab tax credit projects, having completed five RAD projects between 2016 and 2019 and having completed the recent acquisition and occupied rehabilitation of 270 Turk (non-tax credit).

The Phase I Reinvestment Project is similar in size, complexity, and scope to the RAD projects short of the historic preservation element with historic tax credits, the scattered sites nature of the projects, and the subdivision of the Ambassador as a hybrid 4%/9%.

For the historic preservation component, TNDC is drawing on their historic preservation experience at the Kelly Cullen Community/YMCA project which utilized historic tax credits. TNDC is using the same historic architect consultant to both guide the preservation scope and to negotiate early with the State Historic Preservation Office (SHPO).

5.2. Financial

TNDC has a strong balance sheet and consistently utilizes its own working capital line to fund predevelopment activities across its pipeline. TNDC is being particularly creative in its approach to financing the Reinvestment Project, including use of working capital as a predevelopment bridge source, use of other TNDC project resources (e.g. mobilizing the Alexander Residence unrestricted reserve as a permanent funding source for the Ambassador-Ritz), and use of the O'Farrell Towers excess proceeds as a permanent source for both syndications.

TNDC has recognized the limited new funding sources for portfolio recapitalization projects at both the local and state level, so it has sought out funding via leveraging its own portfolio assets and resources. In addition to the use of working capital and other project funding sources (reserves, etc.), TNDC has also successfully leveraged HUD-held residual receipts at the Turk & Eddy property for its own seismic upgrade, and successfully leveraged use of surplus cash flow as a development source for the Ritz that would otherwise go to HCD. TNDC uses its strong relationships with funding partners such as HUD and HCD to successfully negotiate and leverage these assets and funding sources.

TNDC utilizes a seasoned team of third-party financial consultants to create its financing plans. In this case, TNDC has engaged CHPC and their tax attorney, Gubb & Barshay, early to work out the details of the financing structure. The MOHCD staff is familiar with these consultants and recognizes them as experts in their respective fields who will minimize risks.

In addition, the City and County of San Francisco (CCSF) Human Services Department audit verifies that TNDC has satisfied fiscal and governance compliance (see Attachment K: CCSF Human Services Agency audit letter dated May 23, 2019).

5.3. Ability to attract investors

TNDC recognizes that Phase I (Ambassador-Ritz hybrid 4%/9% scattered sites and Yosemite-Folsom Dore 4% scattered sites) is not a straightforward deal from a lender and investor standpoint. Therefore, the Sponsor is utilizing its existing stable of lender and investor relationships, which range from both for-profit banks (US Bank, Bank of America, Wells Fargo, Silicon Valley Bank, etc.) and syndicators to non-profit syndications and community development lending institutions (LISC, Enterprise, CCRC, etc.). They are onboarding lenders and investors early. TNDC has negotiated with US Bank to be provisionally selected as the tax credit investor and lender on the Ambassador-Ritz project and has worked closely with them to develop the appropriate air rights parcelization in consultation with their tax attorney. These strategies have been imperative to reducing risk for both TNDC and US Bank, ultimately delivering the best pricing and terms for the syndication. TNDC is engaging investors and lenders for the Yosemite-Folsom Dore in similar ways.

5.4. Project and Construction Management

MOHCD staff is confident that TNDC has deployed the appropriate level of skilled staff to this multi-property Reinvestment Project spanning five years. Todd LeFurge (Director of Asset Management), Thomas Lauderbach (Associate Director of Housing Development), and Chris Cummings (Associate Director of Housing Development) are leading the Reinvestment Project, each devoting 10% of their time to it. Five project managers and asset managers have been assigned at 35% of their time. In total three full-time-equivalent employees are committed to the Reinvestment Project through its duration (see Attachment G: Sponsor Qualifications and Assignments).

All assigned TNDC staff have been intimately familiar with these properties for at least the last eighteen months and have been actively engaged with MOHCD staff in developing the Reinvestment Project plan. All TNDC staff have been integrally involved in multiple acquisitions and occupied rehabs financed through tax credits and City gap financing.

In terms of relocation, TNDC has learned from its RAD experience that an in-house relocation team is much more effective than third-party consultants, and they plan to utilize an in-house team to execute these relocation efforts effectively and successfully.

TNDC is also using architects and general contractors for these projects that they have worked with on the RAD projects. They have deep experience with affordable housing rehabilitations that involve occupied buildings and phased resident relocation plans.[4] TNDC is also utilizing two third-party consultant construction managers, each with 35 years in the field and significant experience with multiple TNDC rehab projects.

PENDING APPROVALS

City debt restructuring and forgiveness: All subject Receiver Properties have existing debt that must be recast. The loan amendments will incorporate extended affordability and MOHCD current policies. With regard to certain existing City debt on the Ritz, two forgivable loans have accrued and deferred interest in a combined amount that exceeds the value of the property and must be restructured and partially forgiven to facilitate the proposed tax exempt bond and 4% LIHTC financing. Pending an award of private activity bonds, staff will return to the Loan Committee for approval of debt restructuring in conformance with existing MOHCD policy, and partial forgiveness on the following forgivable loans (see Section 3.3).

The proposed debt restructuring will preserve the City's existing investments in the property to the maximum extent possible, minimize seller carry back financing, and leveraging new debt and equity to recapitalize and secure the project as affordable housing for the long term.

Subdivision approval required for Ambassador: The hybrid financing structure requires approval from SF Department of Public Works (DPW)/Bureau of Street Management (BSM) for an air rights subdivision for Ambassador. The subdivision is required in order to split the property into separate parcels, each for the 9% and 4% components. The execution of the subdivision is underway, and this issue will be resolved as a condition of the close of financing in order to access tax credit allocations (see Section 3.2.1 for more details).

Federal Home Loan Bank (FHLB) Affordable Housing Program (AHP) loans: The Federal Home Loan Bank (FHLB) Affordable Housing Program (AHP) loan on Ambassador represents a $1.25MM permanent source for the syndication. The Sponsor must apply by March 2021 to renew this funding. TNDC is confident of receiving this funding given the target population of formerly homeless people. In the event the application is not successful**,** TNDC will apply again in March 2022. In the event this fails, the Sponsor will seek MOHCD approval to allocate more of the Turk & Eddy Excess

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[4] The Sponsor is following the City's Contract Monitoring Division (CMD) requirements for procurement for the tax credit projects; for the Resource Property, the Sponsor has issued an RFP to specifically solicit locally-based (LBE) and small business (SBE) firms.

Proceeds to Ambassador-Ritz with a lower allocation of proceeds for Phase II (see Section 3.2.3 for more details).

HCD approval to release retained surplus cash: TNDC is expecting to utilize approximately $4.43MM of surplus cash from the Ritz that MOHCD authorized the Sponsor to set aside in a special replacement reserve from years 2018 through 2021. HCD must approve the release of this retained surplus cash as a source for the syndication. TNDC expects to obtain this approval based on previous years' approvals. This will be resolved in advance of close of bond financing. In the unlikely event that TNDC does not receive this approval, TNDC has agreed to utilize its own equity as a financing source. (See Section 3.2.3 for more details.)

CONCLUSIONS AND RECOMMENDATIONS

Staff recommends that the Loan Committee approve TNDC's request for the 100% Cash-Out Reinvestment Waiver for Phase I of the Reinvestment Project. TNDC has done a thorough portfolio analysis, identifying the properties most able to support additional debt and leverage resources to provide funding for those less resourced properties in the portfolio with immediate critical physical needs. The Sponsor and MOHCD staff have conducted extensive diligence to ensure the viability of the project and to mitigate risks, solidify the financing sources, and deliver the seismic upgrades and rehabs on schedule.

The Reinvestment Project and this Waiver:

- Serves to significantly extend the useful life of the properties;
- Allows for the efficient administration and effective use of funds without placing additional burden on MOHCD to tap limited pubic resources to fund essential rehabilitation projects;
- Provides the framework and obligation to restructure the existing City debt while amending agreements to ensure longterm affordability for 432 low-income households.

RECOMMENDED CONDITIONS

- In advance of close of bond financing (April 2021 for Yosemite-Folsom Dore and June 2021 for Ambassador-Ritz), Sponsor to provide or obtain:
  - Final construction contracts for all Receiver Properties
  - Final and MOHCD approved relocation plans with Covid-19 protocols
- Sponsor shall resolve all Pending Approvals in advance of the close of bond financing.
- Sponsor shall evaluate the feasibility of utilizing the City PASS financing for Folsom Dore in lieu of utilizing the Excess Proceeds from the Turk&Eddy refinance.
- In advance of the execution of the Note, projected for October 30, 2020, Sponsor to provide or obtain:
  - Final construction contract for Turk & Eddy seismic upgrade and substantial rehab
- The Sponsor will also deliver approved project pay apps/draws as evidence of the completed work and final permits as a condition of the reconveyance of the Note and Deed of Trust.

LOAN COMMITTEE MODIFICATIONS

Chavez, Rosanna (MYR)

From: Shaw, Eric (MYR)
Sent: Friday, September 18, 2020 2:58 PM
To: Chavez, Rosanna (MYR)
Subject: TNDC Cash Out - Loan Committee

I 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: Wednesday, September 23, 2020 4:00 PM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: Approval of TNDC Reinvestment Waiver

I approve TNDC request for a Reinvestment Waiver to the current MOHCD Cash-Out Acquisition/Rehabilitation, Resyndication, and Refinancing fir the Turk & Eddy Apartments

Tenderloin Neighborhood Development Corporation (TNDC) requests approval of a Reinvestment Waiver to the current MOHCD Cash-Out Acquisition/Rehabilitation, Resyndication, and Refinancing Policy. The Waiver will allow TNDC to leverage the refinance of Turk & Eddy Apartments and reinvest up to $14.1MM as a source of financing for essential rehab, accessibility, and seismic work at four high-priority properties in the TNDC portfolio. In addition, the refinance will provide funding for the significant rehab and seismic upgrade at Turk & Eddy. With this Waiver, MOHCD will contribute its 50% share, or $7MM, of the Excess Proceeds from the refinance cash out to fill the financing gap without the need to initiate new lending. The Waiver ensures the long term physical health of five properties and extends affordability for 432 low-income households.

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, September 18, 2020 11:48 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR); Faust, Holly (MYR)
Subject: 9/18/20 Loan Committee: Agenda Item #3 - TNDC Cash Out Reinvestment Policy Waiver Request

On behalf of Nadia Sesay, I approve the Cash Out Reinvestment Policy waiver request for the TNDC projects that was presented at the 9/18/20 Loan Committee.

Sally Oerth
Deputy Director

OCII office of COMMUNITY INVESTMENT and INFRASTRUCTURE

Chavez, Rosanna (MYR)

From: Van Degna, Anna (CON)
Sent: Friday, September 18, 2020 11:48 AM
To: Chavez, Rosanna (MYR)
Cc: Shaw, Eric (MYR)
Subject: Agenda item #3

Approved

Anna Van Degna
Director, Controller's Office of Public Finance
City & County of San Francisco
1 Dr. Carlton B. Goodlett Place
City Hall, Room 336
San Francisco, CA 94102
Phone: (415) 554-5956
Email: anna.vandegna@sfgov.org

LOAN COMMITTEE RECOMMENDATION

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

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

____ Date: ____________________

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

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

____ Date: ____________________

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

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

____ Date: ____________________

Nadia Sesay, 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. Turk & Eddy Apartments -- 1st Year Operating Budget
B. Turk & Eddy Apartment -- 20-year proforma
C. Yosemite-Folsom Dore syndication - 20-year proforma
D. Ambassador-Ritz syndication -- 20-year proforma
E. Syndication/Receiver Properties Sources and Uses: Yosemite-Folsom Dore and Ambassador-Ritz
F. Comparison of City Investment in Other Housing Developments
G. Sponsor Qualifications and Assignments
H. Borrower Org Chart
I. Property Descriptions
J. MOHCD Cash-Out Acquisition/Rehabilitation, Resyndication, and Refinancing Policy (effective June 19, 2020)
K. CCSF Human Services Agency audit letter, May 23, 2019

Attachment A: 1st Year Operating Budget – Turk & Eddy Apartments

Application Date:	**6/4/2020**	**Project Name:**	**Turk & Eddy Street Apartments**
Total # Units:	**82**	**Project Address:**	**165 & 249 Turk & Eddy St**
First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations):	**2020**	**Project Sponsor:**	**Tenderloin Neighborhood Development Corporation**

INCOME	**Total**	**Comments**	
Residential - Tenant Rents	288,096	Links from 'Existing Proj - Rent Info' Worksheet	
Residential - Tenant Assistance Payments (Non-LOSP)	1,909,884	Links from 'Existing Proj - Rent Info' Worksheet	
Commercial Space	0	0%	
Residential Parking	0	Links from 'Utilities & Other Income' Worksheet	
Miscellaneous Rent Income	0	Links from 'Utilities & Other Income' Worksheet	
Supportive Services Income			
Interest Income - Project Operations	0	Links from 'Utilities & Other Income' Worksheet	
Laundry and Vending	1,404	Links from 'Utilities & Other Income' Worksheet	
Tenant Charges	300	Links from 'Utilities & Other Income' Worksheet	
Miscellaneous Residential Income	3,000	Links from 'Utilities & Other Income' Worksheet	
Other Commercial Income	0	Links from 'Commercial Op. Budget' Worksheet	
Withdrawal from Capitalized Reserve (deposit to operating account)			
Gross Potential Income	**2,202,684**		
Vacancy Loss - Residential - Tenant Rents	(8,643)	Vacancy loss is 3% of Tenant Rents.	
Vacancy Loss - Residential - Tenant Assistance Payments	(57,297)	Vacancy loss is 3% of Tenant Assistance Payments.	
Vacancy Loss - Commercial	0	Links from 'Commercial Op. Budget' Worksheet	
EFFECTIVE GROSS INCOME	**2,136,744**	***PUPA: 26,058***	

OPERATING EXPENSES			
Management			
Management Fee	82,164	1st Year to be set according to HUD schedule.	
Asset Management Fee	21,900		
Sub-total Management Expenses	**104,064**	***PUPA: 1,269***	
Salaries/Benefits			
Office Salaries	13,896		
Manager's Salary	140,940		
Health Insurance and Other Benefits	68,952		
Other Salaries/Benefits	21,904		
Administrative Rent-Free Unit	12,000		
Sub-total Salaries/Benefits	**257,692**	***PUPA: 3,143***	
Administration			
Advertising and Marketing	1,896		
Office Expenses	6,900		
Office Rent	0		
Legal Expense - Property	56,004		
Audit Expense	14,694		
Bookkeeping/Accounting Services	16,728		
Bad Debts	1,704		
Miscellaneous	46,944		
Sub-total Administration Expenses	**144,870**	***PUPA: 1,767***	
Utilities			
Electricity	10,992		
Water	69,012		
Gas	12,792		
Sewer	0		
Sub-total Utilities	**92,796**	***PUPA: 1,132***	
Taxes and Licenses			
Real Estate Taxes	9,534		
Payroll Taxes	27,576		
Miscellaneous Taxes, Licenses and Permits	3,000		
Sub-total Taxes and Licenses	**40,110**	***PUPA: 489***	
Insurance			
Property and Liability Insurance	47,472		
Fidelity Bond Insurance	0		
Worker's Compensation	20,916		
Director's & Officers' Liability Insurance	0		
Sub-total Insurance	**68,388**	***PUPA: 834***	
Maintenance & Repair			
Payroll	178,536		
Supplies	28,708		
Contracts	55,056		
Garbage and Trash Removal	24,768		
Security Payroll/Contract	0		
HVAC Repairs and Maintenance	8,004		
Vehicle and Maintenance Equipment Operation and Repairs	84		
Miscellaneous Operating and Maintenance Expenses	2,400	Cable	
Sub-total Maintenance & Repair Expenses	**297,556**	***PUPA: 3,629***	
Supportive Services	143,376		
Commercial Expenses	0	Links from 'Commercial Op. Budget' Worksheet	
TOTAL OPERATING EXPENSES	***1,148,852***	***PUPA: 14,010***	

Reserves/Ground Lease Base Rent/Bond Fees				
Ground Lease Base Rent	15,000	Ground lease with MOHCD	Provide additional comments here, if needed.	
Bond Monitoring Fee				
Replacement Reserve Deposit	36,900	After loan closing, Walker & Dunlop will require $36,900 annual deposit		
Operating Reserve Deposit	36,455	Funding of Operating Reserve to meet target		
Other Required Reserve 1 Deposit				
Other Required Reserve 2 Deposit				
Required Reserve Deposit/s, Commercial	0	Links from 'Commercial Op. Budget' Worksheet		
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	**88,355**	***PUPA: 1,078***	Min DSCR:	1.09
			Mortgage Rate:	5.00%
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)	**1,237,207**	***PUPA: 15,088***	Term (Years):	30
			Supportable 1st Mortgage Pmt:	825,264
NET OPERATING INCOME (INCOME minus OP EXPENSES)	**899,537**	***PUPA: 10,970***	Supportable 1st Mortgage Amt:	$12,810,953
			Proposed 1st Mortgage Amt:	$430,318

DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)			
Hard Debt - First Lender	233,178	Citibank	re-financing still in process
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Len	0		Provide additional comments here, if needed.
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0		Provide additional comments here, if needed.
Hard Debt - Fourth Lender	0		Provide additional comments here, if needed.
Commercial Hard Debt Service	0	Links from 'Commercial Op. Budget' Worksheet	
TOTAL HARD DEBT SERVICE	**233,178**	***PUPA: 2,844***	
CASH FLOW (NOI minus DEBT SERVICE)	**666,359**		
USES OF CASH FLOW BELOW (This row also shows DSCR.)	***3.86***		
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL			
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)			
Partnership Management Fee (see policy for limits)			
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			
Other Payments	579,500	Freddie Mac Debt Service ($279.5K) + Replacement Reserve ($300K)	
Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)			Provide additional comments here, if needed.
Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)			Provide additional comments here, if needed.
Deferred Developer Fee (Enter amt <= Max Fee from cell I130)		Def. Develop. Fee split: 0%	Provide additional comments here, if needed.
TOTAL PAYMENTS PRECEDING MOHCD	**579,500**	***PUPA: 7,067***	
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)	**86,859**		

Residual Receipts Calculation

Does Project have a MOHCD Residual Receipt Obligation?	**Yes**	Project has MOHCD ground lease?	**Yes**
Will Project Defer Developer Fee?	**No**		
Max **Deferred Developer Fee/Borrower** % of Residual Receipts in Yr 1:	33%		
% of Residual Receipts available for distribution to **soft debt lenders** in	67%		

Soft Debt Lenders with Residual Receipts Obligations	*(Select lender name/program from drop down)*	**Total Principal Amt**	**Distrib. of Soft Debt Loans**
MOHCD/OCII - Soft Debt Loans	All MOHCD/OCII Loans payable from res. rects	$1,266,302	27.14%
MOHCD/OCII - Ground Lease Value	Ground Lease	$3,400,000	72.86%
HCD (soft debt loan) - Lender 3			0.00%
Other Soft Debt Lender - Lender 4			0.00%
Other Soft Debt Lender - Lender 5			0.00%

MOHCD RESIDUAL RECEIPTS DEBT SERVICE		
MOHCD Residual Receipts Amount Due	57,906	67% of residual receipts, multiplied by 100% -- MOHCD's pro rata share of all soft debt
Proposed MOHCD Residual Receipts Amount to Loan Repayment	57,906	Enter/override amount of residual receipts proposed for loan repayment.
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease	0	If applicable, MOHCD residual receipts amt due LESS amt proposed for loan repymt.
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE	**28,953**	

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE		
HCD Residual Receipts Amount Due	0	
Lender 4 Residual Receipts Due	0	
Lender 5 Residual Receipts Due	0	
Total Non-MOHCD Residual Receipts Debt Service	**0**	

REMAINDER (Should be zero unless there are distributions below)	**28,953**	
Owner Distributions/Incentive Management Fee	28,953	100% of Borrower share of 33% of residual receipts
Other Distributions/Uses	0	
Final Balance (should be zero)	**0**	

Attachment B: 20-year Operating Proforma – Turk & Eddy Apartments

Application Date:	6/4/20	**# Units:**	**82**
Project Name:	Turk & Eddy Street Apartments	***# Bedrooms:***	**0BD & 1BD**
Project Address:	165 & 249 Turk & Eddy St	**# Beds:**	**0**
Project Sponsor:	Tenderloin Neighborhood Development Corporation		

Don't forget to fill in D135:D138!

SOURCES											**Total Sources**	**Comments**	
	-	**1,383,408**	**16,592**	**57,914**	**253,081**	**17,146,749**	**513,281**	**530,000**	**385,344**	**2,393,704**	**22,680,073**		
Name of Sources:	MOHCD/OCII	HUD Residual Receipts (to Seismic)	HUD Residual Receipts (to Capital Improvements)	Turk-Eddy Replacement Reserve (to Capital Improvements)	Turk-Eddy Surplus Cashflow (to Capital Improvements)	Turk -Eddy Loan Proceeds	Turk-Eddy Loan Proceeds (Cash-Out to Capital Improvements)	Turk-Eddy AHP Loan	Turk Eddy Replacement & Operating Reserves	CCSF Tax Increment Loan			
USES													
ACQUISITION													
Acquisition cost or value											0		
Legal / Closing costs / Broker's Fee											0		
Holding Costs											0		
Transfer Tax											0		
TOTAL ACQUISITION	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**		
CONSTRUCTION (HARD COSTS)													
Unit Construction/Rehab		688,606	16,592	57,914	253,081		513,281				1,529,474	Include FF&E	
Commercial Shell Construction											0		
Demolition											0		
Environmental Remediation											0		
Onsight Improvements/Landscaping											0		
Offsite Improvements											0		Construction line item costs as a % of hard costs
Infrastructure Improvements											0	HOPE SF/OCII costs for streets etc.	
Parking											0		
GC Bond Premium/GC Insurance/GC Taxes		34,758									34,758		**2.3%**
GC Overhead & Profit		96,404									96,404		**6.3%**
CG General Conditions		89,900									89,900		**5.9%**
Sub-total Construction Costs	*0*	*909,668*	*16,592*	*57,914*	*253,081*	*0*	*513,281*	*0*	*0*	*0*	*1,750,536*		
Design Contingency (remove at DD)											0	5% up to $30MM HC, 4% $30-$45MM, 3% $45MM+	**0.0%**
Bid Contingency (remove at bid)		54,580									54,580	5% up to $30MM HC, 4% $30-$45MM, 3% $45MM+	**3.6%**
Plan Check Contingency (remove/reduce during Plan Review)											0	4% up to $30MM HC, 3% $30-$45MM, 2% $45MM+	**0.0%**
Hard Cost Construction Contingency		97,355									97,355	5% new construction / 15% rehab	**6.4%**
Sub-total Construction Contingencies	*0*	*151,935*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*151,935*		
TOTAL CONSTRUCTION COSTS	**0**	**1,061,603**	**16,592**	**57,914**	**253,081**	**0**	**513,281**	**0**	**0**	**0**	**1,902,471**		
SOFT COSTS													
Architecture & Design													
Architect design fees		95,050									95,050	See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms	
Design Subconsultants to the Architect (incl. Fees)											0		
Architect Construction Admin											0		
Reimbursables											0		
Additional Services											0		
Sub-total Architect Contract	*0*	*95,050*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*95,050*		
Other Third Party design consultants (not included under Architect contract)											0	Consultants not covered under architect contract; name consultant type and contract amount	
Total Architecture & Design	**0**	**95,050**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**95,050**		
Engineering & Environmental Studies													
Survey		15,000									15,000		
Geotechnical studies		15,000									15,000		
Phase I & II Reports											0		
CEQA / Environmental Review consultants											0		
NEPA / 106 Review											0		
CNA/PNA (rehab only)		7,500									7,500		
Other environmental consultants											0	Name consultants & contract amounts	
Total Engineering & Environmental Studies	**0**	**37,500**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**37,500**		
Financing Costs													
Construction Financing Costs													
Construction Loan Origination Fee											0		
Construction Loan Interest											0		
Title & Recording											0		
CDLAC & CDIAC fees											0		
Bond Issuer Fees											0		
Other Bond Cost of Issuance											0		
AHP Loan / CCSF Tax Increment Loan								530,000		2,393,704	2,923,704		
Sub-total Const. Financing Costs	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*530,000*	*0*	*2,393,704*	*2,923,704*		
Permanent Financing Costs													
Permanent Loan Origination Fee						3,188,161					3,188,161	Existing Loan Paydown + Fees	
Credit Enhance. & Appl. Fee											0		
Title & Recording											0		
Sub-total Perm. Financing Costs	*0*	*0*	*0*	*0*	*0*	*3,188,161*	*0*	*0*	*0*	*0*	*3,188,161*		
Total Financing Costs	**0**	**0**	**0**	**0**	**0**	**3,188,161**	**0**	**530,000**	**0**	**2,393,704**	**6,111,865**		
Legal Costs													
Borrower Legal fees											0		
Land Use / CEQA Attorney fees											0		
Tax Credit Counsel											0		
Bond Counsel											0		
Construction Lender Counsel											0		
Permanent Lender Counsel											0		
Other Legal (specify)											0		
Total Legal Costs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**		
Other Development Costs													
Appraisal											0		
Market Study											0		
Insurance											0		
Property Taxes											0		
Accounting / Audit											0		
Organizational Costs											0		
Entitlement / Permit Fees		25,000									25,000		
Marketing / Rent-up											0		
Furnishings											0	$2,000/unit; See MOHCD U/W Guidelines: http://sfmohcd.org/documents-reports-and-forms	
PGE / Utility Fees											0		
TCAC App / Alloc / Monitor Fees											0		
Financial Consultant fees											0		
Construction Management fees / Owner's Rep											0		
Security during Construction											0		
Relocation		125,000									125,000		
Special Inspections & Testing		10,000									10,000		
Other (specify)											0		Total Soft Cost Contingency as % of Total Soft Costs
Other (specify)											0		
Total Other Development Costs	**0**	**160,000**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**160,000**		
Soft Cost Contingency													
Contingency (Arch, Eng, Fin, Legal & Other Dev)	0	29,255	0	0	0		0		0		29,255	Should be either 10% or 5% of total soft costs.	**0.5%**
TOTAL SOFT COSTS	**0**	**321,805**	**0**	**0**	**0**	**3,188,161**	**0**	**530,000**	**0**	**2,393,704**	**6,433,670**		
RESERVES													
Operating Reserves									329,638		329,638		
Replacement Reserves									55,706		55,706		
Tenant Improvements Reserves											0		
Other (specify)											0		
Other (specify)											0		
Other (specify)											0		
TOTAL RESERVES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**385,344**	**0**	**385,344**		
DEVELOPER COSTS													
Developer Fee - Cash-out Paid at Milestones											0		
Developer Fee - Cash-out At Risk											0		
Developer Fee - GP Equity (also show as source)													
Developer Fee - Deferred (also show as source)											0		
Development Consultant Fees											0	Need MOHCD approval for this cost, N/A for most projects	
Proceeds to Yosemite-FD, Ambassador-Ritz, Phase II Recap						13,958,588					13,958,588		
TOTAL DEVELOPER COSTS	**0**	**0**	**0**	**0**	**0**	**13,958,588**	**0**	**0**	**0**	**0**	**13,958,588**		
TOTAL DEVELOPMENT COST	**0**	**1,383,408**	**16,592**	**57,914**	**253,081**	**17,146,749**	**513,281**	**530,000**	**385,344**	**2,393,704**	**22,680,073**		
Development Cost/Unit by Source	0	16,871	202	706	3,086	209,107	6,260	6,463	4,699	29,192	276,586		
Development Cost/Unit as % of TDC by Source	0.0%	6.1%	0.1%	0.3%	1.1%	75.6%	2.3%	2.3%	1.7%	10.6%	100.0%		
Acquisition Cost/Unit by Source	0	0	0	0	0	0	0	0	0	0	0		
Construction Cost (inc Const Contingency)/Unit By Source	0	12,946	202	706	3,086	0	6,260	0	0	0	23,201		
Construction Cost (inc Const Contingency)/SF	0.00	18.65	0.29	1.02	4.45	0.00	9.02	0.00	0.00	0.00	33.42		
City Subsidy/Unit	-												

Tax Credit Equity Pricing:		**Fill in with value or 'N/A' if not applicable.**
Construction Bond Amount:		**Fill in with value or 'N/A' if not applicable.**
Construction Loan Term (in months):		**Fill in with value or 'N/A' if not applicable.**
Construction Loan Interest Rate (as %):		**Fill in with value or 'N/A' if not applicable.**

Turk & Eddy Street Apartments

Total # Units: *82*

INCOME	% annual increase	Comments (related to annual inc assumptions)	Year 1 2020 Total	Year 2 2021 Total	Year 3 2022 Total	Year 4 2023 Total	Year 5 2024 Total	Year 6 2025 Total	Year 7 2026 Total	Year 8 2027 Total	Year 9 2028 Total	Year 10 2029 Total
Residential - Tenant Rents	2.5%		288,096	295,298	302,681	310,248	318,004	325,954	334,103	342,456	351,017	359,792
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	escalates 2.5%	1,909,884	1,957,631	2,006,572	2,056,736	2,108,155	2,160,858	2,214,880	2,270,252	2,327,008	2,385,183
Commercial Space	2.5%		-	-	-	-	-	-	-	-	-	-
Residential Parking	2.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%		-	-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%		-	-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%		-	-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%		1,404	1,439	1,475	1,512	1,549	1,588	1,628	1,669	1,710	1,753
Tenant Charges	2.5%		300	308	315	323	331	339	348	357	366	375
Miscellaneous Residential Income	2.5%		3,000	3,075	3,152	3,231	3,311	3,394	3,479	3,566	3,655	3,747
Other Commercial Income	2.5%		-	-	-	-	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	Link from Reserve Section below, as applicable	-									
Gross Potential Income			**2,202,684**	**2,257,751**	**2,314,195**	**2,372,049**	**2,431,351**	**2,492,134**	**2,554,438**	**2,618,299**	**2,683,756**	**2,750,850**
Vacancy Loss - Residential - Tenant Rents	n/a	3% of GPR	(8,643)	(8,859)	(9,080)	(9,307)	(9,540)	(9,779)	(10,023)	(10,274)	(10,531)	(10,794)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a		(57,297)	(58,729)	(60,197)	(61,702)	(63,245)	(64,826)	(66,446)	(68,108)	(69,810)	(71,556)
Vacancy Loss - Commercial	n/a		-	-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME			**2,136,744**	**2,190,163**	**2,244,917**	**2,301,040**	**2,358,566**	**2,417,530**	**2,477,968**	**2,539,918**	**2,603,415**	**2,668,501**
OPERATING EXPENSES												
Management												
Management Fee	3.5%	1st Year to be set according to HUD schedule.	82,164	85,040	88,016	91,097	94,285	97,585	101,001	104,536	108,194	111,981
Asset Management Fee	3.5%	per MOHCD policy	21,900	22,667	23,460	24,281	25,131	26,010	26,921	27,863	28,838	29,847
Sub-total Management Expenses			**104,064**	**107,706**	**111,476**	**115,378**	**119,416**	**123,595**	**127,921**	**132,398**	**137,032**	**141,829**
Salaries/Benefits												
Office Salaries	3.5%		13,896	14,382	14,886	15,407	15,946	16,504	17,082	17,680	18,298	18,939
Manager's Salary	3.5%		140,940	145,873	150,978	156,263	161,732	167,393	173,251	179,315	185,591	192,087
Health Insurance and Other Benefits	3.5%		68,952	71,365	73,863	76,448	79,124	81,893	84,760	87,726	90,797	93,974
Other Salaries/Benefits	3.5%		21,904	22,671	23,464	24,285	25,135	26,015	26,926	27,868	28,843	29,853
Administrative Rent-Free Unit	3.5%		12,000	12,420	12,855	13,305	13,770	14,252	14,751	15,267	15,802	16,355
Sub-total Salaries/Benefits			**257,692**	**266,711**	**276,046**	**285,708**	**295,707**	**306,057**	**316,769**	**327,856**	**339,331**	**351,208**
Administration												
Advertising and Marketing	3.5%		1,896	1,962	2,031	2,102	2,176	2,252	2,331	2,412	2,497	2,584
Office Expenses	3.5%		6,900	7,142	7,391	7,650	7,918	8,195	8,482	8,779	9,086	9,404
Office Rent	3.5%		-	-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%		56,004	57,964	59,993	62,093	64,266	66,515	68,843	71,253	73,747	76,328
Audit Expense	3.5%		14,694	15,208	15,741	16,292	16,862	17,452	18,063	18,695	19,349	20,026
Bookkeeping/Accounting Services	3.5%		16,728	17,313	17,919	18,547	19,196	19,868	20,563	21,283	22,028	22,799
Bad Debts	3.5%		1,704	1,764	1,825	1,889	1,955	2,024	2,095	2,168	2,244	2,322
Miscellaneous	3.5%		46,944	48,587	50,288	52,048	53,869	55,755	57,706	59,726	61,816	63,980
Sub-total Administration Expenses			**144,870**	**149,940**	**155,188**	**160,620**	**166,242**	**172,060**	**178,082**	**184,315**	**190,766**	**197,443**
Utilities												
Electricity	3.5%		10,992	11,377	11,775	12,187	12,614	13,055	13,512	13,985	14,474	14,981
Water	3.5%		69,012	71,427	73,927	76,515	79,193	81,965	84,833	87,803	90,876	94,056
Gas	3.5%		12,792	13,240	13,703	14,183	14,679	15,193	15,725	16,275	16,845	17,434
Sewer	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Utilities			**92,796**	**96,044**	**99,405**	**102,885**	**106,486**	**110,213**	**114,070**	**118,062**	**122,195**	**126,471**
Taxes and Licenses												
Real Estate Taxes	3.5%		9,534	9,868	10,213	10,571	10,940	11,323	11,720	12,130	12,554	12,994
Payroll Taxes	3.5%		27,576	28,541	29,540	30,574	31,644	32,752	33,898	35,084	36,312	37,583
Miscellaneous Taxes, Licenses and Permits	3.5%		3,000	3,105	3,214	3,326	3,443	3,563	3,688	3,817	3,950	4,089
Sub-total Taxes and Licenses			**40,110**	**41,514**	**42,967**	**44,471**	**46,027**	**47,638**	**49,305**	**51,031**	**52,817**	**54,666**
Insurance												
Property and Liability Insurance	3.5%		47,472	49,134	50,853	52,633	54,475	56,382	58,355	60,398	62,512	64,699
Fidelity Bond Insurance	3.5%		-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%		20,916	21,648	22,406	23,190	24,002	24,842	25,711	26,611	27,542	28,506
Director's & Officers' Liability Insurance	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Insurance			**68,388**	**70,782**	**73,259**	**75,823**	**78,477**	**81,223**	**84,066**	**87,009**	**90,054**	**93,206**
Maintenance & Repair												
Payroll	3.5%		178,536	184,785	191,252	197,946	204,874	212,045	219,466	227,148	235,098	243,326
Supplies	3.5%		28,708	29,713	30,753	31,829	32,943	34,096	35,289	36,525	37,803	39,126
Contracts	3.5%		55,056	56,983	58,977	61,042	63,178	65,389	67,678	70,047	72,498	75,036
Garbage and Trash Removal	3.5%		24,768	25,635	26,532	27,461	28,422	29,417	30,446	31,512	32,615	33,756
Security Payroll/Contract	3.5%		-	-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%		8,004	8,284	8,574	8,874	9,185	9,506	9,839	10,183	10,540	10,909
Vehicle and Maintenance Equipment Operation and Repairs	3.5%		84	87	90	93	96	100	103	107	111	114
Miscellaneous Operating and Maintenance Expenses	3.5%		2,400	2,484	2,571	2,661	2,754	2,850	2,950	3,053	3,160	3,271
Sub-total Maintenance & Repair Expenses			**297,556**	**307,970**	**318,749**	**329,906**	**341,452**	**353,403**	**365,772**	**378,574**	**391,824**	**405,538**
Supportive Services	3.5%		143,376	148,394	153,588	158,964	164,527	170,286	176,246	182,414	188,799	195,407
Commercial Expenses			-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES			***1,148,852***	**1,189,062**	**1,230,679**	**1,273,753**	**1,318,334**	**1,364,476**	**1,412,232**	**1,461,661**	**1,512,819**	**1,565,767**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)			***14,010***									
Reserves/Ground Lease Base Rent/Bond Fees				*Note: Hidden columns are in between total columns. To update/delete values in yellow cells, manipulate each cell rather than dragging across mult*								
Ground Lease Base Rent			15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Bond Monitoring Fee			-	-	-	-	-	-	-	-	-	-
Replacement Reserve Deposit			36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900
Operating Reserve Deposit		Additional deposit to meet target	36,455	-	35,000	35,000	35,000	35,000	35,000	15,058	11,821	12,239
Other Required Reserve 1 Deposit			-	-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit			-	-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial			-	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			**88,355**	**51,900**	**86,900**	**86,900**	**86,900**	**86,900**	**86,900**	**66,958**	**63,721**	**64,139**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)			**1,237,207**	**1,240,962**	**1,317,579**	**1,360,653**	**1,405,234**	**1,451,376**	**1,499,132**	**1,528,619**	**1,576,540**	**1,629,906**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)			***15,088***									
NET OPERATING INCOME (INCOME minus OP EXPENSES)			**899,537**	**949,201**	**927,338**	**940,387**	**953,332**	**966,154**	**978,836**	**1,011,299**	**1,026,876**	**1,038,594**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)				*Note: Hidden columns are in between total columns. To update/delete values in yellow cells, manipulate each cell rather than dragging across mult*								
Hard Debt - First Lender		Enter comments re: annual increase, etc.	233,178	837,966	837,966	837,966	837,966	837,966	837,966	837,966	837,966	837,966
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)		Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)		Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender		Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			-	-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE			**233,178**	**837,966**	**837,966**	**837,966**	**837,966**	**837,966**	**837,966**	**837,966**	**837,966**	**837,966**
CASH FLOW (NOI minus DEBT SERVICE)			**666,359**	**111,235**	**89,372**	**102,421**	**115,366**	**128,188**	**140,870**	**173,333**	**188,910**	**200,628**
USES OF CASH FLOW BELOW (This row also shows DSCR.)		***DSCR:***	***3.86***	***1.13***	***1.11***	***1.12***	***1.14***	***1.15***	***1.17***	***1.21***	***1.23***	***1.24***
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL				*Note: Hidden columns are in between total columns. To update/delete values in yellow cells, manipulate each cell rather than dragging across mult*								
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	per MOHCD policy	-									
Partnership Management Fee (see policy for limits)	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		Replacement Reserve Deposit	579,500	53,100	53,100	53,100	53,100	53,100	53,100	53,100	53,100	53,100
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			**579,500**	***53,100***	***53,100***	***53,100***	***53,100***	***53,100***	***53,100***	***53,100***	***53,100***	***53,100***
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)			**86,859**	**58,135**	**36,272**	**49,321**	**62,266**	**75,088**	**87,770**	**120,233**	**135,810**	**147,528**
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	*Dist. Soft Debt Loans*		-	-	-	-	-	-	-	-	-	-
MOHCD Residual Receipts Amount Due	*100.00%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	57,906	38,757	24,181	32,881	41,511	50,059	58,513	80,155	90,540	98,352
Proposed MOHCD Residual Receipts Amount to Loan Repayment			57,906	38,757	24,181	32,881	41,511	50,059	58,513	80,155	90,540	98,352
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	*0.00%*	No HCD Financing	-	-	-	-	-	-	-	-	-	-
Lender 4 Residual Receipts Due	*0.00%*		-	-	-	-	-	-	-	-	-	-
Lender 5 Residual Receipts Due	*0.00%*		-	-	-	-	-	-	-	-	-	-
Total Non-MOHCD Residual Receipts Debt Service			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
REMAINDER (Should be zero unless there are distributions below)			**28,953**	**19,378**	**12,091**	**16,440**	**20,755**	**25,029**	**29,257**	**40,078**	**45,270**	**49,176**
Owner Distributions/Incentive Management Fee			28,953	19,378	12,091	16,440	20,755	25,029	29,257	40,078	45,270	49,176
Other Distributions/Uses			-									
Final Balance (should be zero)			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
REPLACEMENT RESERVE - RUNNING BALANCE												
Replacement Reserve Starting Balance			**160,185**	**552,013**	**565,551**	**546,183**	**376,018**	**427,545**	**259,383**	**310,910**	**184,973**	**223,575**
Replacement Reserve Deposits			**36,900**	**36,900**	**36,900**	**36,900**	**36,900**	**36,900**	**36,900**	**36,900**	**36,900**	**36,900**
Replacement Reserve Withdrawals (ideally tied to CNA)		Please see Sheet 1 Row37-40	**(100,928)**	**76,463**	**109,367**	**260,166**	**38,473**	**258,162**	**38,473**	**215,936**	**51,399**	**80,015**
Replacement Reserve Interest		Proposed Replacement Reserve Additional Deposit - from Owner's 2019 share of residual receipts	**254,000**	**53,100**	**53,100**	**53,100**	**53,100**	**53,100**	**53,100**	**53,100**	**53,100**	**53,100**
RR Running Balance			**552,013**	**565,551**	**546,183**	**376,018**	**427,545**	**259,383**	**310,910**	**184,973**	**223,575**	**233,559**
		RR Balance/Unit	*$6,732*	*$6,897*	*$6,661*	*$4,586*	*$5,214*	*$3,163*	*$3,792*	*$2,256*	*$2,727*	*$2,848*
OPERATING RESERVE - RUNNING BALANCE												
Operating Reserve Starting Balance			**329,638**	**366,211**	**366,329**	**401,447**	**436,565**	**471,683**	**506,801**	**541,919**	**557,095**	**569,034**
Operating Reserve Deposits			**36,455**	**-**	**35,000**	**35,000**	**35,000**	**35,000**	**35,000**	**15,058**	**11,821**	**12,239**
Operating Reserve Withdrawals												
Operating Reserve Interest			**118**	**118**	**118**	**118**	**118**	**118**	**118**	**118**	**118**	**118**
OR Running Balance			**366,211**	**366,329**	**401,447**	**436,565**	**471,683**	**506,801**	**541,919**	**557,095**	**569,034**	**581,391**
		OR Balance as a % of Prior Yr Op Exps + Debt Service		*24.9%*	*19.3%*	*20.3%*	*21.5%*	*22.6%*	*23.7%*	*23.8%*	*24.0%*	*24.1%*
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE												
Other Reserve 1 Starting Balance				**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other Reserve 1 Deposits			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other Reserve 1 Withdrawals												
Other Reserve 1 Interest												
Other Required Reserve 1 Running Balance			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance				**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other Reserve 2 Deposits			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												

		% annual increase	Comments (related to annual inc assumptions)	Year 1 2020 Total	Year 2 2021 Total	Year 3 2022 Total	Year 4 2023 Total	Year 5 2024 Total	Year 6 2025 Total	Year 7 2026 Total	Year 8 2027 Total	Year 9 2028 Total	Year 10 2029 Total
INCOME													
	Other Required Reserve 2 Running Balance			-	-	-	-	-	-	-	-	-	-

Turk & Eddy Street Apartments

Total # Units: *82*

			Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
			2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
INCOME	**% annual increase**	**Comments (related to annual inc assumptions)**	**Total**	**Total**	**Total**	**Total**	**Total**	**Total**	**Total**	**Total**	**Total**	**Total**
Residential - Tenant Rents	2.5%		368,787	378,007	387,457	397,144	407,072	417,249	427,680	438,372	449,331	460,565
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	escalates 2.5%	2,444,813	2,505,933	2,568,582	2,632,796	2,698,616	2,766,081	2,835,234	2,906,114	2,978,767	3,053,236
Commercial Space	2.5%		-	-	-	-	-	-	-	-	-	-
Residential Parking	2.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%		-	-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%		-	-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%		-	-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%		1,797	1,842	1,888	1,935	1,983	2,033	2,084	2,136	2,189	2,244
Tenant Charges	2.5%		384	394	403	414	424	434	445	456	468	480
Miscellaneous Residential Income	2.5%		3,840	3,936	4,035	4,136	4,239	4,345	4,454	4,565	4,679	4,796
Other Commercial Income	2.5%		-	-	-	-	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	Link from Reserve Section below, as applicable										
Gross Potential Income			**2,819,621**	**2,890,112**	**2,962,365**	**3,036,424**	**3,112,334**	**3,190,143**	**3,269,896**	**3,351,644**	**3,435,435**	**3,521,321**
Vacancy Loss - Residential - Tenant Rents	n/a	3% of GPR	(11,064)	(11,340)	(11,624)	(11,914)	(12,212)	(12,517)	(12,830)	(13,151)	(13,480)	(13,817)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a		(73,344)	(75,178)	(77,057)	(78,984)	(80,958)	(82,982)	(85,057)	(87,183)	(89,363)	(91,597)
Vacancy Loss - Commercial	n/a		-	-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME			**2,735,213**	**2,803,594**	**2,873,684**	**2,945,526**	**3,019,164**	**3,094,643**	**3,172,009**	**3,251,309**	**3,332,592**	**3,415,907**
OPERATING EXPENSES												
Management												
Management Fee	3.5%	1st Year to be set according to HUD schedule.	115,900	119,957	124,155	128,501	132,998	137,653	142,471	147,458	152,619	157,960
Asset Management Fee	3.5%	per MOHCD policy	30,892	31,973	33,092	34,251	35,449	36,690	37,974	39,303	40,679	42,103
Sub-total Management Expenses			**146,793**	**151,930**	**157,248**	**162,752**	**168,448**	**174,344**	**180,446**	**186,761**	**193,298**	**200,063**
Salaries/Benefits												
Office Salaries	3.5%		19,602	20,288	20,998	21,733	22,493	23,281	24,095	24,939	25,812	26,715
Manager's Salary	3.5%		198,810	205,768	212,970	220,424	228,139	236,124	244,388	252,942	261,795	270,957
Health Insurance and Other Benefits	3.5%		97,264	100,668	104,191	107,838	111,612	115,519	119,562	123,746	128,078	132,560
Other Salaries/Benefits	3.5%		30,898	31,979	33,098	34,257	35,456	36,697	37,981	39,311	40,686	42,110
Administrative Rent-Free Unit	3.5%		16,927	17,520	18,133	18,767	19,424	20,104	20,808	21,536	22,290	23,070
Sub-total Salaries/Benefits			**363,500**	**376,223**	**389,390**	**403,019**	**417,125**	**431,724**	**446,834**	**462,474**	**478,660**	**495,413**
Administration												
Advertising and Marketing	3.5%		2,674	2,768	2,865	2,965	3,069	3,176	3,288	3,403	3,522	3,645
Office Expenses	3.5%		9,733	10,074	10,426	10,791	11,169	11,560	11,965	12,383	12,817	13,265
Office Rent	3.5%		-	-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%		78,999	81,764	84,626	87,588	90,653	93,826	97,110	100,509	104,027	107,668
Audit Expense	3.5%		20,727	21,453	22,204	22,981	23,785	24,618	25,479	26,371	27,294	28,249
Bookkeeping/Accounting Services	3.5%		23,596	24,422	25,277	26,162	27,078	28,025	29,006	30,021	31,072	32,160
Bad Debts	3.5%		2,404	2,488	2,575	2,665	2,758	2,855	2,955	3,058	3,165	3,276
Miscellaneous	3.5%		66,219	68,537	70,936	73,418	75,988	78,648	81,400	84,249	87,198	90,250
Sub-total Administration Expenses			**204,353**	**211,506**	**218,909**	**226,570**	**234,500**	**242,708**	**251,203**	**259,995**	**269,094**	**278,513**
Utilities												
Electricity	3.5%		15,505	16,048	16,610	17,191	17,793	18,415	19,060	19,727	20,418	21,132
Water	3.5%		97,348	100,755	104,282	107,932	111,709	115,619	119,666	123,854	128,189	132,676
Gas	3.5%		18,044	18,676	19,330	20,006	20,706	21,431	22,181	22,957	23,761	24,593
Sewer	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Utilities			**130,898**	**135,479**	**140,221**	**145,129**	**150,208**	**155,466**	**160,907**	**166,539**	**172,368**	**178,400**
Taxes and Licenses												
Real Estate Taxes	3.5%		13,449	13,919	14,407	14,911	15,433	15,973	16,532	17,110	17,709	18,329
Payroll Taxes	3.5%		38,899	40,260	41,669	43,128	44,637	46,199	47,816	49,490	51,222	53,015
Miscellaneous Taxes, Licenses and Permits	3.5%		4,232	4,380	4,533	4,692	4,856	5,026	5,202	5,384	5,572	5,768
Sub-total Taxes and Licenses			**56,579**	**58,559**	**60,609**	**62,730**	**64,926**	**67,198**	**69,550**	**71,984**	**74,504**	**77,112**
Insurance												
Property and Liability Insurance	3.5%		66,964	69,308	71,733	74,244	76,843	79,532	82,316	85,197	88,179	91,265
Fidelity Bond Insurance	3.5%		-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%		29,504	30,537	31,606	32,712	33,857	35,042	36,268	37,537	38,851	40,211
Director's & Officers' Liability Insurance	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Insurance			**96,468**	**99,844**	**103,339**	**106,956**	**110,699**	**114,574**	**118,584**	**122,734**	**127,030**	**131,476**
Maintenance & Repair												
Payroll	3.5%		251,843	260,657	269,780	279,222	288,995	299,110	309,579	320,414	331,629	343,236
Supplies	3.5%		40,495	41,913	43,380	44,898	46,469	48,096	49,779	51,522	53,325	55,191
Contracts	3.5%		77,662	80,380	83,193	86,105	89,119	92,238	95,466	98,808	102,266	105,845
Garbage and Trash Removal	3.5%		34,938	36,161	37,426	38,736	40,092	41,495	42,947	44,451	46,006	47,617
Security Payroll/Contract	3.5%		-	-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%		11,290	11,686	12,095	12,518	12,956	13,409	13,879	14,365	14,867	15,388
Vehicle and Maintenance Equipment Operation and Repairs	3.5%		118	123	127	131	136	141	146	151	156	161
Miscellaneous Operating and Maintenance Expenses	3.5%		3,385	3,504	3,627	3,753	3,885	4,021	4,162	4,307	4,458	4,614
Sub-total Maintenance & Repair Expenses			**419,732**	**434,423**	**449,628**	**465,365**	**481,652**	**498,510**	**515,958**	**534,016**	**552,707**	**572,052**
Supportive Services	3.5%		202,246	209,325	216,651	224,234	232,082	240,205	248,612	257,313	266,319	275,641
Commercial Expenses			-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES			**1,620,569**	**1,677,289**	**1,735,994**	**1,796,754**	**1,859,640**	**1,924,728**	**1,992,093**	**2,061,817**	**2,133,980**	**2,208,669**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)												
Reserves/Ground Lease Base Rent/Bond Fees			*iple cells.*									
Ground Lease Base Rent			15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Bond Monitoring Fee			-	-	-	-	-	-	-	-	-	-
Replacement Reserve Deposit			36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900
Operating Reserve Deposit		Additional deposit to meet target	12,672	13,119	13,582	14,062	14,558	15,072	15,604	32,995	-	17,195
Other Required Reserve 1 Deposit			-	-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit			-	-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial			-	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			**64,572**	**65,019**	**65,482**	**65,962**	**66,458**	**66,972**	**67,504**	**84,895**	**51,900**	**69,095**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)			**1,685,141**	**1,742,308**	**1,801,477**	**1,862,716**	**1,926,099**	**1,991,700**	**2,059,597**	**2,146,712**	**2,185,880**	**2,277,764**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)												
NET OPERATING INCOME (INCOME minus OP EXPENSES)			**1,050,073**	**1,061,285**	**1,072,207**	**1,082,810**	**1,093,065**	**1,102,943**	**1,112,412**	**1,104,597**	**1,146,712**	**1,138,142**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)			*iple cells.*									
Hard Debt - First Lender		Enter comments re: annual increase, etc.	837,966	837,966	837,966	837,966	837,966	837,966	837,966	837,966	837,966	837,966
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)		Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)		Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender		Enter comments re: annual increase, etc.	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			-	-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE			**837,966**	**837,966**	**837,966**	**837,966**	**837,966**	**837,966**	**837,966**	**837,966**	**837,966**	**837,966**
CASH FLOW (NOI minus DEBT SERVICE)			**212,107**	**223,319**	**234,241**	**244,844**	**255,099**	**264,977**	**274,446**	**266,631**	**308,746**	**300,176**
USES OF CASH FLOW BELOW (This row also shows DSCR.)		***DSCR:***	***1.25***	***1.27***	***1.28***	***1.29***	***1.3***	***1.32***	***1.33***	***1.32***	***1.37***	***1.36***
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL			*iple cells.*									
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	per MOHCD policy										
Partnership Management Fee (see policy for limits)	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		Replacement Reserve Deposit	53,100	53,100	53,100	53,100	53,100	53,100	53,100	53,100	53,100	53,100
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			***53,100***	***53,100***	***53,100***	***53,100***	***53,100***	***53,100***	***53,100***	***53,100***	***53,100***	***53,100***
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)			**159,007**	**170,219**	**181,141**	**191,744**	**201,999**	**211,877**	**221,346**	**213,531**	**255,646**	**247,076**
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%*											
	Dist. Soft Debt Loans		-	-	-	-	-					
MOHCD RESIDUAL RECEIPTS DEBT SERVICE												
MOHCD Residual Receipts Amount Due	*100.00%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	106,004	113,480	120,761	127,829	134,666	141,251	147,564	142,354	170,430	164,718
Proposed MOHCD Residual Receipts Amount to Loan Repayment			106,004	113,480	120,761	127,829	134,666	141,251	147,564	142,354	170,430	164,718
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	*0.00%*	No HCD Financing	-	-	-	-	-	-	-	-	-	-
Lender 4 Residual Receipts Due	*0.00%*		-	-	-	-	-	-	-	-	-	-
Lender 5 Residual Receipts Due	*0.00%*		-	-	-	-	-	-	-	-	-	-
Total Non-MOHCD Residual Receipts Debt Service			-	-	-	-	-	-	-	-	-	-
REMAINDER (Should be zero unless there are distributions below)			**53,002**	**56,740**	**60,380**	**63,915**	**67,333**	**70,626**	**73,782**	**71,177**	**85,215**	**82,359**
Owner Distributions/Incentive Management Fee			53,002	56,740	60,380	63,915	67,333	70,626	73,782	71,177	85,215	82,359
Other Distributions/Uses												
Final Balance (should be zero)			-	-	-	-	-	-	-	-	-	-
REPLACEMENT RESERVE - RUNNING BALANCE												
Replacement Reserve Starting Balance			**233,559**	**221,394**	**264,641**	**34,481**	**86,008**	**138,335**	**(839,700)**	**(785,708)**	**(1,169,911)**	**(1,126,623)**
Replacement Reserve Deposits			**36,900**	**36,900**	**36,900**	**36,900**	**36,900**	**36,900**	**36,900**	**36,900**	**36,900**	**36,900**
Replacement Reserve Withdrawals (ideally tied to CNA)		Please see Sheet 1 Row37-40	**102,166**	**46,752**	**320,160**	**38,473**	**37,673**	**1,068,035**	**36,008**	**474,203**	**46,712**	**36,008**
Replacement Reserve Interest		Proposed Replacement Reserve Additional Deposit - from Owner's 2019 share of residual receipts	**53,100**	**53,100**	**53,100**	**53,100**	**53,100**	**53,100**	**53,100**	**53,100**	**53,100**	**53,100**
RR Running Balance			**221,394**	**264,641**	**34,481**	**86,008**	**138,335**	**(839,700)**	**(785,708)**	**(1,169,911)**	**(1,126,623)**	**(1,072,632)**
		RR Balance/Unit	*$2,700*	*$3,227*	*$421*	*$1,049*	*$1,687*	*($10,240)*	*($9,582)*	*($14,267)*	*($13,739)*	*($13,081)*
OPERATING RESERVE - RUNNING BALANCE												
Operating Reserve Starting Balance			**581,391**	**594,181**	**607,418**	**621,119**	**635,299**	**649,975**	**665,165**	**680,886**	**714,000**	**714,118**
Operating Reserve Deposits			**12,672**	**13,119**	**13,582**	**14,062**	**14,558**	**15,072**	**15,604**	**32,995**	**-**	**17,195**
Operating Reserve Withdrawals												
Operating Reserve Interest			**118**	**118**	**118**	**118**	**118**	**118**	**118**	**118**	**118**	**118**
OR Running Balance			**594,181**	**607,418**	**621,119**	**635,299**	**649,975**	**665,165**	**680,886**	**714,000**	**714,118**	**731,430**
		OR Balance as a % of Prior Yr Op Exps + Debt Service	*24.1%*	*24.1%*	*24.1%*	*24.1%*	*24.1%*	*24.1%*	*24.1%*	*24.6%*	*23.9%*	*24.2%*
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE												
Other Reserve 1 Starting Balance			-	-	-	-	-	-	-	-	-	-
Other Reserve 1 Deposits			-	-	-	-	-	-	-	-	-	-
Other Reserve 1 Withdrawals												
Other Reserve 1 Interest												
Other Required Reserve 1 Running Balance			-	-	-	-	-	-	-	-	-	-
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance			-	-	-	-	-	-	-	-	-	-
Other Reserve 2 Deposits			-	-	-	-	-	-	-	-	-	-
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												

	% annual increase	Comments (related to annual inc assumptions)	Year 11 2030 Total	Year 12 2031 Total	Year 13 2032 Total	Year 14 2033 Total	Year 15 2034 Total	Year 16 2035 Total	Year 17 2036 Total	Year 18 2037 Total	Year 19 2038 Total	Year 20 2039 Total
INCOME												
Other Required Reserve 2 Running Balance			-	-	-	-	-	-	-	-	-	-

Attachment C: Yosemite-Folsom Dore syndication - 20-year proforma

Application Date: 9/4/19 — **# Units:** 130
Project Name: Yosemite - Folsom Dore — ***# Bedrooms:*** SRO units — **LOSP Project**
Project Address: 480 & 75 Eddy & Dore Street — **# Beds:** — **N/A**
Project Sponsor: Tenderloin Neighborhood Development Corporation

Don't forget to fill in D135:D138!

													Total Sources	Comments	
SOURCES	**1,800,000**	**16,160,842**	**22,319,551**	**4,139,129**	**3,500,000**	**982,499**	**16,289,158**	**5,052,260**	**7,000,000**	**-**	**-**	**-**	**77,243,439**		
Name of Sources:	MOHCD/OCII	Assumed CCSF, HCD Loans	4% Tax Credit Equity	Historic Tax Credit Equity	GP Equity	Existing Reserves	Seller Carryback Loan	Permanent Loan	Sponsor Gap Loan						
USES															
ACQUISITION															
Acquisition cost or value		16,160,842					16,289,158						32,450,000		
Legal / Closing costs / Broker's Fee													0		
Holding Costs													0		
Transfer Tax			773,750										773,750		
TOTAL ACQUISITION	**0**	**16,160,842**	**773,750**	**0**	**0**	**0**	**16,289,158**	**0**	**0**	**0**	**0**	**0**	**33,223,750**		
CONSTRUCTION (HARD COSTS)															
Unit Construction/Rehab			2,400,000	4,139,129				1,500,000	7,000,000				15,039,129		
Commercial Shell Construction													0		
Demolition													0		
Environmental Remediation													0		
Onsight Improvements/Landscaping													0		
Offsite Improvements													0		Construction line item costs as a % of hard costs
Infrastructure Improvements													0	HOPE SF/OCII costs for streets etc.	
Parking													0		
GC Bond Premium/GC Insurance/GC Taxes			248,651										248,651		**1.7%**
GC Overhead & Profit			953,618										953,618		**6.3%**
CG General Conditions			629,756										629,756		**4.2%**
Sub-total Construction Costs	*0*	*0*	*4,232,025*	*4,139,129*	*0*	*0*	*0*	*1,500,000*	*7,000,000*	*0*	*0*	*0*	*16,871,154*		
Design Contingency (remove at DD)			1,013,008										1,013,008	Design 2%	**6.7%**
Bid Contingency (remove at bid)			1,013,008										1,013,008	Bid 2%	**6.7%**
Plan Check Contingency (remove/reduce during Plan Review)			1,013,008										1,013,008	Escalation 6%	**6.7%**
Hard Cost Construction Contingency			3,007,895										3,007,895	5% new construction / 15% rehab	**20.0%**
Sub-total Construction Contingencies	*0*	*0*	*6,046,919*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*6,046,919*		
TOTAL CONSTRUCTION COSTS	**0**	**0**	**10,278,944**	**4,139,129**	**0**	**0**	**0**	**1,500,000**	**7,000,000**	**0**	**0**	**0**	**22,918,073**		
SOFT COSTS															
Architecture & Design															
Architect design fees	908,938												908,938	See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms	
Design Subconsultants to the Architect (incl. Fees)													0		
Architect Construction Admin			425,134										425,134		
Reimbursables			76,500										76,500		
Additional Services			103,307										103,307		
Sub-total Architect Contract	*908,938*	*0*	*604,941*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*1,513,879*		
Other Third Party design consultants (not included under Architect contract)	295,000												295,000	Historic Architect (Frederic Knapp), Green consultant (TBD),	
Total Architecture & Design	**1,203,938**	**0**	**604,941**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**1,808,879**		
Engineering & Environmental Studies															
Survey	65,000												65,000		
Geotechnical studies	40,000												40,000		
Phase I & II Reports	70,000												70,000		
CEQA / Environmental Review consultants													0		
NEPA / 106 Review													0		
CNA/PNA (rehab only)													0		
Other environmental consultants													0	Special inspections	
Total Engineering & Environmental Studies	**175,000**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**175,000**		
Financing Costs															
Construction Financing Costs															
Construction Loan Origination Fee													0		
Construction Loan Interest			2,631,501										2,631,501		
Title & Recording			100,000										100,000		
CDLAC & CDIAC fees													0		
Bond Issuer Fees													0	Plus trustee fee	
Other Bond Cost of Issuance			656,996										656,996		
Other Financing: Paydown Existing FD Perm Loan								3,552,260					3,552,260		
Sub-total Const. Financing Costs	*0*	*0*	*3,388,497*	*0*	*0*	*0*	*0*	*3,552,260*	*0*	*0*	*0*	*0*	*6,940,757*		
Permanent Financing Costs															
Permanent Loan Origination Fee			50,000										50,000		
Credit Enhance. & Appl. Fee													0		
Title & Recording			35,000										35,000		
Sub-total Perm. Financing Costs	*0*	*0*	*85,000*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*85,000*		
Total Financing Costs	**0**	**0**	**3,473,497**	**0**	**0**	**0**	**0**	**3,552,260**	**0**	**0**	**0**	**0**	**7,025,757**		
Legal Costs															
Borrower Legal fees			30,000										30,000	Organization of Partnership & Syndication GP & Transaction	
Land Use / CEQA Attorney fees													0		
Tax Credit Counsel			125,000										125,000		
Bond Counsel													0		
Construction Lender Counsel													0	Plus construction lender expenses	
Permanent Lender Counsel													0		
Construction Lender Inspection			6,000									0	6,000		
Total Legal Costs	**0**	**0**	**161,000**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**161,000**		
Other Development Costs															
Appraisal	35,000												35,000		
Market Study	33,562		1,438										35,000		
Insurance			425,981										425,981		
Property Taxes													0		
Accounting / Audit													0		
Organizational Costs													0		
Entitlement / Permit Fees	352,500												352,500		
Marketing / Rent-up			122,000										122,000	Plus Events/Community Outreach	
Furnishings			250,000										250,000	$2,000/unit; See MOHCD U/W Guidelines on: http://sfmohcd.org/documents-reports-and-forms	
PGE / Utility Fees			75,000										75,000		
TCAC App / Alloc / Monitor Fees			65,000										65,000		
Financial Consultant fees			90,000										90,000		
Construction Management fees / Owner's Rep			151,000										151,000	Chris Rivera	
Security during Construction													0		
Relocation			2,272,000										2,272,000		
Peer Review Consultant & Permit Expeditor													0		
Startup Expenses/Net Operating Loss													0		Total Soft Cost Contingency as % of Total Soft Costs
Other (specify)													0		
Total Other Development Costs	**421,062**	**0**	**3,452,419**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**3,873,481**		
Soft Cost Contingency															
Contingency (Arch, Eng, Fin, Legal & Other Dev)			1,075,000			365,000							1,440,000	Should be either 10% or 5% of total soft costs.	**11.0%**
TOTAL SOFT COSTS	**1,800,000**	**0**	**8,766,857**	**0**	**0**	**365,000**	**0**	**3,552,260**	**0**	**0**	**0**	**0**	**14,484,117**		
RESERVES															
Operating Reserves						500,299							500,299		
Replacement Reserves						117,200							117,200		
Tenant Improvements Reserves													0		
Other (specify)													0		
Other (specify)													0		
Other (specify)													0		
TOTAL RESERVES	**0**	**0**	**0**	**0**	**0**	**617,499**	**0**	**0**	**0**	**0**	**0**	**0**	**617,499**		
DEVELOPER COSTS															
Developer Fee - Cash-out Paid at Milestones			2,500,000										2,500,000		
Developer Fee - Cash-out At Risk													0		
Developer Fee - GP Equity (also show as source)					3,500,000								3,500,000		
Developer Fee - Deferred (also show as source)													0		
Development Consultant Fees													0	Need MOHCD approval for this cost, N/A for most projects	
Other (specify)													0		
TOTAL DEVELOPER COSTS	**0**	**0**	**2,500,000**	**0**	**3,500,000**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**6,000,000**		
TOTAL DEVELOPMENT COST	**1,800,000**	**16,160,842**	**22,319,551**	**4,139,129**	**3,500,000**	**982,499**	**16,289,158**	**5,052,260**	**7,000,000**	**0**	**0**	**0**	**77,243,439**		
Development Cost/Unit by Source	13,846	124,314	171,689	31,839	26,923	7,558	125,301	38,864	53,846	0	0	0	594,180		
Development Cost/Unit as % of TDC by Source	2.3%	20.9%	28.9%	5.4%	4.5%	1.3%	21.1%	6.5%	9.1%	0.0%	0.0%	0.0%	100.0%		
Acquisition Cost/Unit by Source	0	124,314	0	0	0	0	125,301	0	0	0	0	0	249,615		
Construction Cost (inc Const Contingency)/Unit By Source	0	0	79,069	31,839	0	0	0	11,538	53,846	0	0	0	176,293		
Construction Cost (inc Const Contingency)/SF	0.00	0.00	205.58	82.78	0.00	0.00	0.00	30.00	140.00	0.00	0.00	0.00	458.36		

City Subsidy/Unit: 13,846

Tax Credit Equity Pricing:		**Fill in with value or 'N/A' if not applicable.**
Construction Bond Amount:		**Fill in with value or 'N/A' if not applicable.**
Construction Loan Term (in months):		**Fill in with value or 'N/A' if not applicable.**
Construction Loan Interest Rate (as %):		**Fill in with value or 'N/A' if not applicable.**

Yosemite - Folsom Dore

	LOSP Units	Non-LOSP Units										
Total # Units: 130	20	110		Year 1			Year 2			Year 3		
	15.00%	85.00%		0			1			2		
INCOME	**inc LOSP**	**% annual increase**	**Comments (related to annual inc assumptions)**	**LOSP**	**non-LOSP**	**Total**	**LOSP**	**non-LOSP**	**Total**	**LOSP**	**non-LOSP**	**Total**
Residential - Tenant Rents	1.0%	2.5%		-	918,036	918,036	-	940,987	940,987	-	964,512	964,512
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.5%		201,841	1,143,767	1,345,608	206,887	1,172,361	1,379,248	212,059	1,201,670	1,413,729
Residential - LOSP Tenant Assistance Payments	n/a	n/a		68,302		68,302	72,062		72,062	76,003		76,003
Commercial Space	n/a	2.5%				20,000			20,500			21,013
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		558	3,160	3,718	572	3,239	3,811	586	3,320	3,906
Tenant Charges	2.5%	2.5%		495	2,805	3,300	507	2,875	3,383	520	2,947	3,467
Miscellaneous Residential Income	2.5%	2.5%		1,035	5,865	6,900	1,061	6,012	7,073	1,087	6,162	7,249
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				272,231	2,073,633	2,365,864	281,089	2,125,474	2,427,063	290,255	2,178,611	2,489,879
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	-	(45,902)	(45,902)	-	(47,049)	(47,049)	-	(48,226)	(48,226)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		(10,092)	(57,188)	(67,280)	(10,344)	(58,618)	(68,962)	(10,603)	(60,083)	(70,686)
Vacancy Loss - Commercial	n/a	n/a				(10,000)			(10,250)			(10,506)
EFFECTIVE GROSS INCOME				262,139	1,970,543	2,242,682	270,745	2,019,807	2,300,801	279,653	2,070,302	2,360,460
OPERATING EXPENSES												
Management												
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	19,395	109,905	129,300	20,074	113,752	133,826	20,776	117,733	138,509
Asset Management Fee	3.5%	3.5%	per MOHCD policy	1,522	8,624	10,146	1,575	8,926	10,501	1,630	9,238	10,869
Sub-total Management Expenses				20,917	118,529	139,446	21,649	122,678	144,327	22,407	126,971	149,378
Salaries/Benefits												
Office Salaries	3.5%	3.5%		52,022	294,794	346,816	53,843	305,111	358,955	55,728	315,790	371,518
Manager's Salary	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Health Insurance and Other Benefits	3.5%	3.5%		17,522	99,292	116,814	18,135	102,767	120,902	18,770	106,364	125,134
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				69,545	394,086	463,630	71,979	407,878	479,857	74,498	422,154	496,652
Administration												
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%		8,312	47,101	55,413	8,603	48,750	57,352	8,904	50,456	59,360
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		4,380	24,820	29,200	4,533	25,689	30,222	4,692	26,588	31,280
Audit Expense	3.5%	3.5%		2,697	15,282	17,979	2,791	15,817	18,608	2,889	16,371	19,260
Bookkeeping/Accounting Services	3.5%	3.5%		2,597	14,719	17,316	2,688	15,234	17,922	2,782	15,767	18,549
Bad Debts	3.5%	3.5%		1,770	10,030	11,800	1,832	10,381	12,213	1,896	10,744	12,640
Miscellaneous	3.5%	3.5%		3,410	19,321	22,731	3,529	19,998	23,527	3,653	20,698	24,350
Sub-total Administration Expenses				23,166	131,273	154,439	23,977	135,868	159,844	24,816	140,623	165,439
Utilities												
Electricity	3.5%	3.5%		8,199	46,461	54,660	8,486	48,087	56,573	8,783	49,770	58,553
Water	3.5%	3.5%		23,175	131,325	154,500	23,986	135,921	159,908	24,826	140,679	165,504
Gas	3.5%	3.5%		8,124	46,033	54,157	8,408	47,645	56,052	8,702	49,312	58,014
Sewer	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Utilities				39,498	223,819	263,317	40,880	231,653	272,533	42,311	239,761	282,072
Taxes and Licenses												
Real Estate Taxes	3.5%	3.5%		900	5,102	6,002	932	5,280	6,212	964	5,465	6,429
Payroll Taxes	3.5%	3.5%		5,191	29,414	34,605	5,372	30,444	35,816	5,560	31,509	37,070
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		1,328	7,523	8,851	1,374	7,787	9,161	1,422	8,059	9,481
Sub-total Taxes and Licenses				7,419	42,039	49,458	7,678	43,511	51,189	7,947	45,034	52,981
Insurance												
Property and Liability Insurance	3.5%	3.5%		8,959	50,766	59,725	9,272	52,543	61,815	9,597	54,382	63,979
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		7,460	42,271	49,730	7,721	43,750	51,471	7,991	45,281	53,272
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance				16,418	93,037	109,455	16,993	96,293	113,286	17,588	99,663	117,251
Maintenance & Repair												
Payroll	3.5%	3.5%		28,751	162,924	191,675	29,758	168,626	198,384	30,799	174,528	205,327
Supplies	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Contracts	3.5%	3.5%		11,295	64,005	75,300	11,690	66,245	77,936	12,099	68,564	80,663
Garbage and Trash Removal	3.5%	3.5%		9,994	56,630	66,624	10,343	58,612	68,956	10,705	60,664	71,369
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		11,947	67,701	79,648	12,365	70,070	82,436	12,798	72,523	85,321
Sub-total Maintenance & Repair Expenses				61,987	351,260	413,247	64,157	363,554	427,711	66,402	376,278	442,681
Supportive Services	3.5%	3.5%		3,675	20,825	24,500	3,804	21,554	25,358	3,937	22,308	26,245
Commercial Expenses						1,250			6,469			6,695
TOTAL OPERATING EXPENSES				242,624	1,374,868	1,623,742	251,116	1,422,989	1,680,573	259,905	1,472,793	1,739,393
PUPA (w/o Reserves/GL Base Rent/Bond Fees)						12,490						
Reserves/Ground Lease Base Rent/Bond Fees							Note: Hidden columns are in between total columns. To updat					
Ground Lease Base Rent				-	-	-	-	-	-	-	-	-
Bond Monitoring Fee				-	-	-	-	-	-	-	-	-
Replacement Reserve Deposit				12,630	71,570	84,200	12,630	71,570	84,200	12,630	71,570	84,200
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				12,630	71,570	84,200	12,630	71,570	84,200	12,630	71,570	84,200
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				255,254	1,446,438	1,707,942	263,746	1,494,559	1,764,773	272,535	1,544,363	1,823,593
PUPA (w/ Reserves/GL Base Rent/Bond Fees)						13,138						
NET OPERATING INCOME (INCOME minus OP EXPENSES)				6,885	524,105	534,740	6,999	525,248	536,028	7,118	525,939	536,867
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)							Note: Hidden columns are in between total columns. To updat					
Hard Debt - First Lender			Enter comments re: annual increase, etc.	-	377,000	377,000	-	377,000	377,000	-	377,000	377,000
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	3,300	18,700	22,000	3,300	18,700	22,000	3,300	18,700	22,000
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				3,300	395,700	399,000	3,300	395,700	399,000	3,300	395,700	399,000
CASH FLOW (NOI minus DEBT SERVICE)				3,585	128,405	135,740	3,699	129,548	137,028	3,818	130,239	137,867
Commercial Only Cash Flow						3,750			3,781			3,811
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				563	3,188		567	3,214		572	3,239	
AVAILABLE CASH FLOW				4,148	131,592	135,740	4,266	132,762	137,028	4,389	133,478	137,867
USES OF CASH FLOW BELOW (This row also shows DSCR.)			DSCR:			1.34			1.34			1.35
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL							Note: Hidden columns are in between total columns. To updat					
"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	3,398	19,253	22,650	3,516	19,926	23,443	3,639	20,624	24,263
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	750	4,250	5,000	750	4,250	5,000	750	4,250	5,000
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				4,148	23,503	27,650	4,266	24,176	28,443	4,389	24,874	29,263
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				-	108,090	108,090	0	108,586	108,586	(0)	108,604	108,604
Does Project have a MOHCD Residual Receipt Obligation?		Yes	Year 15 is year indicated below:									
Will Project Defer Developer Fee?		Yes										
1st Residual Receipts Split - Lender/Deferred Developer Fee		50% / 50%	2nd Residual Receipts Split Begins:									
2nd Residual Receipts Split - Lender/Owner		67% / 33%										
Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):				Max Deferred Developer Fee Amt:		-			-			-
		Dist. Soft	ative Deferred Developer Fee Earned	Cum. Deferred Developer Fee:		-			-			-
MOHCD RESIDUAL RECEIPTS DEBT SERVICE		Debt Loans										
MOHCD Residual Receipts Amount Due		100.00%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy			108,090			108,586			108,604
Proposed MOHCD Residual Receipts Amount to Loan Repayment						108,090			108,586			108,604
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		0.00%	No HCD Financing			-			-			-
Lender 4 Residual Receipts Due		0.00%				-			-			-
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						-			108,586			108,604
Final Balance (should be zero)						-			(108,586)			(108,604)
REPLACEMENT RESERVE - RUNNING BALANCE												
Replacement Reserve Starting Balance						-			84,200			168,400
Replacement Reserve Deposits						84,200			84,200			84,200
Replacement Reserve Withdrawals (ideally tied to CNA)						-			-			-
Replacement Reserve Interest												
RR Running Balance						84,200			168,400			252,600
			RR Balance/Unit			*$648*			*$1,295*			*$1,943*
OPERATING RESERVE - RUNNING BALANCE												
Operating Reserve Starting Balance						-			-			-
Operating Reserve Deposits						-			-			-
Operating Reserve Withdrawals												
Operating Reserve Interest												
OR Running Balance						-			-			-
			OR Balance as a % of Prior Yr Op Exps + Debt Service						*0.0%*			*0.0%*
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE												
Other Reserve 1 Starting Balance									-			-
Other Reserve 1 Deposits						-			-			-
Other Reserve 1 Withdrawals												
Other Reserve 1 Interest												
Other Required Reserve 1 Running Balance						-			-			-
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance									-			-
Other Reserve 2 Deposits						-			-			-

Total # Units:	LOSP Units	Non-LOSP Units										
130	***20***	***110***			**Year 1**			**Year 2**			**Year 3**	
	15.00%	*85.00%*			**0**			**1**			**2**	
INCOME	**inc LOSP**	**% annual increase**	**Comments (related to annual inc assumptions)**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
Other Required Reserve 2 Running Balance						-			-			-

Yosemite - Folsom Dore

	LOSP Units	Non-LOSP Units
Total # Units: 130	20	110
	15.00%	85.00%

				Year 4			Year 5			Year 6		
				3			4			5		
INCOME	**inc LOSP**	**% annual increase**	**Comments (related to annual inc assumptions)**	**LOSP**	**non-LOSP**	**Total**	**LOSP**	**non-LOSP**	**Total**	**LOSP**	**non-LOSP**	**Total**
Residential - Tenant Rents	1.0%	2.5%		-	988,624	988,624	-	1,013,340	1,013,340	-	1,038,673	1,038,673
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.5%		217,361	1,231,712	1,449,073	222,795	1,262,505	1,485,299	228,365	1,294,067	1,522,432
Residential - LOSP Tenant Assistance Payments	n/a	n/a		80,131		80,131	84,456		84,456	88,984		88,984
Commercial Space	n/a	2.5%				21,538			22,076			22,628
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		601	3,403	4,004	616	3,488	4,104	631	3,576	4,207
Tenant Charges	2.5%	2.5%		533	3,021	3,554	546	3,096	3,643	560	3,174	3,734
Miscellaneous Residential Income	2.5%	2.5%		1,115	6,316	7,431	1,142	6,474	7,616	1,171	6,636	7,807
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				299,740	2,233,076	2,554,354	309,555	2,288,903	2,620,534	319,711	2,346,126	2,688,464
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	-	(49,431)	(49,431)	-	(50,667)	(50,667)	-	(51,934)	(51,934)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		(10,868)	(61,586)	(72,454)	(11,140)	(63,125)	(74,265)	(11,418)	(64,703)	(76,122)
Vacancy Loss - Commercial	n/a	n/a				(10,769)			(11,038)			(11,314)
EFFECTIVE GROSS INCOME				288,872	2,122,059	2,421,700	298,415	2,175,111	2,484,564	308,292	2,229,488	2,549,095
OPERATING EXPENSES												
Management												
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	21,504	121,854	143,357	22,256	126,119	148,375	23,035	130,533	153,568
Asset Management Fee	3.5%	3.5%	per MOHCD policy	1,687	9,562	11,249	1,746	9,896	11,643	1,808	10,243	12,050
Sub-total Management Expenses				23,191	131,415	154,606	24,003	136,015	160,017	24,843	140,775	165,618
Salaries/Benefits												
Office Salaries	3.5%	3.5%		57,678	326,843	384,521	59,697	338,282	397,979	61,786	350,122	411,909
Manager's Salary	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Health Insurance and Other Benefits	3.5%	3.5%		19,427	110,087	129,514	20,107	113,940	134,047	20,811	117,928	138,738
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				77,105	436,930	514,035	79,804	452,222	532,026	82,597	468,050	550,647
Administration												
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%		9,216	52,222	61,437	9,538	54,050	63,588	9,872	55,941	65,813
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		4,856	27,518	32,375	5,026	28,482	33,508	5,202	29,478	34,680
Audit Expense	3.5%	3.5%		2,990	16,944	19,934	3,095	17,537	20,631	3,203	18,150	21,353
Bookkeeping/Accounting Services	3.5%	3.5%		2,880	16,319	19,199	2,981	16,890	19,871	3,085	17,481	20,566
Bad Debts	3.5%	3.5%		1,962	11,120	13,083	2,031	11,510	13,541	2,102	11,912	14,015
Miscellaneous	3.5%	3.5%		3,780	21,422	25,202	3,913	22,172	26,084	4,050	22,948	26,997
Sub-total Administration Expenses				25,684	145,545	171,229	26,583	150,639	177,222	27,514	155,911	183,425
Utilities												
Electricity	3.5%	3.5%		9,090	51,512	60,603	9,409	53,315	62,724	9,738	55,181	64,919
Water	3.5%	3.5%		25,695	145,602	171,297	26,594	150,698	177,292	27,525	155,973	183,498
Gas	3.5%	3.5%		9,007	51,038	60,045	9,322	52,824	62,146	9,648	54,673	64,322
Sewer	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Utilities				43,792	248,153	291,944	45,324	256,838	302,162	46,911	265,827	312,738
Taxes and Licenses												
Real Estate Taxes	3.5%	3.5%		998	5,656	6,655	1,033	5,854	6,887	1,069	6,059	7,128
Payroll Taxes	3.5%	3.5%		5,755	32,612	38,367	5,957	33,754	39,710	6,165	34,935	41,100
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		1,472	8,341	9,813	1,524	8,633	10,157	1,577	8,935	10,512
Sub-total Taxes and Licenses				8,225	46,610	54,835	8,513	48,241	56,754	8,811	49,930	58,741
Insurance												
Property and Liability Insurance	3.5%	3.5%		9,933	56,285	66,218	10,280	58,255	68,536	10,640	60,294	70,935
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		8,270	46,866	55,137	8,560	48,506	57,066	8,860	50,204	59,064
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance				18,203	103,152	121,355	18,840	106,762	125,602	19,500	110,498	129,998
Maintenance & Repair												
Payroll	3.5%	3.5%		31,877	180,636	212,513	32,993	186,959	219,951	34,147	193,502	227,650
Supplies	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Contracts	3.5%	3.5%		12,523	70,963	83,486	12,961	73,447	86,408	13,415	76,018	89,433
Garbage and Trash Removal	3.5%	3.5%		11,080	62,787	73,867	11,468	64,985	76,453	11,869	67,259	79,128
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		13,246	75,061	88,307	13,710	77,688	91,398	14,190	80,407	94,597
Sub-total Maintenance & Repair Expenses				68,726	389,448	458,174	71,132	403,079	474,210	73,621	417,187	490,808
Supportive Services	3.5%	3.5%		4,075	23,089	27,164	4,217	23,897	28,114	4,365	24,734	29,098
Commercial Expenses						6,929			7,172			7,423
TOTAL OPERATING EXPENSES				269,001	1,524,341	1,800,272	278,416	1,577,693	1,863,281	288,161	1,632,912	1,928,496
PUPA (w/o Reserves/GL Base Rent/Bond Fees)												
Reserves/Ground Lease Base Rent/Bond Fees				e/delete values in yellow cells, manipulate each cell rather than dragging across multiple cells.								
Ground Lease Base Rent				-	-	-	-	-	-	-	-	-
Bond Monitoring Fee				-	-	-	-	-	-	-	-	-
Replacement Reserve Deposit				12,630	71,570	84,200	12,630	71,570	84,200	12,630	71,570	84,200
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				12,630	71,570	84,200	12,630	71,570	84,200	12,630	71,570	84,200
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				281,631	1,595,911	1,884,472	291,046	1,649,263	1,947,481	300,791	1,704,482	2,012,696
PUPA (w/ Reserves/GL Base Rent/Bond Fees)												
NET OPERATING INCOME (INCOME minus OP EXPENSES)				7,241	526,148	537,229	7,369	525,848	537,083	7,502	525,006	536,399
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)				e/delete values in yellow cells, manipulate each cell rather than dragging across multiple cells.								
Hard Debt - First Lender			Enter comments re: annual increase, etc.	-	377,000	377,000	-	377,000	377,000	-	377,000	377,000
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	3,300	18,700	22,000	3,300	18,700	22,000	3,300	18,700	22,000
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				3,300	395,700	399,000	3,300	395,700	399,000	3,300	395,700	399,000
CASH FLOW (NOI minus DEBT SERVICE)				3,941	130,448	138,229	4,069	130,148	138,083	4,202	129,306	137,399
Commercial Only Cash Flow						3,839			3,866			3,891
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				576	3,264		580	3,286		584	3,307	
AVAILABLE CASH FLOW				4,517	133,712	138,229	4,649	133,434	138,083	4,785	132,614	137,399
USES OF CASH FLOW BELOW (This row also shows DSCR.)			DSCR:			1.35			1.35			1.34
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL				e/delete values in yellow cells, manipulate each cell rather than dragging across multiple cells.								
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	per MOHCD policy	-	-		-	-		-	-	
Partnership Management Fee (see policy for limits)	3.5%	3.5%	per MOHCD policy	3,767	21,346	25,112	3,899	22,093	25,991	4,035	22,866	26,901
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	750	4,250	5,000	750	4,250	5,000	750	4,250	5,000
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				4,517	25,596	30,112	4,649	26,343	30,991	4,785	27,116	31,901
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				(0)	108,116	108,116	(0)	107,091	107,091	0	105,498	105,498
Does Project have a MOHCD Residual Receipt Obligation?		Yes	Year 15 is year indicated below:									
Will Project Defer Developer Fee?		Yes										
1st Residual Receipts Split - Lender/Deferred Developer Fee		50% / 50%	2nd Residual Receipts Split Begins:									
2nd Residual Receipts Split - Lender/Owner		67% / 33%										
Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):						-			-			-
		Dist. Soft Debt Loans	ative Deferred Developer Fee Earned			-			-			-
MOHCD RESIDUAL RECEIPTS DEBT SERVICE												
MOHCD Residual Receipts Amount Due		100.00%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy			108,116			107,091			105,498
Proposed MOHCD Residual Receipts Amount to Loan Repayment						108,116			107,091			105,498
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		0.00%	No HCD Financing			-			-			-
Lender 4 Residual Receipts Due		0.00%				-			-			-
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						108,116			107,091			105,498
Final Balance (should be zero)						(108,116)			(107,091)			(105,498)
REPLACEMENT RESERVE - RUNNING BALANCE												
Replacement Reserve Starting Balance						252,600			336,800			421,000
Replacement Reserve Deposits						84,200			84,200			84,200
Replacement Reserve Withdrawals (ideally tied to CNA)						-			-			-
Replacement Reserve Interest												
RR Running Balance						336,800			421,000			505,200
			RR Balance/Unit			$2,591			$3,238			$3,886
OPERATING RESERVE - RUNNING BALANCE												
Operating Reserve Starting Balance						-			-			-
Operating Reserve Deposits						-			-			-
Operating Reserve Withdrawals												
Operating Reserve Interest												
OR Running Balance						-			-			-
			OR Balance as a % of Prior Yr Op Exps + Debt Service			0.0%			0.0%			0.0%
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE												
Other Reserve 1 Starting Balance						-			-			-
Other Reserve 1 Deposits						-			-			-
Other Reserve 1 Withdrawals												
Other Reserve 1 Interest												
Other Required Reserve 1 Running Balance						-			-			-
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance						-			-			-
Other Reserve 2 Deposits						-			-			-

	LOSP Units	Non-LOSP Units		Year 4			Year 5			Year 6		
Total # Units:												
130	***20***	***110***			**3**			**4**			**5**	
	15.00%	*85.00%*										
INCOME	**inc LOSP**	**% annual increase**	**Comments (related to annual inc assumptions)**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
Other Required Reserve 2 Running Balance						-			-			-

Yosemite - Folsom Dore

	LOSP Units	Non-LOSP Units										
Total # Units: 130	20	110		Year 7			Year 8			Year 9		
	15.00%	85.00%		6			7			8		
INCOME	**inc LOSP**	**% annual increase**	**Comments (related to annual inc assumptions)**	**LOSP**	**non-LOSP**	**Total**	**LOSP**	**non-LOSP**	**Total**	**LOSP**	**non-LOSP**	**Total**
Residential - Tenant Rents	1.0%	2.5%		-	1,064,640	1,064,640	-	1,091,256	1,091,256	-	1,118,538	1,118,538
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.5%		234,074	1,326,419	1,560,493	239,926	1,359,579	1,599,505	245,924	1,393,569	1,639,493
Residential - LOSP Tenant Assistance Payments	n/a	n/a		93,725		93,725	98,686		98,686	103,879		103,879
Commercial Space	n/a	2.5%				23,194			23,774			24,368
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		647	3,665	4,312	663	3,757	4,420	680	3,851	4,530
Tenant Charges	2.5%	2.5%		574	3,253	3,827	588	3,334	3,923	603	3,418	4,021
Miscellaneous Residential Income	2.5%	2.5%		1,200	6,802	8,002	1,230	6,972	8,202	1,261	7,146	8,407
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				**330,220**	**2,404,779**	**2,758,192**	**341,094**	**2,464,898**	**2,829,766**	**352,346**	**2,526,521**	**2,903,235**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	-	(53,232)	(53,232)	-	(54,563)	(54,563)	-	(55,927)	(55,927)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		(11,704)	(66,321)	(78,025)	(11,996)	(67,979)	(79,975)	(12,296)	(69,678)	(81,975)
Vacancy Loss - Commercial	n/a	n/a				(11,597)			(11,887)			(12,184)
EFFECTIVE GROSS INCOME				**318,516**	**2,285,226**	**2,615,339**	**329,098**	**2,342,356**	**2,683,341**	**340,050**	**2,400,915**	**2,753,149**
OPERATING EXPENSES												
Management												
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	23,841	135,101	158,943	24,676	139,830	164,506	25,540	144,724	170,263
Asset Management Fee	3.5%	3.5%	per MOHCD policy	1,871	10,601	12,472	1,936	10,972	12,909	2,004	11,356	13,360
Sub-total Management Expenses				**25,712**	**145,703**	**171,415**	**26,612**	**150,802**	**177,414**	**27,544**	**156,080**	**183,624**
Salaries/Benefits												
Office Salaries	3.5%	3.5%		63,949	362,377	426,325	66,187	375,060	441,247	68,504	388,187	456,690
Manager's Salary	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Health Insurance and Other Benefits	3.5%	3.5%		21,539	122,055	143,594	22,293	126,327	148,620	23,073	130,748	153,822
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				**85,488**	**484,432**	**569,920**	**88,480**	**501,387**	**589,867**	**91,577**	**518,935**	**610,512**
Administration												
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%		10,218	57,899	68,117	10,575	59,926	70,501	10,945	62,023	72,968
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		5,384	30,510	35,894	5,573	31,578	37,151	5,768	32,683	38,451
Audit Expense	3.5%	3.5%		3,315	18,786	22,101	3,431	19,443	22,874	3,551	20,124	23,675
Bookkeeping/Accounting Services	3.5%	3.5%		3,193	18,093	21,286	3,305	18,726	22,031	3,420	19,382	22,802
Bad Debts	3.5%	3.5%		2,176	12,329	14,505	2,252	12,761	15,013	2,331	13,208	15,538
Miscellaneous	3.5%	3.5%		4,191	23,751	27,942	4,338	24,582	28,920	4,490	25,443	29,932
Sub-total Administration Expenses				**28,477**	**161,368**	**189,845**	**29,473**	**167,016**	**196,490**	**30,505**	**172,862**	**203,367**
Utilities												
Electricity	3.5%	3.5%		10,079	57,112	67,191	10,431	59,111	69,543	10,797	61,180	71,977
Water	3.5%	3.5%		28,488	161,432	189,920	29,485	167,082	196,567	30,517	172,930	203,447
Gas	3.5%	3.5%		9,986	56,587	66,573	10,335	58,567	68,903	10,697	60,617	71,314
Sewer	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Utilities				**48,553**	**275,131**	**323,684**	**50,252**	**284,761**	**335,013**	**52,011**	**294,727**	**346,738**
Taxes and Licenses												
Real Estate Taxes	3.5%	3.5%		1,107	6,271	7,378	1,145	6,491	7,636	1,186	6,718	7,903
Payroll Taxes	3.5%	3.5%		6,381	36,158	42,538	6,604	37,423	44,027	6,835	38,733	45,568
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		1,632	9,248	10,880	1,689	9,572	11,261	1,748	9,907	11,655
Sub-total Taxes and Licenses				**9,119**	**51,677**	**60,797**	**9,439**	**53,486**	**62,924**	**9,769**	**55,358**	**65,127**
Insurance												
Property and Liability Insurance	3.5%	3.5%		11,013	62,405	73,417	11,398	64,589	75,987	11,797	66,849	78,646
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		9,170	51,961	61,131	9,491	53,780	63,270	9,823	55,662	65,485
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance				**20,182**	**114,366**	**134,548**	**20,889**	**118,369**	**139,257**	**21,620**	**122,512**	**144,131**
Maintenance & Repair												
Payroll	3.5%	3.5%		35,343	200,275	235,618	36,580	207,285	243,864	37,860	214,539	252,399
Supplies	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Contracts	3.5%	3.5%		13,884	78,678	92,563	14,370	81,432	95,803	14,873	84,282	99,156
Garbage and Trash Removal	3.5%	3.5%		12,285	69,613	81,898	12,715	72,050	84,764	13,160	74,571	87,731
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		14,686	83,222	97,908	15,200	86,134	101,334	15,732	89,149	104,881
Sub-total Maintenance & Repair Expenses				**76,198**	**431,788**	**507,986**	**78,865**	**446,901**	**525,766**	**81,625**	**462,542**	**544,167**
Supportive Services	3.5%	3.5%		4,518	25,599	30,117	4,676	26,495	31,171	4,839	27,423	32,262
Commercial Expenses						7,683			7,952			8,230
TOTAL OPERATING EXPENSES				**298,247**	**1,690,064**	**1,995,994**	**308,685**	**1,749,216**	**2,065,853**	**319,489**	**1,810,439**	**2,138,158**
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				12,630	71,570	84,200	12,630	71,570	84,200	12,630	71,570	84,200
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				**12,630**	**71,570**	**84,200**	**12,630**	**71,570**	**84,200**	**12,630**	**71,570**	**84,200**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				**310,877**	**1,761,634**	**2,080,194**	**321,315**	**1,820,786**	**2,150,053**	**332,119**	**1,882,009**	**2,222,358**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)												
NET OPERATING INCOME (INCOME minus OP EXPENSES)				**7,639**	**523,592**	**535,145**	**7,782**	**521,570**	**533,287**	**7,931**	**518,906**	**530,791**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)												
Hard Debt - First Lender			Enter comments re: annual increase, etc.	-	377,000	377,000	-	377,000	377,000	-	377,000	377,000
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	3,300	18,700	22,000	3,300	18,700	22,000	3,300	18,700	22,000
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				**3,300**	**395,700**	**399,000**	**3,300**	**395,700**	**399,000**	**3,300**	**395,700**	**399,000**
CASH FLOW (NOI minus DEBT SERVICE)				**4,339**	**127,892**	**136,145**	**4,482**	**125,870**	**134,287**	**4,631**	**123,206**	**131,791**
Commercial Only Cash Flow						**3,914**			**3,935**			**3,954**
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				587	3,327		590	3,345		593	3,361	
AVAILABLE CASH FLOW				**4,926**	**131,219**	**136,145**	**5,073**	**129,215**	**134,287**	**5,224**	**126,567**	**131,791**
USES OF CASH FLOW BELOW (This row also shows DSCR.)			DSCR:			**1.34**			**1.34**			**1.33**
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	4,176	23,666	27,843	4,323	24,495	28,817	4,474	25,352	29,826
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	750	4,250	5,000	750	4,250	5,000	750	4,250	5,000
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				**4,926**	**27,916**	**32,843**	**5,073**	**28,745**	**33,817**	**5,224**	**29,602**	**34,826**
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				-	103,302	**103,302**	0	100,470	**100,470**	(0)	96,965	**96,965**
Does Project have a MOHCD Residual Receipt Obligation?		Yes	Year 15 is year indicated below:									
Will Project Defer Developer Fee?		Yes										
1st Residual Receipts Split - Lender/Deferred Developer Fee		50% / 50%	2nd Residual Receipts Split Begins:									
2nd Residual Receipts Split - Lender/Owner		67% / 33%										
Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):						-			-			-
		Dist. Soft Debt Loans	ative Deferred Developer Fee Earned			-			-			-
MOHCD RESIDUAL RECEIPTS DEBT SERVICE												
MOHCD Residual Receipts Amount Due		100.00%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy			103,302			100,470			96,965
Proposed MOHCD Residual Receipts Amount to Loan Repayment						103,302			100,470			96,965
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		0.00%	No HCD Financing			-			-			-
Lender 4 Residual Receipts Due		0.00%				-			-			-
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						103,302			100,470			96,965
Final Balance (should be zero)						**(103,302)**			**(100,470)**			**(96,965)**
REPLACEMENT RESERVE - RUNNING BALANCE												
Replacement Reserve Starting Balance						**505,200**			**589,400**			**673,600**
Replacement Reserve Deposits						**84,200**			**84,200**			**84,200**
Replacement Reserve Withdrawals (ideally tied to CNA)						-			-			-
Replacement Reserve Interest												
RR Running Balance						**589,400**			**673,600**			**757,800**
			RR Balance/Unit			*$4,534*			*$5,182*			*$5,829*
OPERATING RESERVE - RUNNING BALANCE												
Operating Reserve Starting Balance						-			-			-
Operating Reserve Deposits						-			-			-
Operating Reserve Withdrawals												
Operating Reserve Interest												
OR Running Balance						-			-			-
			OR Balance as a % of Prior Yr Op Exps + Debt Service			*0.0%*			*0.0%*			*0.0%*
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE												
Other Reserve 1 Starting Balance						-			-			-
Other Reserve 1 Deposits						-			-			-
Other Reserve 1 Withdrawals												
Other Reserve 1 Interest												
Other Required Reserve 1 Running Balance						-			-			-
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance						-			-			-
Other Reserve 2 Deposits						-			-			-

	LOSP Units	Non-LOSP Units										
Total # Units:												
130	***20***	***110***		**Year 7**			**Year 8**			**Year 9**		
	15.00%	*85.00%*		**6**			**7**			**8**		
INCOME	**inc LOSP**	**% annual increase**	**Comments (related to annual inc assumptions)**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
Other Required Reserve 2 Running Balance						-			-			-

Yosemite - Folsom Dore

	LOSP Units	Non-LOSP Units
Total # Units:		
130	20	110
	15.00%	85.00%

INCOME	inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 10 (9) LOSP	Year 10 (9) non-LOSP	Year 10 (9) Total	Year 11 (10) LOSP	Year 11 (10) non-LOSP	Year 11 (10) Total	Year 12 (11) LOSP	Year 12 (11) non-LOSP	Year 12 (11) Total
Residential - Tenant Rents	1.0%	2.5%		-	1,146,501	1,146,501	-	1,175,164	1,175,164	-	1,204,543	1,204,543
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.5%		252,072	1,428,408	1,680,480	258,374	1,464,118	1,722,492	264,833	1,500,721	1,765,554
Residential - LOSP Tenant Assistance Payments	n/a	n/a		109,311		109,311	114,992		114,992	120,934		120,934
Commercial Space	n/a	2.5%				24,977			25,602			26,242
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		696	3,947	4,643	714	4,045	4,759	732	4,147	4,878
Tenant Charges	2.5%	2.5%		618	3,503	4,121	634	3,591	4,224	649	3,680	4,330
Miscellaneous Residential Income	2.5%	2.5%		1,293	7,325	8,617	1,325	7,508	8,833	1,358	7,695	9,053
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				363,990	2,589,684	2,978,651	376,038	2,654,426	3,056,066	388,506	2,720,786	3,135,534
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	-	(57,325)	(57,325)	-	(58,758)	(58,758)	-	(60,227)	(60,227)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		(12,604)	(71,420)	(84,024)	(12,919)	(73,206)	(86,125)	(13,242)	(75,036)	(88,278)
Vacancy Loss - Commercial	n/a	n/a				(12,489)			(12,801)			(13,121)
EFFECTIVE GROSS INCOME				351,386	2,460,938	2,824,813	363,120	2,522,462	2,898,382	375,264	2,585,523	2,973,908
OPERATING EXPENSES												
Management												
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	26,433	149,789	176,223	27,359	155,032	182,390	28,316	160,458	188,774
Asset Management Fee	3.5%	3.5%	per MOHCD policy	2,074	11,754	13,828	2,147	12,165	14,312	2,222	12,591	14,813
Sub-total Management Expenses				28,508	161,543	190,051	29,505	167,197	196,702	30,538	173,049	203,587
Salaries/Benefits												
Office Salaries	3.5%	3.5%		70,901	401,773	472,675	73,383	415,835	489,218	75,951	430,390	506,341
Manager's Salary	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Health Insurance and Other Benefits	3.5%	3.5%		23,881	135,325	159,205	24,717	140,061	164,778	25,582	144,963	170,545
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				94,782	537,098	631,880	98,099	555,897	653,996	101,533	575,353	676,886
Administration												
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%		11,328	64,194	75,522	11,725	66,441	78,166	12,135	68,766	80,901
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		5,969	33,827	39,797	6,178	35,011	41,189	6,395	36,236	42,631
Audit Expense	3.5%	3.5%		3,676	20,828	24,504	3,804	21,557	25,361	3,937	22,311	26,249
Bookkeeping/Accounting Services	3.5%	3.5%		3,540	20,060	23,600	3,664	20,762	24,426	3,792	21,489	25,281
Bad Debts	3.5%	3.5%		2,412	13,670	16,082	2,497	14,148	16,645	2,584	14,643	17,228
Miscellaneous	3.5%	3.5%		4,647	26,333	30,980	4,810	27,255	32,064	4,978	28,209	33,187
Sub-total Administration Expenses				31,573	178,912	210,485	32,678	185,174	217,851	33,821	191,655	225,476
Utilities												
Electricity	3.5%	3.5%		11,174	63,322	74,496	11,565	65,538	77,103	11,970	67,832	79,802
Water	3.5%	3.5%		31,585	178,982	210,568	32,691	185,247	217,938	33,835	191,731	225,565
Gas	3.5%	3.5%		11,072	62,739	73,810	11,459	64,935	76,394	11,860	67,207	79,068
Sewer	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Utilities				53,831	305,043	358,874	55,715	315,719	371,435	57,665	326,770	384,435
Taxes and Licenses												
Real Estate Taxes	3.5%	3.5%		1,227	6,953	8,180	1,270	7,196	8,466	1,314	7,448	8,763
Payroll Taxes	3.5%	3.5%		7,074	40,089	47,163	7,322	41,492	48,814	7,578	42,944	50,522
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		1,809	10,254	12,063	1,873	10,612	12,485	1,938	10,984	12,922
Sub-total Taxes and Licenses				10,111	57,295	67,406	10,465	59,301	69,765	10,831	61,376	72,207
Insurance												
Property and Liability Insurance	3.5%	3.5%		12,210	69,189	81,399	12,637	71,611	84,248	13,080	74,117	87,197
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		10,167	57,610	67,777	10,522	59,627	70,149	10,891	61,714	72,604
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance				22,376	126,800	149,176	23,160	131,238	154,397	23,970	135,831	159,801
Maintenance & Repair												
Payroll	3.5%	3.5%		39,185	222,048	261,233	40,556	229,820	270,377	41,976	237,864	279,840
Supplies	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Contracts	3.5%	3.5%		15,394	87,232	102,626	15,933	90,285	106,218	16,490	93,445	109,936
Garbage and Trash Removal	3.5%	3.5%		13,620	77,181	90,802	14,097	79,883	93,980	14,590	82,679	97,269
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		16,283	92,269	108,552	16,853	95,499	112,351	17,443	98,841	116,284
Sub-total Maintenance & Repair Expenses				84,482	478,731	563,213	87,439	495,487	582,926	90,499	512,829	603,328
Supportive Services	3.5%	3.5%		5,009	28,382	33,391	5,184	29,376	34,560	5,365	30,404	35,769
Commercial Expenses						8,518			8,816			9,125
TOTAL OPERATING EXPENSES				330,671	1,873,804	2,212,994	342,245	1,939,387	2,290,448	354,223	2,007,266	2,370,614
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				12,630	71,570	84,200	12,630	71,570	84,200	12,630	71,570	84,200
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				12,630	71,570	84,200	12,630	71,570	84,200	12,630	71,570	84,200
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				343,301	1,945,374	2,297,194	354,875	2,010,957	2,374,648	366,853	2,078,836	2,454,814
PUPA (w/ Reserves/GL Base Rent/Bond Fees)												
NET OPERATING INCOME (INCOME minus OP EXPENSES)				8,085	515,564	527,619	8,245	511,504	523,734	8,411	506,687	519,094
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)												
Hard Debt - First Lender			Enter comments re: annual increase, etc.	-	377,000	377,000	-	377,000	377,000	-	377,000	377,000
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	3,300	18,700	22,000	3,300	18,700	22,000	3,300	18,700	22,000
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				3,300	395,700	399,000	3,300	395,700	399,000	3,300	395,700	399,000
CASH FLOW (NOI minus DEBT SERVICE)				4,785	119,864	128,619	4,945	115,804	124,734	5,111	110,987	120,094
Commercial Only Cash Flow						3,971			3,985			3,996
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				596	3,375		598	3,387		599	3,397	
AVAILABLE CASH FLOW				5,380	123,239	128,619	5,543	119,191	124,734	5,710	114,384	120,094
USES OF CASH FLOW BELOW (This row also shows DSCR.)			DSCR:			1.32			1.31			1.3
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	4,630	26,239	30,870	4,793	27,158	31,950	4,960	28,108	33,068
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	750	4,250	5,000	750	4,250	5,000	750	4,250	5,000
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				5,380	30,489	35,870	5,543	31,408	36,950	5,710	32,358	38,068
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				(0)	92,750	92,750	(0)	87,784	87,784	0	82,026	82,026
Does Project have a MOHCD Residual Receipt Obligation?		Yes	Year 15 is year indicated below:									
Will Project Defer Developer Fee?		Yes										
1st Residual Receipts Split - Lender/Deferred Developer Fee		50% / 50%	2nd Residual Receipts Split Begins:									
2nd Residual Receipts Split - Lender/Owner		67% / 33%										
Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):						-			-			-
		Dist. Soft Debt Loans	ative Deferred Developer Fee Earned			-			-			-
MOHCD RESIDUAL RECEIPTS DEBT SERVICE												
MOHCD Residual Receipts Amount Due		100.00%	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy			92,750			87,784			82,026
Proposed MOHCD Residual Receipts Amount to Loan Repayment						92,750			87,784			82,026
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		0.00%	No HCD Financing			-			-			-
Lender 4 Residual Receipts Due		0.00%				-			-			-
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						92,750			87,784			82,026
Final Balance (should be zero)						(92,750)			(87,784)			(82,026)
REPLACEMENT RESERVE - RUNNING BALANCE												
Replacement Reserve Starting Balance						757,800			842,000			926,200
Replacement Reserve Deposits						84,200			84,200			84,200
Replacement Reserve Withdrawals (ideally tied to CNA)						-			-			-
Replacement Reserve Interest												
RR Running Balance						842,000			926,200			1,010,400
			RR Balance/Unit			$6,477			$7,125			$7,772
OPERATING RESERVE - RUNNING BALANCE												
Operating Reserve Starting Balance						-			-			-
Operating Reserve Deposits						-			-			-
Operating Reserve Withdrawals												
Operating Reserve Interest												
OR Running Balance						-			-			-
			OR Balance as a % of Prior Yr Op Exps + Debt Service			0.0%			0.0%			0.0%
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE												
Other Reserve 1 Starting Balance						-			-			-
Other Reserve 1 Deposits						-			-			-
Other Reserve 1 Withdrawals												
Other Reserve 1 Interest												
Other Required Reserve 1 Running Balance						-			-			-
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance						-			-			-
Other Reserve 2 Deposits						-			-			-

	LOSP Units	Non-LOSP Units			Year 10			Year 11			Year 12	
Total # Units:												
130	***20***	***110***			**9**			**10**			**11**	
	15.00%	*85.00%*										
INCOME	**inc LOSP**	**% annual increase**	**Comments (related to annual inc assumptions)**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
Other Required Reserve 2 Running Balance						-			-			-

Yosemite - Folsom Dore

	LOSP Units	Non-LOSP Units		Year 13			Year 14			Year 15		
Total # Units: 130	***20***	***110***		12			13			14		
	15.00%	*85.00%*										
INCOME	**inc LOSP**	**% annual increase**	**Comments (related to annual inc assumptions)**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**
Residential - Tenant Rents	1.0%	2.5%		-	1,234,656	1,234,656	-	1,265,523	1,265,523	-	1,297,161	1,297,161
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.5%		*271,454*	*1,538,239*	1,809,693	*278,240*	*1,576,695*	1,854,935	*285,196*	*1,616,113*	1,901,309
Residential - LOSP Tenant Assistance Payments	n/a	n/a		*127,145*		127,145	*133,639*		133,639	*140,425*		140,425
Commercial Space	n/a	2.5%				26,898			27,570			28,259
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		*750*	*4,250*	5,000	*769*	*4,357*	5,125	*788*	*4,465*	5,253
Tenant Charges	2.5%	2.5%		*666*	*3,772*	4,438	*682*	*3,867*	4,549	*699*	*3,963*	4,663
Miscellaneous Residential Income	2.5%	2.5%		*1,392*	*7,888*	9,280	*1,427*	*8,085*	9,512	*1,462*	*8,287*	9,750
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				***401,407***	***2,788,806***	**3,217,111**	***414,757***	***2,858,526***	**3,300,853**	***428,571***	***2,929,989***	**3,386,820**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	-	*(61,733)*	(61,733)	-	*(63,276)*	(63,276)	-	*(64,858)*	(64,858)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		*(13,573)*	*(76,912)*	(90,485)	*(13,912)*	*(78,835)*	(92,747)	*(14,260)*	*(80,806)*	(95,065)
Vacancy Loss - Commercial	n/a	n/a				(13,449)			(13,785)			(14,130)
EFFECTIVE GROSS INCOME				***387,834***	***2,650,161***	**3,051,444**	***400,845***	***2,716,415***	**3,131,045**	***414,311***	***2,784,326***	**3,212,767**
OPERATING EXPENSES												
Management												
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	*29,307*	*166,074*	195,381	*30,333*	*171,887*	202,220	*31,395*	*177,903*	209,297
Asset Management Fee	3.5%	3.5%	per MOHCD policy	*2,300*	*13,032*	15,331	*2,380*	*13,488*	15,868	*2,463*	*13,960*	16,423
Sub-total Management Expenses				***31,607***	***179,106***	**210,712**	***32,713***	***185,374***	**218,087**	***33,858***	***191,862***	**225,720**
Salaries/Benefits												
Office Salaries	3.5%	3.5%		*78,609*	*445,453*	524,063	*81,361*	*461,044*	542,405	*84,208*	*477,181*	561,389
Manager's Salary	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Health Insurance and Other Benefits	3.5%	3.5%		*26,477*	*150,037*	176,514	*27,404*	*155,288*	182,692	*28,363*	*160,723*	189,086
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				***105,087***	***595,490***	**700,577**	***108,765***	***616,332***	**725,097**	***112,571***	***637,904***	**750,475**
Administration												
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%		*12,560*	*71,173*	83,733	*13,000*	*73,664*	86,663	*13,455*	*76,242*	89,697
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		*6,618*	*37,505*	44,123	*6,850*	*38,817*	45,668	*7,090*	*40,176*	47,266
Audit Expense	3.5%	3.5%		*4,075*	*23,092*	27,168	*4,218*	*23,901*	28,118	*4,365*	*24,737*	29,103
Bookkeeping/Accounting Services	3.5%	3.5%		*3,925*	*22,241*	26,166	*4,062*	*23,019*	27,081	*4,204*	*23,825*	28,029
Bad Debts	3.5%	3.5%		*2,675*	*15,156*	17,831	*2,768*	*15,686*	18,455	*2,865*	*16,236*	19,101
Miscellaneous	3.5%	3.5%		*5,152*	*29,196*	34,348	*5,333*	*30,218*	35,550	*5,519*	*31,275*	36,795
Sub-total Administration Expenses				***35,005***	***198,363***	**233,368**	***36,230***	***205,305***	**241,536**	***37,498***	***212,491***	**249,990**
Utilities												
Electricity	3.5%	3.5%		*12,389*	*70,206*	82,595	*12,823*	*72,663*	85,486	*13,272*	*75,206*	88,478
Water	3.5%	3.5%		*35,019*	*198,441*	233,460	*36,245*	*205,387*	241,631	*37,513*	*212,575*	250,088
Gas	3.5%	3.5%		*12,275*	*69,560*	81,835	*12,705*	*71,994*	84,699	*13,150*	*74,514*	87,664
Sewer	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Utilities				***59,684***	***338,207***	**397,890**	***61,772***	***350,044***	**411,816**	***63,934***	***362,295***	**426,230**
Taxes and Licenses												
Real Estate Taxes	3.5%	3.5%		*1,360*	*7,709*	9,069	*1,408*	*7,979*	9,387	*1,457*	*8,258*	9,715
Payroll Taxes	3.5%	3.5%		*7,844*	*44,447*	52,291	*8,118*	*46,003*	54,121	*8,402*	*47,613*	56,015
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		*2,006*	*11,368*	13,374	*2,076*	*11,766*	13,843	*2,149*	*12,178*	14,327
Sub-total Taxes and Licenses				***11,210***	***63,524***	**74,734**	***11,603***	***65,748***	**77,350**	***12,009***	***68,049***	**80,057**
Insurance												
Property and Liability Insurance	3.5%	3.5%		*13,537*	*76,711*	90,249	*14,011*	*79,396*	93,407	*14,501*	*82,175*	96,677
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		*11,272*	*63,874*	75,145	*11,666*	*66,109*	77,776	*12,075*	*68,423*	80,498
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance				***24,809***	***140,585***	**165,394**	***25,677***	***145,505***	**171,183**	***26,576***	***150,598***	**177,174**
Maintenance & Repair												
Payroll	3.5%	3.5%		*43,445*	*246,189*	289,634	*44,966*	*254,806*	299,771	*46,539*	*263,724*	310,263
Supplies	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Contracts	3.5%	3.5%		*17,068*	*96,716*	113,783	*17,665*	*100,101*	117,766	*18,283*	*103,605*	121,888
Garbage and Trash Removal	3.5%	3.5%		*15,101*	*85,572*	100,673	*15,630*	*88,567*	104,197	*16,177*	*91,667*	107,844
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		*18,053*	*102,301*	120,354	*18,685*	*105,881*	124,566	*19,339*	*109,587*	128,926
Sub-total Maintenance & Repair Expenses				***93,667***	***530,778***	**624,445**	***96,945***	***549,355***	**646,300**	***100,338***	***568,583***	**668,921**
Supportive Services	3.5%	3.5%		*5,553*	*31,468*	37,021	*5,748*	*32,569*	38,317	*5,949*	*33,709*	39,658
Commercial Expenses						9,444			9,775			10,117
TOTAL OPERATING EXPENSES				***366,621***	***2,077,520***	**2,453,586**	***379,453***	***2,150,233***	**2,539,461**	***392,734***	***2,225,492***	**2,628,342**
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				*12,630*	*71,570*	84,200	*12,630*	*71,570*	84,200	*12,630*	*71,570*	84,200
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				***12,630***	***71,570***	**84,200**	***12,630***	***71,570***	**84,200**	***12,630***	***71,570***	**84,200**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				***379,251***	***2,149,090***	**2,537,786**	***392,083***	***2,221,803***	**2,623,661**	***405,364***	***2,297,062***	**2,712,542**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)												
NET OPERATING INCOME (INCOME minus OP EXPENSES)				***8,583***	***501,071***	**513,659**	***8,762***	***494,612***	**507,384**	***8,948***	***487,264***	**500,224**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)												
Hard Debt - First Lender			Enter comments re: annual increase, etc.	-	*377,000*	377,000	-	*377,000*	377,000	-	*377,000*	377,000
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	*3,300*	*18,700*	22,000	*3,300*	*18,700*	22,000	*3,300*	*18,700*	22,000
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				***3,300***	***395,700***	**399,000**	***3,300***	***395,700***	**399,000**	***3,300***	***395,700***	**399,000**
CASH FLOW (NOI minus DEBT SERVICE)				***5,283***	***105,371***	**114,659**	***5,462***	***98,912***	**108,384**	***5,648***	***91,564***	**101,224**
Commercial Only Cash Flow						**4,005**			**4,010**			**4,013**
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				*601*	*3,404*		*602*	*3,409*		*602*	*3,411*	
AVAILABLE CASH FLOW				***5,884***	***108,775***	**114,659**	***6,064***	***102,321***	**108,384**	***6,250***	***94,975***	**101,224**
USES OF CASH FLOW BELOW (This row also shows DSCR.)			***DSCR:***			***1.29***			***1.27***			***1.25***
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	*5,134*	*29,092*	34,226	*5,314*	*30,110*	35,424	*5,500*	*31,164*	36,663
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			per MOHCD policy no annual increase	*750*	*4,250*	5,000	*750*	*4,250*	5,000	*750*	*4,250*	5,000
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				***5,884***	***33,342***	***39,226***	***6,064***	***34,360***	***40,424***	***6,250***	***35,414***	***41,663***
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)				0	75,433	**75,433**	0	67,961	**67,961**	-	59,561	**59,561**
Does Project have a MOHCD Residual Receipt Obligation?		***Yes***	Year 15 is year indicated below:									
Will Project Defer Developer Fee?		***Yes***										
1st Residual Receipts Split - Lender/Deferred Developer Fee		*50% / 50%*	2nd Residual Receipts Split Begins:									
2nd Residual Receipts Split - Lender/Owner		*67% / 33%*										
Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):						-			-			-
		Dist. Soft Debt Loans	ative Deferred Developer Fee Earned			-			-			-
MOHCD RESIDUAL RECEIPTS DEBT SERVICE												
MOHCD Residual Receipts Amount Due		*100.00%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy			75,433			67,961			59,561
Proposed MOHCD Residual Receipts Amount to Loan Repayment						75,433			67,961			59,561
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		*0.00%*	No HCD Financing			-			-			-
Lender 4 Residual Receipts Due		*0.00%*				-			-			-
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						75,433			67,961			59,561
Final Balance (should be zero)						**(75,433)**			**(67,961)**			**(59,561)**
REPLACEMENT RESERVE - RUNNING BALANCE												
Replacement Reserve Starting Balance						**1,010,400**			**1,094,600**			**1,178,800**
Replacement Reserve Deposits						**84,200**			**84,200**			**84,200**
Replacement Reserve Withdrawals (ideally tied to CNA)						**-**			**-**			**-**
Replacement Reserve Interest												
RR Running Balance						**1,094,600**			**1,178,800**			**1,263,000**
			RR Balance/Unit			*$8,420*			*$9,068*			*$9,715*
OPERATING RESERVE - RUNNING BALANCE												
Operating Reserve Starting Balance						**-**			**-**			**-**
Operating Reserve Deposits						**-**			**-**			**-**
Operating Reserve Withdrawals												
Operating Reserve Interest												
OR Running Balance						**-**			**-**			**-**
			OR Balance as a % of Prior Yr Op Exps + Debt Service			*0.0%*			*0.0%*			*0.0%*
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE												
Other Reserve 1 Starting Balance						**-**			**-**			**-**
Other Reserve 1 Deposits						**-**			**-**			**-**
Other Reserve 1 Withdrawals												
Other Reserve 1 Interest												
Other Required Reserve 1 Running Balance						**-**			**-**			**-**
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance						**-**			**-**			**-**
Other Reserve 2 Deposits						**-**			**-**			**-**

	LOSP Units	Non-LOSP Units		Year 13			Year 14			Year 15		
Total # Units:												
130	***20***	***110***			**12**			**13**			**14**	
	15.00%	*85.00%*										
INCOME	**inc LOSP**	**% annual increase**	**Comments (related to annual inc assumptions)**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
Other Required Reserve 2 Running Balance						-			-			-

Yosemite - Folsom Dore

	LOSP Units	Non-LOSP Units
Total # Units: 130	***20***	***110***
	15.00%	*85.00%*

INCOME	inc LOSP	% annual increase	Comments (related to annual inc assumptions)	Year 16 (15) LOSP	Year 16 (15) non-LOSP	Year 16 (15) Total	Year 17 (16) LOSP	Year 17 (16) non-LOSP	Year 17 (16) Total	Year 18 (17) LOSP	Year 18 (17) non-LOSP	Year 18 (17) Total
Residential - Tenant Rents	1.0%	2.5%		-	1,329,590	1,329,590	-	1,362,830	1,362,830	-	1,396,900	1,396,900
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.5%		292,326	1,656,515	1,948,842	299,634	1,697,928	1,997,563	307,125	1,740,376	2,047,502
Residential - LOSP Tenant Assistance Payments	n/a	n/a		141,074		141,074	148,283		148,283	155,815		155,815
Commercial Space	n/a	2.5%				28,966			29,690			30,432
Residential Parking	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		808	4,577	5,385	828	4,691	5,519	849	4,809	5,657
Tenant Charges	2.5%	2.5%		717	4,062	4,779	735	4,164	4,899	753	4,268	5,021
Miscellaneous Residential Income	2.5%	2.5%		1,499	8,494	9,993	1,536	8,707	10,243	1,575	8,924	10,499
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				***436,424***	***3,003,239***	**3,468,629**	***451,017***	***3,078,320***	**3,559,027**	***466,117***	***3,155,278***	**3,651,828**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	-	(66,479)	(66,479)	-	(68,141)	(68,141)	-	(69,845)	(69,845)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		(14,616)	(82,826)	(97,442)	(14,982)	(84,896)	(99,878)	(15,356)	(87,019)	(102,375)
Vacancy Loss - Commercial	n/a	n/a				(14,483)			(14,845)			(15,216)
EFFECTIVE GROSS INCOME				***421,808***	***2,853,934***	**3,290,224**	***436,035***	***2,925,282***	**3,376,162**	***450,761***	***2,998,414***	**3,464,391**
OPERATING EXPENSES												
Management												
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	32,493	184,129	216,623	33,631	190,574	224,204	34,808	197,244	232,052
Asset Management Fee	3.5%	3.5%	per MOHCD policy	2,550	14,448	16,998	2,639	14,954	17,593	2,731	15,477	18,209
Sub-total Management Expenses				***35,043***	***198,578***	**233,621**	***36,270***	***205,528***	**241,797**	***37,539***	***212,721***	**250,260**
Salaries/Benefits												
Office Salaries	3.5%	3.5%		87,156	493,882	581,038	90,206	511,168	601,374	93,363	529,059	622,422
Manager's Salary	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Health Insurance and Other Benefits	3.5%	3.5%		29,356	166,349	195,704	30,383	172,171	202,554	31,446	178,197	209,643
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits				***116,511***	***660,231***	**776,742**	***120,589***	***683,339***	**803,928**	***124,810***	***707,256***	**832,065**
Administration												
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Office Expenses	3.5%	3.5%		13,925	78,911	92,836	14,413	81,673	96,085	14,917	84,531	99,448
Office Rent	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		7,338	41,582	48,920	7,595	43,038	50,632	7,861	44,544	52,405
Audit Expense	3.5%	3.5%		4,518	25,603	30,121	4,676	26,499	31,175	4,840	27,427	32,266
Bookkeeping/Accounting Services	3.5%	3.5%		4,352	24,659	29,010	4,504	25,522	30,026	4,661	26,415	31,077
Bad Debts	3.5%	3.5%		2,965	16,804	19,769	3,069	17,392	20,461	3,177	18,001	21,177
Miscellaneous	3.5%	3.5%		5,712	32,370	38,082	5,912	33,503	39,415	6,119	34,676	40,795
Sub-total Administration Expenses				***38,811***	***219,928***	**258,739**	***40,169***	***227,626***	**267,795**	***41,575***	***235,593***	**277,168**
Utilities												
Electricity	3.5%	3.5%		13,736	77,838	91,575	14,217	80,563	94,780	14,715	83,382	98,097
Water	3.5%	3.5%		38,826	220,015	258,841	40,185	227,716	267,901	41,592	235,686	277,277
Gas	3.5%	3.5%		13,610	77,122	90,732	14,086	79,821	93,907	14,579	82,615	97,194
Sewer	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Utilities				***66,172***	***374,976***	**441,148**	***68,488***	***388,100***	**456,588**	***70,885***	***401,683***	**472,569**
Taxes and Licenses												
Real Estate Taxes	3.5%	3.5%		1,508	8,547	10,055	1,561	8,846	10,407	1,616	9,156	10,772
Payroll Taxes	3.5%	3.5%		8,696	49,279	57,975	9,001	51,004	60,005	9,316	52,789	62,105
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		2,224	12,604	14,829	2,302	13,045	15,348	2,383	13,502	15,885
Sub-total Taxes and Licenses				***12,429***	***70,430***	**82,859**	***12,864***	***72,896***	**85,759**	***13,314***	***75,447***	**88,761**
Insurance												
Property and Liability Insurance	3.5%	3.5%		15,009	85,051	100,060	15,534	88,028	103,562	16,078	91,109	107,187
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		12,497	70,818	83,315	12,935	73,296	86,231	13,387	75,862	89,249
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Sub-total Insurance				***27,506***	***155,869***	**183,375**	***28,469***	***161,324***	**189,793**	***29,465***	***166,971***	**196,436**
Maintenance & Repair												
Payroll	3.5%	3.5%		48,168	272,954	321,122	49,854	282,508	332,362	51,599	292,395	343,994
Supplies	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Contracts	3.5%	3.5%		18,923	107,231	126,154	19,585	110,984	130,569	20,271	114,868	135,139
Garbage and Trash Removal	3.5%	3.5%		16,743	94,876	111,618	17,329	98,196	115,525	17,935	101,633	119,568
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		20,016	113,422	133,438	20,716	117,392	138,109	21,441	121,501	142,942
Sub-total Maintenance & Repair Expenses				***103,850***	***588,483***	**692,333**	***107,485***	***609,080***	**716,565**	***111,247***	***630,398***	**741,644**
Supportive Services	3.5%	3.5%		6,157	34,889	41,046	6,372	36,110	42,483	6,595	37,374	43,970
Commercial Expenses						10,471			10,837			11,217
TOTAL OPERATING EXPENSES				***406,479***	***2,303,384***	**2,720,334**	***420,706***	***2,384,002***	**2,815,546**	***435,431***	***2,467,442***	**2,914,090**
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				12,630	71,570	84,200	12,630	71,570	84,200	12,630	71,570	84,200
Operating Reserve Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				***12,630***	***71,570***	**84,200**	***12,630***	***71,570***	**84,200**	***12,630***	***71,570***	**84,200**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				***419,109***	***2,374,954***	**2,804,534**	***433,336***	***2,455,572***	**2,899,746**	***448,061***	***2,539,012***	**2,998,290**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)												
NET OPERATING INCOME (INCOME minus OP EXPENSES)				***2,698***	***478,980***	**485,690**	***2,699***	***469,710***	**476,416**	***2,700***	***459,402***	**466,101**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)												
Hard Debt - First Lender			Enter comments re: annual increase, etc.	-	377,000	377,000	-	377,000	377,000	-	377,000	377,000
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	3,300	18,700	22,000	3,300	18,700	22,000	3,300	18,700	22,000
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				***3,300***	***395,700***	**399,000**	***3,300***	***395,700***	**399,000**	***3,300***	***395,700***	**399,000**
CASH FLOW (NOI minus DEBT SERVICE)				***(602)***	***83,280***	**86,690**	***(601)***	***74,010***	**77,416**	***(600)***	***63,702***	**67,101**
Commercial Only Cash Flow						**4,012**			**4,008**			**3,999**
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				602	3,410		601	3,406		600	3,400	
AVAILABLE CASH FLOW				***0***	***86,690***	**86,690**	***0***	***77,416***	**77,416**	***0***	***67,101***	**67,101**
USES OF CASH FLOW BELOW (This row also shows DSCR.)			***DSCR:***			***1.22***			***1.19***			***1.17***
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	86,690	**86,690**	0	77,416	**77,416**	0	67,101	**67,101**
Does Project have a MOHCD Residual Receipt Obligation?		***Yes***	Year 15 is year indicated below:									
Will Project Defer Developer Fee?		***Yes***										
1st Residual Receipts Split - Lender/Deferred Developer Fee		*50% / 50%*	2nd Residual Receipts Split Begins:									
2nd Residual Receipts Split - Lender/Owner		*67% / 33%*										
Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):						-			-			-
		Dist. Soft Debt Loans	ative Deferred Developer Fee Earned									
MOHCD RESIDUAL RECEIPTS DEBT SERVICE												
MOHCD Residual Receipts Amount Due		*100.00%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy			86,690			77,416			67,101
Proposed MOHCD Residual Receipts Amount to Loan Repayment						86,690			77,416			67,101
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		*0.00%*	No HCD Financing			-			-			-
Lender 4 Residual Receipts Due		*0.00%*				-			-			-
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						86,690			77,416			67,101
Final Balance (should be zero)						**(86,690)**			**(77,416)**			**(67,101)**
REPLACEMENT RESERVE - RUNNING BALANCE												
Replacement Reserve Starting Balance						**1,263,000**			**1,347,200**			**1,431,400**
Replacement Reserve Deposits						**84,200**			**84,200**			**84,200**
Replacement Reserve Withdrawals (ideally tied to CNA)						**-**			**-**			**-**
Replacement Reserve Interest												
RR Running Balance						**1,347,200**			**1,431,400**			**1,515,600**
			RR Balance/Unit			*$10,363*			*$11,011*			*$11,658*
OPERATING RESERVE - RUNNING BALANCE												
Operating Reserve Starting Balance						**-**			**-**			**-**
Operating Reserve Deposits						**-**			**-**			**-**
Operating Reserve Withdrawals												
Operating Reserve Interest												
OR Running Balance						**-**			**-**			**-**
		OR Balance as a % of Prior Yr Op Exps + Debt Service				*0.0%*			*0.0%*			*0.0%*
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE												
Other Reserve 1 Starting Balance						**-**			**-**			**-**
Other Reserve 1 Deposits						**-**			**-**			**-**
Other Reserve 1 Withdrawals												
Other Reserve 1 Interest												
Other Required Reserve 1 Running Balance						**-**			**-**			**-**
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance						**-**			**-**			**-**
Other Reserve 2 Deposits						**-**			**-**			**-**

	LOSP Units	Non-LOSP Units		Year 16			Year 17			Year 18		
Total # Units:												
130	***20***	***110***		**15**			**16**			**17**		
	15.00%	*85.00%*										
INCOME	**inc LOSP**	**% annual increase**	**Comments (related to annual inc assumptions)**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
Other Required Reserve 2 Running Balance						-			-			-

Yosemite - Folsom Dore

	inc LOSP	% annual increase	Comments	Year 19 (18) LOSP	Year 19 (18) non-LOSP	Year 19 (18) Total	Year 20 (19) LOSP	Year 20 (19) non-LOSP	Year 20 (19) Total
Total # Units:	LOSP Units	Non-LOSP Units							
130	***20***	***110***							
	15.00%	*85.00%*	(related to annual inc assumptions)						
INCOME									
Residential - Tenant Rents	1.0%	2.5%		-	1,431,823	1,431,823	-	1,467,618	1,467,618
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	2.5%		*314,803*	*1,783,886*	2,098,689	*322,673*	*1,828,483*	2,151,156
Residential - LOSP Tenant Assistance Payments	n/a	n/a		*163,684*		163,684	*171,902*		171,902
Commercial Space	n/a	2.5%				31,193			31,973
Residential Parking	2.5%	2.5%		-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%		-	-	-	-	-	-
Supportive Services Income	2.5%	2.5%		-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%		-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%		*870*	*4,929*	5,799	*892*	*5,052*	5,944
Tenant Charges	2.5%	2.5%		*772*	*4,375*	5,147	*791*	*4,484*	5,276
Miscellaneous Residential Income	2.5%	2.5%		*1,614*	*9,147*	10,762	*1,655*	*9,376*	11,031
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				***481,743***	***3,234,160***	**3,747,096**	***497,913***	***3,315,014***	**3,844,900**
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	-	*(71,591)*	(71,591)	-	*(73,381)*	(73,381)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a		*(15,740)*	*(89,194)*	(104,934)	*(16,134)*	*(91,424)*	(107,558)
Vacancy Loss - Commercial	n/a	n/a				(15,597)			(15,987)
EFFECTIVE GROSS INCOME				***466,003***	***3,073,375***	**3,554,974**	***481,779***	***3,150,209***	**3,647,974**
OPERATING EXPENSES									
Management									
Management Fee	3.5%	3.5%	1st Year to be set according to HUD schedule.	*36,026*	*204,147*	240,173	*37,287*	*211,293*	248,579
Asset Management Fee	3.5%	3.5%	per MOHCD policy	*2,827*	*16,019*	18,846	*2,926*	*16,580*	19,506
Sub-total Management Expenses				***38,853***	***220,167***	**259,019**	***40,213***	***227,872***	**268,085**
Salaries/Benefits									
Office Salaries	3.5%	3.5%		*96,631*	*547,576*	644,207	*100,013*	*566,741*	666,754
Manager's Salary	3.5%	3.5%		-	-	-	-	-	-
Health Insurance and Other Benefits	3.5%	3.5%		*32,547*	*184,434*	216,981	*33,686*	*190,889*	224,575
Other Salaries/Benefits	3.5%	3.5%		-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%	3.5%		-	-	-	-	-	-
Sub-total Salaries/Benefits				***129,178***	***732,010***	**861,188**	***133,699***	***757,630***	**891,329**
Administration									
Advertising and Marketing	3.5%	3.5%		-	-	-	-	-	-
Office Expenses	3.5%	3.5%		*15,439*	*87,490*	102,929	*15,980*	*90,552*	106,532
Office Rent	3.5%	3.5%		-	-	-	-	-	-
Legal Expense - Property	3.5%	3.5%		*8,136*	*46,103*	54,239	*8,421*	*47,716*	56,137
Audit Expense	3.5%	3.5%		*5,009*	*28,386*	33,396	*5,185*	*29,380*	34,565
Bookkeeping/Accounting Services	3.5%	3.5%		*4,825*	*27,340*	32,164	*4,994*	*28,297*	33,290
Bad Debts	3.5%	3.5%		*3,288*	*18,631*	21,918	*3,403*	*19,283*	22,686
Miscellaneous	3.5%	3.5%		*6,333*	*35,889*	42,223	*6,555*	*37,145*	43,700
Sub-total Administration Expenses				***43,030***	***243,838***	**286,869**	***44,536***	***252,373***	**296,909**
Utilities									
Electricity	3.5%	3.5%		*15,230*	*86,301*	101,530	*15,763*	*89,321*	105,084
Water	3.5%	3.5%		*43,047*	*243,935*	286,982	*44,554*	*252,472*	297,026
Gas	3.5%	3.5%		*15,089*	*85,507*	100,596	*15,618*	*88,499*	104,117
Sewer	3.5%	3.5%		-	-	-	-	-	-
Sub-total Utilities				***73,366***	***415,742***	**489,108**	***75,934***	***430,293***	**506,227**
Taxes and Licenses									
Real Estate Taxes	3.5%	3.5%		*1,672*	*9,476*	11,149	*1,731*	*9,808*	11,539
Payroll Taxes	3.5%	3.5%		*9,642*	*54,637*	64,278	*9,979*	*56,549*	66,528
Miscellaneous Taxes, Licenses and Permits	3.5%	3.5%		*2,466*	*13,975*	16,441	*2,552*	*14,464*	17,016
Sub-total Taxes and Licenses				***13,780***	***78,088***	**91,868**	***14,262***	***80,821***	**95,083**
Insurance									
Property and Liability Insurance	3.5%	3.5%		*16,641*	*94,298*	110,939	*17,223*	*97,598*	114,821
Fidelity Bond Insurance	3.5%	3.5%		-	-	-	-	-	-
Worker's Compensation	3.5%	3.5%		*13,856*	*78,517*	92,373	*14,341*	*81,265*	95,606
Director's & Officers' Liability Insurance	3.5%	3.5%		-	-	-	-	-	-
Sub-total Insurance				***30,497***	***172,815***	**203,311**	***31,564***	***178,863***	**210,427**
Maintenance & Repair									
Payroll	3.5%	3.5%		*53,405*	*302,629*	356,034	*55,274*	*313,221*	368,495
Supplies	3.5%	3.5%		-	-	-	-	-	-
Contracts	3.5%	3.5%		*20,980*	*118,889*	139,869	*21,715*	*123,050*	144,764
Garbage and Trash Removal	3.5%	3.5%		*18,563*	*105,190*	123,753	*19,213*	*108,872*	128,085
Security Payroll/Contract	3.5%	3.5%		-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%	3.5%		-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%	3.5%		-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%	3.5%		*22,192*	*125,754*	147,945	*22,969*	*130,155*	153,123
Sub-total Maintenance & Repair Expenses				***115,140***	***652,462***	**767,602**	***119,170***	***675,298***	**794,468**
Supportive Services	3.5%	3.5%		*6,826*	*38,682*	45,508	*7,065*	*40,036*	47,101
Commercial Expenses						11,609			12,016
TOTAL OPERATING EXPENSES				***450,671***	***2,553,803***	**3,016,083**	***466,445***	***2,643,186***	**3,121,646**
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				*12,630*	*71,570*	84,200	*12,630*	*71,570*	84,200
Operating Reserve Deposit				-	-	-	-	-	-
Other Required Reserve 1 Deposit				-	-	-	-	-	-
Other Required Reserve 2 Deposit				-	-	-	-	-	-
Required Reserve Deposit/s, Commercial				-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees				***12,630***	***71,570***	**84,200**	***12,630***	***71,570***	**84,200**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)				***463,301***	***2,625,373***	**3,100,283**	***479,075***	***2,714,756***	**3,205,846**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)									
NET OPERATING INCOME (INCOME minus OP EXPENSES)				***2,702***	***448,002***	**454,691**	***2,704***	***435,453***	**442,128**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)									
Hard Debt - First Lender			Enter comments re: annual increase, etc.	-	*377,000*	377,000	-	*377,000*	377,000
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			Enter comments re: annual increase, etc.	*3,300*	*18,700*	22,000	*3,300*	*18,700*	22,000
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				***3,300***	***395,700***	**399,000**	***3,300***	***395,700***	**399,000**
CASH FLOW (NOI minus DEBT SERVICE)				***(598)***	***52,302***	**55,691**	***(596)***	***39,753***	**43,128**
Commercial Only Cash Flow						**3,987**			**3,971**
Allocation of Commercial Surplus to LOPS/non-LOSP (residual income)				*598*	*3,389*		*596*	*3,375*	
AVAILABLE CASH FLOW				***(0)***	***55,691***	**55,691**	***0***	***43,128***	**43,128**
USES OF CASH FLOW BELOW (This row also shows DSCR.)			***DSCR:***			***1.14***			***1.11***
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)	55,691	**55,691**	0	43,128	**43,128**
Does Project have a MOHCD Residual Receipt Obligation?		***Yes***	Year 15 is year indicated below:						
Will Project Defer Developer Fee?		***Yes***							
1st Residual Receipts Split - Lender/Deferred Developer Fee		*50% / 50%*	2nd Residual Receipts Split Begins:						
2nd Residual Receipts Split - Lender/Owner		*67% / 33%*							
Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):						-			-
		Dist. Soft Debt Loans	ative Deferred Developer Fee Earned						
MOHCD RESIDUAL RECEIPTS DEBT SERVICE									
MOHCD Residual Receipts Amount Due		*100.00%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy			55,691			43,128
Proposed MOHCD Residual Receipts Amount to Loan Repayment						55,691			43,128
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		*0.00%*	No HCD Financing			-			-
Lender 4 Residual Receipts Due		*0.00%*				-			-
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						55,691			43,128
Final Balance (should be zero)						**(55,691)**			**(43,128)**
REPLACEMENT RESERVE - RUNNING BALANCE									
Replacement Reserve Starting Balance						**1,515,600**			**1,599,800**
Replacement Reserve Deposits						**84,200**			**84,200**
Replacement Reserve Withdrawals (ideally tied to CNA)						-			-
Replacement Reserve Interest									
RR Running Balance						**1,599,800**			**1,684,000**
			RR Balance/Unit			*$12,306*			*$12,954*
OPERATING RESERVE - RUNNING BALANCE									
Operating Reserve Starting Balance						**-**			**-**
Operating Reserve Deposits						**-**			**-**
Operating Reserve Withdrawals									
Operating Reserve Interest									
OR Running Balance						**-**			**-**
			OR Balance as a % of Prior Yr Op Exps + Debt Service			*0.0%*			*0.0%*
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE									
Other Reserve 1 Starting Balance						**-**			**-**
Other Reserve 1 Deposits						**-**			**-**
Other Reserve 1 Withdrawals									
Other Reserve 1 Interest									
Other Required Reserve 1 Running Balance						**-**			**-**
OTHER RESERVE 2 - RUNNING BALANCE									
Other Reserve 2 Starting Balance						**-**			**-**
Other Reserve 2 Deposits						**-**			**-**

	LOSP Units	Non-LOSP Units							
Total # Units:									
130	***20***	***110***			**Year 19**			**Year 20**	
	15.00%	*85.00%*			**18**			**19**	
INCOME	**inc LOSP**	**% annual increase**	**Comments (related to annual inc assumptions)**	***LOSP***	***non-LOSP***	**Total**	***LOSP***	***non-LOSP***	**Total**
Other Reserve 2 Withdrawals									
Other Reserve 2 Interest									
Other Required Reserve 2 Running Balance						-			-

Attachment D: Ambassador-Ritz syndication -- 20-year proforma

Application Date: 5/22/20 **# Units:** 186
Project Name: 4% Ambassador + Ritz Hotel ***# Bedrooms:*** SRO units
Project Address: 55 & 216 Mason & Eddy Street **# Beds:** N/A
Project Sponsor: Tenderloin Neighborhood Development Corporation

	MOHCD/OCII	Assumed CCSF, HCD Loans	4% Tax Credit Equity	Historic Tax Credit Equity	Cash to Seller from 9%	GP Contribution / Deferred Developer Fee	Existing Reserves	Retained Surplus Cash (Ritz)	Seller Carryback Loan + Sponsor 50% Test Loan	FHLB AHP	Permanent Loan	Sponsor Gap Loan	Total Sources	Comments	
SOURCES	**1,424,514**	**21,826,356**	**31,004,618**	**7,042,276**	**2,226,566**	**4,462,500**	**835,804**	**4,428,075**	**8,268,734**	**1,250,000**	**10,000,000**	**3,388,713**	**96,158,156**		
Name of Sources:	MOHCD/OCII	Assumed CCSF, HCD Loans	4% Tax Credit Equity	Historic Tax Credit Equity	Cash to Seller from 9%	GP Contribution / Deferred Developer Fee	Existing Reserves	Retained Surplus Cash (Ritz)	Seller Carryback Loan + Sponsor 50% Test Loan	FHLB AHP	Permanent Loan	Sponsor Gap Loan			
USES															
ACQUISITION															
Acquisition cost or value		21,826,356							8,268,734				30,095,090		
Legal / Closing costs / Broker's Fee			17,313										17,313		
Holding Costs													0		
Transfer Tax			729,230										729,230		
TOTAL ACQUISITION	**0**	**21,826,356**	**746,543**	**0**	**0**	**0**	**0**	**0**	**8,268,734**	**0**	**0**	**0**	**30,841,633**		
CONSTRUCTION (HARD COSTS)															
Unit Construction/Rehab			16,528,609	7,042,276				1,025,000		1,250,000	750,000	2,040,977	28,636,862		
Commercial Shell Construction													0		
Demolition													0		
Environmental Remediation													0		
Onsight Improvements/Landscaping													0		Construction line item costs as a % of hard costs
Offsite Improvements													0		
Infrastructure Improvements													0	HOPE SF/OCII costs for streets etc.	
Parking													0		
GC Bond Premium/GC Insurance/GC Taxes			418,248										418,248		**1.5%**
GC Overhead & Profit			1,245,339										1,245,339		**4.3%**
CG General Conditions			1,660,778										1,660,778		**5.8%**
Sub-total Construction Costs	*0*	*0*	*19,852,974*	*7,042,276*	*0*	*0*	*0*	*1,025,000*	*0*	*1,250,000*	*750,000*	*2,040,977*	*31,961,227*		
Design Contingency (remove at DD)			1,103,174										1,103,174	Design - 5%	**3.9%**
Bid Contingency (remove at bid)			1,103,174										1,103,174	Bid - 5%	**3.9%**
Plan Check Contingency (remove/reduce during Plan Review)			1,103,174										1,103,174	Escalation - 5%	**3.9%**
Hard Cost Construction Contingency			5,086,339									743,850	5,830,189	5% new construction / 15% rehab	**20.4%**
Sub-total Construction Contingencies	*0*	*0*	*8,395,861*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*743,850*	*9,139,711*		
TOTAL CONSTRUCTION COSTS	**0**	**0**	**28,248,835**	**7,042,276**	**0**	**0**	**0**	**1,025,000**	**0**	**1,250,000**	**750,000**	**2,784,827**	**41,100,938**		
SOFT COSTS															
Architecture & Design															
Architect design fees			823,040								368,302	365,000	1,556,342	See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms	
Design Subconsultants to the Architect (incl. Fees)			319,500										319,500		
Architect Construction Admin			257,200								348,446		605,646		
Reimbursables			12,000								14,627		26,627		
Additional Services			51,500								115,831		167,331		
Sub-total Architect Contract	*0*	*0*	*1,463,240*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*847,206*	*365,000*	*2,675,446*		
Other Third Party design consultants (not included under Architect contract)			250,000								119,574		369,574	Includes historic consultant fees	
Total Architecture & Design	**0**	**0**	**1,713,240**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**966,780**	**365,000**	**3,045,020**		
Engineering & Environmental Studies															
Survey			35,000								21,940		56,940		
Geotechnical studies											29,254		29,254		
Phase I & II Reports			35,000								25,597		60,597		
CEQA / Environmental Review consultants													0		
NEPA / 106 Review													0		
CNA/PNA (rehab only)			20,000										20,000		
Other environmental consultants											73,134		73,134	Special inspections	
Total Engineering & Environmental Studies	**0**	**0**	**90,000**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**149,925**	**0**	**239,925**		
Financing Costs															
Construction Financing Costs															
Construction Loan Origination Fee													0		
Construction Loan Interest											3,812,130		3,812,130		
Title & Recording											128,507		128,507		
CDLAC & CDIAC fees													0		
Bond Issuer Fees											166,624		166,624		
Other Bond Cost of Issuance											827,482		827,482		
Accrued Interest - Seller Carryback & Assumed CCSF loan													0		
Sub-total Const. Financing Costs	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*4,934,743*	*0*	*4,934,743*		
Permanent Financing Costs															
Permanent Loan Origination Fee											50,000		50,000		
Credit Enhance. & Appl. Fee													0		
Title & Recording											*25,000*		25,000		
Sub-total Perm. Financing Costs	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*75,000*	*0*	*75,000*		
Total Financing Costs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**5,009,743**	**0**	**5,009,743**		
Legal Costs															
Borrower Legal fees											34,627		34,627		
Land Use / CEQA Attorney fees													0		
Tax Credit Counsel					91,341						78,734		170,075		
Bond Counsel													0		
Construction Lender Counsel													0		
Permanent Lender Counsel													0		
Construction Lender Inspections			6,000		6,000								12,000		
Total Legal Costs	**0**	**0**	**6,000**	**0**	**97,341**	**0**	**0**	**0**	**0**	**0**	**113,361**	**0**	**216,702**		
Other Development Costs															
Appraisal					10,970						15,000		25,970		
Market Study					10,970						15,000		25,970		
Insurance					472,513		110,114				12,000	138,886	733,513		
Property Taxes													0		
Accounting / Audit					29,254						35,000		64,254		
Organizational Costs					14,627						10,000		24,627		
Entitlement / Permit Fees					142,612						235,000		377,612		
Marketing / Rent-up					186,000								186,000	Plus Events/Community Outreach	
Furnishings					219,403						163,000		382,403	$2,000/unit; See MOHCD U/W Guidelines on: http://sfmohcd.org/documents-reports-and-forms	
PGE / Utility Fees					36,567						50,000		86,567		
TCAC App / Alloc / Monitor Fees								88,000			43,595		131,595		
Financial Consultant fees								95,075					95,075		
Construction Management fees / Owner's Rep					146,269						105,000		251,269		
Security during Construction													0		
Relocation	1,001,560		200,000		860,040			1,000,000			846,000	100,000	4,007,600		
Peer Review Consultant & Permit Expeditor													0		
Startup Expenses/Net Operating Loss													0		Total Soft Cost Contingency as % of Total Soft Costs
Other (specify)													0		
Total Other Development Costs	**1,001,560**	**0**	**200,000**	**0**	**2,129,225**	**0**	**110,114**	**1,183,075**	**0**	**0**	**1,529,595**	**238,886**	**6,392,455**		
Soft Cost Contingency															
Contingency (Arch, Eng, Fin, Legal & Other Dev)	422,954										600,596		1,023,550	Should be either 10% or 5% of total soft costs.	**6.9%**
TOTAL SOFT COSTS	**1,424,514**	**0**	**2,009,240**	**0**	**2,226,566**	**0**	**110,114**	**1,183,075**	**0**	**0**	**8,370,000**	**603,886**	**15,927,395**		
RESERVES															
Operating Reserves							539,690						539,690		
Replacement Reserves							186,000						186,000		
Tenant Improvements Reserves													0		
Other (specify)													0		
Other (specify)													0		
Other (specify)													0		
TOTAL RESERVES	**0**	**0**	**0**	**0**	**0**	**0**	**725,690**	**0**	**0**	**0**	**0**	**0**	**725,690**		
DEVELOPER COSTS															
Developer Fee - Cash-out Paid at Milestones								2,220,000			880,000		3,100,000		
Developer Fee - Cash-out At Risk													0		
Developer Fee - GP Equity (also show as source)						4,462,500							4,462,500		
Developer Fee - Deferred (also show as source)													0		
Development Consultant Fees													0	Need MOHCD approval for this cost, N/A for most projects	
Other (specify)													0		
TOTAL DEVELOPER COSTS	**0**	**0**	**0**	**0**	**0**	**4,462,500**	**0**	**2,220,000**	**0**	**0**	**880,000**	**0**	**7,562,500**		
TOTAL DEVELOPMENT COST	**1,424,514**	**21,826,356**	**31,004,618**	**7,042,276**	**2,226,566**	**4,462,500**	**835,804**	**4,428,075**	**8,268,734**	**1,250,000**	**10,000,000**	**3,388,713**	**96,158,156**		
Development Cost/Unit by Source	7,659	117,346	166,691	37,862	11,971	23,992	4,494	23,807	44,456	6,720	53,763	18,219	516,979		
Development Cost/Unit as % of TDC by Source	1.5%	22.7%	32.2%	7.3%	2.3%	4.6%	0.9%	4.6%	8.6%	1.3%	10.4%	3.5%	100.0%		
Acquisition Cost/Unit by Source	0	117,346	0	0	0	0	0	0	44,456	0	0	0	161,802		
Construction Cost (inc Const Contingency)/Unit By Source	0	0	151,875	37,862	0	0	0	5,511	0	6,720	4,032	14,972	220,973		
Construction Cost (inc Const Contingency)/SF	0.00	0.00	564.98	140.85	0.00	0.00	0.00	20.50	0.00	25.00	15.00	55.70	822.02		
City Subsidy/Unit	7,659														

Tax Credit Equity Pricing:	1.00
Construction Bond Amount:	49,500,000
Construction Loan Term (in months):	26 months
Construction Loan Interest Rate (as %):	3.50%

4% Ambassador + Ritz Hotel

TCAC Income Limits In Use!

Total # Units: ***186***

	% annual increase	Comments (related to annual inc assumptions)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
			0	1	2	3	4	5	6	7	8	9
INCOME			**Total**	**Total**	**Total**	**Total**	**Total**	**Total**	**Total**	**Total**	**Total**	**Total**
Residential - Tenant Rents	2.5%		819,648	840,139	861,143	882,671	904,738	927,356	950,540	974,304	998,661	1,023,628
Residential - Tenant Assistance Payments (Non-LOSP)	2.5%		2,487,360	2,549,544	2,613,283	2,678,615	2,745,580	2,814,220	2,884,575	2,956,689	3,030,607	3,106,372
Commercial Space	2.5%		65,000	66,625	68,291	69,998	71,748	73,542	75,380	77,265	79,196	81,176
Residential Parking	2.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%		-	-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%		-	-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%		-	-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%		2,758	2,827	2,898	2,970	3,044	3,121	3,199	3,278	3,360	3,444
Tenant Charges	2.5%		3,197	3,277	3,359	3,443	3,529	3,617	3,708	3,800	3,895	3,993
Miscellaneous Residential Income	2.5%		6,851	7,022	7,198	7,378	7,562	7,751	7,945	8,144	8,347	8,556
Other Commercial Income	2.5%		-	-	-	-	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	Link from Reserve Section below, as applicable	-									
Gross Potential Income			**3,384,814**	**3,469,434**	**3,556,170**	**3,645,075**	**3,736,201**	**3,829,606**	**3,925,347**	**4,023,480**	**4,124,067**	**4,227,169**
Vacancy Loss - Residential - Tenant Rents	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(40,982)	(42,007)	(43,057)	(44,134)	(45,237)	(46,368)	(47,527)	(48,715)	(49,933)	(51,181)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a		(124,368)	(127,477)	(130,664)	(133,931)	(137,279)	(140,711)	(144,229)	(147,834)	(151,530)	(155,319)
Vacancy Loss - Commercial	n/a		(32,500)	(33,313)	(34,145)	(34,999)	(35,874)	(36,771)	(37,690)	(38,632)	(39,598)	(40,588)
EFFECTIVE GROSS INCOME			**3,186,964**	**3,266,638**	**3,348,304**	**3,432,011**	**3,517,812**	**3,605,757**	**3,695,901**	**3,788,298**	**3,883,006**	**3,980,081**
OPERATING EXPENSES												
Management												
Management Fee	3.5%	1st Year to be set according to HUD schedule.	188,916	195,528	202,372	209,455	216,785	224,373	232,226	240,354	248,766	257,473
Asset Management Fee	3.5%	per MOHCD policy	36,816	38,105	39,438	40,819	42,247	43,726	45,256	46,840	48,480	50,176
Sub-total Management Expenses			**225,732**	**233,633**	**241,810**	**250,273**	**259,033**	**268,099**	**277,482**	**287,194**	**297,246**	**307,650**
Salaries/Benefits												
Office Salaries	3.5%		583,814	604,247	625,396	647,285	669,940	693,388	717,656	742,774	768,772	795,679
Manager's Salary	3.5%		-	-	-	-	-	-	-	-	-	-
Health Insurance and Other Benefits	3.5%		223,399	231,218	239,311	247,686	256,355	265,328	274,614	284,226	294,174	304,470
Other Salaries/Benefits	3.5%		-	-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits			**807,213**	**835,465**	**864,707**	**894,971**	**926,295**	**958,716**	**992,271**	**1,027,000**	**1,062,945**	**1,100,148**
Administration												
Advertising and Marketing	3.5%		2,633	2,725	2,821	2,919	3,021	3,127	3,237	3,350	3,467	3,589
Office Expenses	3.5%		87,559	90,624	93,795	97,078	100,476	103,993	107,632	111,399	115,298	119,334
Office Rent	3.5%		-	-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%		37,860	39,185	40,557	41,976	43,445	44,966	46,540	48,168	49,854	51,599
Audit Expense	3.5%		46,758	48,395	50,088	51,841	53,656	55,534	57,478	59,489	61,571	63,726
Bookkeeping/Accounting Services	3.5%		-	-	-	-	-	-	-	-	-	-
Bad Debts	3.5%		6,000	6,210	6,427	6,652	6,885	7,126	7,376	7,634	7,901	8,177
Miscellaneous	3.5%		8,184	8,470	8,767	9,074	9,391	9,720	10,060	10,412	10,777	11,154
Sub-total Administration Expenses			**188,994**	**195,609**	**202,455**	**209,541**	**216,875**	**224,466**	**232,322**	**240,453**	**248,869**	**257,579**
Utilities												
Electricity	3.5%		77,671	80,389	83,203	86,115	89,129	92,249	95,477	98,819	102,278	105,858
Water	3.5%		121,517	125,770	130,172	134,728	139,444	144,324	149,375	154,604	160,015	165,615
Gas	3.5%		40,724	42,149	43,625	45,151	46,732	48,367	50,060	51,812	53,626	55,503
Sewer	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Utilities			**239,912**	**248,309**	**257,000**	**265,995**	**275,305**	**284,940**	**294,913**	**305,235**	**315,918**	**326,975**
Taxes and Licenses												
Real Estate Taxes	3.5%		10,263	10,622	10,994	11,379	11,777	12,189	12,616	13,057	13,514	13,987
Payroll Taxes	3.5%		83,218	86,131	89,145	92,265	95,495	98,837	102,296	105,877	109,582	113,418
Miscellaneous Taxes, Licenses and Permits	3.5%		1,800	1,863	1,928	1,996	2,066	2,138	2,213	2,290	2,370	2,453
Sub-total Taxes and Licenses			**95,281**	**98,616**	**102,067**	**105,640**	**109,337**	**113,164**	**117,125**	**121,224**	**125,467**	**129,858**
Insurance												
Property and Liability Insurance	3.5%		59,912	62,009	64,179	66,426	68,750	71,157	73,647	76,225	78,893	81,654
Fidelity Bond Insurance	3.5%		-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%		37,180	38,481	39,828	41,222	42,665	44,158	45,704	47,303	48,959	50,673
Director's & Officers' Liability Insurance	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Insurance			**97,092**	**100,490**	**104,007**	**107,648**	**111,415**	**115,315**	**119,351**	**123,528**	**127,852**	**132,326**
Maintenance & Repair												
Payroll	3.5%		284,090	294,033	304,324	314,976	326,000	337,410	349,219	361,442	374,092	387,186
Supplies	3.5%		-	-	-	-	-	-	-	-	-	-
Contracts	3.5%		94,158	97,454	100,864	104,395	108,048	111,830	115,744	119,795	123,988	128,328
Garbage and Trash Removal	3.5%		57,625	59,642	61,729	63,890	66,126	68,440	70,836	73,315	75,881	78,537
Security Payroll/Contract	3.5%		14,776	15,293	15,828	16,382	16,956	17,549	18,163	18,799	19,457	20,138
HVAC Repairs and Maintenance	3.5%		21,141	21,881	22,647	23,439	24,260	25,109	25,988	26,897	27,839	28,813
Vehicle and Maintenance Equipment Operation and Repairs	3.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%		40,796	42,224	43,702	45,231	46,814	48,453	50,149	51,904	53,721	55,601
Sub-total Maintenance & Repair Expenses			**512,586**	**530,527**	**549,095**	**568,313**	**588,204**	**608,791**	**630,099**	**652,153**	**674,978**	**698,602**
Supportive Services	3.5%		-	-	-	-	-	-	-	-	-	-
Commercial Expenses			-	3,933	4,071	4,213	4,361	4,513	4,671	4,835	5,004	5,179
TOTAL OPERATING EXPENSES			***2,170,610***	**2,246,581**	**2,325,212**	**2,406,594**	**2,490,825**	**2,578,004**	**2,668,234**	**2,761,622**	**2,858,279**	**2,958,319**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)			***11,670***									
Reserves/Ground Lease Base Rent/Bond Fees				*Note: Hidden columns are in between total columns. To update/delete values in yellow cells, manipulate each cell rather than dragging across mult*								
Ground Lease Base Rent			-	-	-	-	-	-	-	-	-	-
Bond Monitoring Fee			-	-	-	-	-	-	-	-	-	-
Replacement Reserve Deposit			93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000
Operating Reserve Deposit			-	-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit			-	-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit			-	-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial			-	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)			**2,263,610**	**2,339,581**	**2,418,212**	**2,499,594**	**2,583,825**	**2,671,004**	**2,761,234**	**2,854,622**	**2,951,279**	**3,051,319**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)			***12,170***									
NET OPERATING INCOME (INCOME minus OP EXPENSES)			**923,354**	**927,056**	**930,092**	**932,417**	**933,987**	**934,753**	**934,667**	**933,676**	**931,727**	**928,762**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)				*Note: Hidden columns are in between total columns. To update/delete values in yellow cells, manipulate each cell rather than dragging across mult*								
Hard Debt - First Lender		Enter comments re: annual increase, etc.	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)		Enter comments re: annual increase, etc.	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000
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			**672,000**	**672,000**	**672,000**	**672,000**	**672,000**	**672,000**	**672,000**	**672,000**	**672,000**	**672,000**
CASH FLOW (NOI minus DEBT SERVICE)			**251,354**	**255,056**	**258,092**	**260,417**	**261,987**	**262,753**	**262,667**	**261,676**	**259,727**	**256,762**
USES OF CASH FLOW BELOW (This row also shows DSCR.)		***DSCR:***	***1.37***	***1.38***	***1.38***	***1.39***	***1.39***	***1.39***	***1.39***	***1.39***	***1.39***	***1.38***
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL				*Note: Hidden columns are in between total columns. To update/delete values in yellow cells, manipulate each cell rather than dragging across mult*								
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	per MOHCD policy	-									
Partnership Management Fee (see policy for limits)	3.5%	per MOHCD policy	22,650	23,443	24,263	25,112	25,991	26,901	27,843	28,817	29,826	30,870
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)		per MOHCD policy no annual increase	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
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)			99,611	97,498	95,151	92,558	89,705	86,581	83,171	79,460	75,434	71,076
TOTAL PAYMENTS PRECEDING MOHCD			**127,261**	***125,941***	***124,414***	***122,670***	***120,696***	***118,482***	***116,014***	***113,277***	***110,260***	***106,946***
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)			**124,093**	**129,116**	**133,678**	**137,747**	**141,290**	**144,271**	**146,653**	**148,399**	**149,467**	**149,817**
Does Project have a MOHCD Residual Receipt Obligation?	***Yes***	Year 15 is year indicated below:										
Will Project Defer Developer Fee?	***Yes***											
1st Residual Receipts Split - Lender/Deferred Developer Fee	*50% / 50%*	2nd Residual Receipts Split Begins:										
2nd Residual Receipts Split - Lender/Owner	*67% / 33%*											
Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):			111,852	113,307	114,414	115,152	115,498	115,426	114,912	113,930	112,451	110,446
	Dist. Soft	ative Deferred Developer Fee Earned	99,611	197,109	292,260	384,818	474,523	561,104	644,275	723,735	799,169	870,245
MOHCD RESIDUAL RECEIPTS DEBT SERVICE	*Debt Loans*											
MOHCD Residual Receipts Amount Due	*100.00%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	124,093	129,116	133,678	137,747	141,290	144,271	146,653	148,399	149,467	149,817
Proposed MOHCD Residual Receipts Amount to Loan Repayment			124,093	129,116	133,678	137,747	141,290	144,271	146,653	148,399	149,467	149,817
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	*0.00%*	No HCD Financing	-	-	-	-	-	-	-	-	-	-
Lender 4 Residual Receipts Due	*0.00%*		-	-	-	-	-	-	-	-	-	-
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			-	129,116	133,678	137,747	141,290	144,271	146,653	148,399	149,467	149,817
Final Balance (should be zero)			**-**	**(129,116)**	**(133,678)**	**(137,747)**	**(141,290)**	**(144,271)**	**(146,653)**	**(148,399)**	**(149,467)**	**(149,817)**
REPLACEMENT RESERVE - RUNNING BALANCE												
Replacement Reserve Starting Balance			**-**	**93,000**	**186,000**	**279,000**	**372,000**	**465,000**	**558,000**	**651,000**	**744,000**	**837,000**
Replacement Reserve Deposits			**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**
Replacement Reserve Withdrawals (ideally tied to CNA)			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Replacement Reserve Interest												
RR Running Balance			**93,000**	**186,000**	**279,000**	**372,000**	**465,000**	**558,000**	**651,000**	**744,000**	**837,000**	**930,000**
		RR Balance/Unit	*$500*	*$1,000*	*$1,500*	*$2,000*	*$2,500*	*$3,000*	*$3,500*	*$4,000*	*$4,500*	*$5,000*
OPERATING RESERVE - RUNNING BALANCE												
Operating Reserve Starting Balance			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Operating Reserve Deposits			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Operating Reserve Withdrawals												
Operating Reserve Interest												
OR Running Balance			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		OR Balance as a % of Prior Yr Op Exps + Debt Service		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE												
Other Reserve 1 Starting Balance				**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other Reserve 1 Deposits			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other Reserve 1 Withdrawals												
Other Reserve 1 Interest												
Other Required Reserve 1 Running Balance			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance				**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other Reserve 2 Deposits			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
Other Required Reserve 2 Running Balance			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

4% Ambassador + Ritz Hotel

Total # Units: *186*

			Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
			10	11	12	13	14	15	16	17	18	19
INCOME	**% annual increase**	**Comments (related to annual inc assumptions)**	**Total**	**Total**	**Total**	**Total**	**Total**	**Total**	**Total**	**Total**	**Total**	**Total**
Residential - Tenant Rents	2.5%		1,049,219	1,075,449	1,102,335	1,129,894	1,158,141	1,187,095	1,216,772	1,247,191	1,278,371	1,310,330
Residential - Tenant Assistance Payments (Non-LOSP)	2.5%		3,184,031	3,263,632	3,345,223	3,428,853	3,514,575	3,602,439	3,692,500	3,784,812	3,879,433	3,976,419
Commercial Space	2.5%		83,205	85,286	87,418	89,603	91,843	94,139	96,493	98,905	101,378	-
Residential Parking	2.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%		-	-	-	-	-	-	-	-	-	-
Supportive Services Income	2.5%		-	-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%		-	-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%		3,531	3,619	3,709	3,802	3,897	3,995	4,094	4,197	4,302	4,409
Tenant Charges	2.5%		4,092	4,195	4,300	4,407	4,517	4,630	4,746	4,865	4,986	5,111
Miscellaneous Residential Income	2.5%		8,770	8,989	9,214	9,444	9,680	9,922	10,170	10,425	10,685	10,952
Other Commercial Income	2.5%		-	-	-	-	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	Link from Reserve Section below, as applicable										51,956
Gross Potential Income			**4,332,848**	**4,441,169**	**4,552,199**	**4,666,004**	**4,782,654**	**4,902,220**	**5,024,776**	**5,150,395**	**5,279,155**	**5,359,178**
Vacancy Loss - Residential - Tenant Rents	n/a	Enter formulas manually per relevant MOH policy; annual incrementing usually not appropriate	(52,461)	(53,772)	(55,117)	(56,495)	(57,907)	(59,355)	(60,839)	(62,360)	(63,919)	(65,517)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a		(159,202)	(163,182)	(167,261)	(171,443)	(175,729)	(180,122)	(184,625)	(189,241)	(193,972)	(198,821)
Vacancy Loss - Commercial	n/a		(41,603)	(42,643)	(43,709)	(44,802)	(45,922)	(47,070)	(48,246)	(49,453)	(50,689)	-
EFFECTIVE GROSS INCOME			**4,079,583**	**4,181,573**	**4,286,112**	**4,393,265**	**4,503,096**	**4,615,674**	**4,731,065**	**4,849,342**	**4,970,576**	**5,094,840**
OPERATING EXPENSES												
Management												
Management Fee	3.5%	1st Year to be set according to HUD schedule.	266,485	275,812	285,465	295,456	305,797	316,500	327,578	339,043	350,909	363,191
Asset Management Fee	3.5%	per MOHCD policy	51,933	53,750	55,632	57,579	59,594	61,680	63,838	66,073	68,385	70,779
Sub-total Management Expenses			**318,417**	**329,562**	**341,097**	**353,035**	**365,391**	**378,180**	**391,416**	**405,116**	**419,295**	**433,970**
Salaries/Benefits												
Office Salaries	3.5%		823,527	852,351	882,183	913,059	945,017	978,092	1,012,325	1,047,757	1,084,428	1,122,383
Manager's Salary	3.5%		-	-	-	-	-	-	-	-	-	-
Health Insurance and Other Benefits	3.5%		315,126	326,156	337,571	349,386	361,615	374,271	387,371	400,929	414,961	429,485
Other Salaries/Benefits	3.5%		-	-	-	-	-	-	-	-	-	-
Administrative Rent-Free Unit	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Salaries/Benefits			**1,138,654**	**1,178,507**	**1,219,754**	**1,262,446**	**1,306,631**	**1,352,363**	**1,399,696**	**1,448,685**	**1,499,389**	**1,551,868**
Administration												
Advertising and Marketing	3.5%		3,714	3,844	3,979	4,118	4,262	4,411	4,566	4,725	4,891	5,062
Office Expenses	3.5%		123,511	127,833	132,308	136,938	141,731	146,692	151,826	157,140	162,640	168,332
Office Rent	3.5%		-	-	-	-	-	-	-	-	-	-
Legal Expense - Property	3.5%		53,405	55,274	57,209	59,211	61,284	63,429	65,649	67,946	70,325	72,786
Audit Expense	3.5%		65,957	68,265	70,655	73,127	75,687	78,336	81,078	83,915	86,852	89,892
Bookkeeping/Accounting Services	3.5%		-	-	-	-	-	-	-	-	-	-
Bad Debts	3.5%		8,464	8,760	9,066	9,384	9,712	10,052	10,404	10,768	11,145	11,535
Miscellaneous	3.5%		11,544	11,948	12,367	12,799	13,247	13,711	14,191	14,688	15,202	15,734
Sub-total Administration Expenses			**266,595**	**275,926**	**285,583**	**295,578**	**305,924**	**316,631**	**327,713**	**339,183**	**351,054**	**363,341**
Utilities												
Electricity	3.5%		109,563	113,397	117,366	121,474	125,726	130,126	134,680	139,394	144,273	149,323
Water	3.5%		171,412	177,411	183,621	190,047	196,699	203,583	210,709	218,084	225,717	233,617
Gas	3.5%		57,445	59,456	61,537	63,691	65,920	68,227	70,615	73,086	75,644	78,292
Sewer	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Utilities			**338,420**	**350,264**	**362,524**	**375,212**	**388,344**	**401,936**	**416,004**	**430,564**	**445,634**	**461,231**
Taxes and Licenses												
Real Estate Taxes	3.5%		14,477	14,984	15,508	16,051	16,613	17,194	17,796	18,419	19,063	19,731
Payroll Taxes	3.5%		117,387	121,496	125,748	130,149	134,705	139,419	144,299	149,349	154,577	159,987
Miscellaneous Taxes, Licenses and Permits	3.5%		2,539	2,628	2,720	2,815	2,914	3,016	3,121	3,230	3,343	3,461
Sub-total Taxes and Licenses			**134,403**	**139,107**	**143,976**	**149,015**	**154,231**	**159,629**	**165,216**	**170,998**	**176,983**	**183,178**
Insurance												
Property and Liability Insurance	3.5%		84,512	87,470	90,531	93,700	96,979	100,373	103,887	107,523	111,286	115,181
Fidelity Bond Insurance	3.5%		-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%		52,446	54,282	56,182	58,148	60,183	62,289	64,470	66,726	69,061	71,479
Director's & Officers' Liability Insurance	3.5%		-	-	-	-	-	-	-	-	-	-
Sub-total Insurance			**136,958**	**141,751**	**146,713**	**151,848**	**157,162**	**162,663**	**168,356**	**174,249**	**180,347**	**186,659**
Maintenance & Repair												
Payroll	3.5%		400,737	414,763	429,279	444,304	459,855	475,950	492,608	509,849	527,694	546,163
Supplies	3.5%		-	-	-	-	-	-	-	-	-	-
Contracts	3.5%		132,819	137,468	142,279	147,259	152,413	157,747	163,269	168,983	174,897	181,019
Garbage and Trash Removal	3.5%		81,286	84,131	87,075	90,123	93,277	96,542	99,921	103,418	107,038	110,784
Security Payroll/Contract	3.5%		20,843	21,573	22,328	23,109	23,918	24,755	25,621	26,518	27,446	28,407
HVAC Repairs and Maintenance	3.5%		29,821	30,865	31,946	33,064	34,221	35,419	36,658	37,941	39,269	40,644
Vehicle and Maintenance Equipment Operation and Repairs	3.5%		-	-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%		57,547	59,561	61,646	63,803	66,036	68,348	70,740	73,216	75,778	78,430
Sub-total Maintenance & Repair Expenses			**723,053**	**748,360**	**774,553**	**801,662**	**829,720**	**858,760**	**888,817**	**919,926**	**952,123**	**985,447**
Supportive Services	3.5%		-	-	-	-	-	-	-	-	-	-
Commercial Expenses			5,360	5,548	5,742	5,943	6,151	6,366	6,589	6,820	7,058	7,306
TOTAL OPERATING EXPENSES			**3,061,860**	**3,169,025**	**3,279,941**	**3,394,739**	**3,513,555**	**3,636,529**	**3,763,807**	**3,895,541**	**4,031,885**	**4,173,001**
PUPA (w/o Reserves/GL Base Rent/Bond Fees)												
Reserves/Ground Lease Base Rent/Bond Fees			*iple cells.*									
Ground Lease Base Rent			-	-	-	-	-	-	-	-	-	-
Bond Monitoring Fee			-	-	-	-	-	-	-	-	-	-
Replacement Reserve Deposit			93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000	93,000
Operating Reserve Deposit			-	-	-	-	-	-	-	-	-	-
Other Required Reserve 1 Deposit			-	-	-	-	-	-	-	-	-	-
Other Required Reserve 2 Deposit			-	-	-	-	-	-	-	-	-	-
Required Reserve Deposit/s, Commercial			-	-	-	-	-	-	-	-	-	-
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)			**3,154,860**	**3,262,025**	**3,372,941**	**3,487,739**	**3,606,555**	**3,729,529**	**3,856,807**	**3,988,541**	**4,124,885**	**4,266,001**
PUPA (w/ Reserves/GL Base Rent/Bond Fees)												
NET OPERATING INCOME (INCOME minus OP EXPENSES)			**924,723**	**919,548**	**913,171**	**905,526**	**896,542**	**886,145**	**874,258**	**860,801**	**845,691**	**828,840**
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)			*iple cells.*									
Hard Debt - First Lender		Enter comments re: annual increase, etc.	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)		Enter comments re: annual increase, etc.	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000
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			**672,000**	**672,000**	**672,000**	**672,000**	**672,000**	**672,000**	**672,000**	**672,000**	**672,000**	**672,000**
CASH FLOW (NOI minus DEBT SERVICE)			**252,723**	**247,548**	**241,171**	**233,526**	**224,542**	**214,145**	**202,258**	**188,801**	**173,691**	**156,840**
USES OF CASH FLOW BELOW (This row also shows DSCR.)		***DSCR:***	***1.38***	***1.37***	***1.36***	***1.35***	***1.33***	***1.32***	***1.3***	***1.28***	***1.26***	***1.23***
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL			*iple cells.*									
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	per MOHCD policy										
Partnership Management Fee (see policy for limits)	3.5%	per MOHCD policy	31,950	33,068	34,226	35,424	36,663	37,947	39,275	40,649	42,072	43,545
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)		per MOHCD policy no annual increase	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
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)			66,371	61,302	55,850	49,998	43,725	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD			***103,321***	***99,370***	***95,076***	***90,422***	***85,388***	***42,947***	***44,275***	***45,649***	***47,072***	***48,545***
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)			**149,402**	**148,177**	**146,095**	**143,104**	**139,153**	**171,198**	**157,983**	**143,152**	**126,619**	**108,295**
Does Project have a MOHCD Residual Receipt Obligation?	***Yes***	Year 15 is year indicated below:										
Will Project Defer Developer Fee?	***Yes***											
1st Residual Receipts Split - Lender/Deferred Developer Fee	*50% / 50%*	2nd Residual Receipts Split Begins:										
2nd Residual Receipts Split - Lender/Owner	*67% / 33%*											
Max Deferred Developer Fee Amt (Use for data entry above. Do not link.):			107,887	104,740	100,973	93,723	43,725	-	-	-	-	-
	Dist. Soft	ative Deferred Developer Fee Earned	936,616	997,918	1,053,768	1,103,766	1,147,491					
MOHCD RESIDUAL RECEIPTS DEBT SERVICE	*Debt Loans*											
MOHCD Residual Receipts Amount Due	*100.00%*	Allocation per pro rata share of all soft debt loans, and MOHCD residual receipts policy	149,402	148,177	146,095	143,104	139,153	171,198	157,983	143,152	126,619	108,295
Proposed MOHCD Residual Receipts Amount to Loan Repayment			149,402	148,177	146,095	143,104	139,153	171,198	157,983	143,152	126,619	108,295
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	*0.00%*	No HCD Financing	-	-	-	-	-	-	-	-	-	-
Lender 4 Residual Receipts Due	*0.00%*		-	-	-	-	-	-	-	-	-	-
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			149,402	148,177	146,095	143,104	139,153	171,198	157,983	143,152	126,619	108,295
Final Balance (should be zero)			**(149,402)**	**(148,177)**	**(146,095)**	**(143,104)**	**(139,153)**	**(171,198)**	**(157,983)**	**(143,152)**	**(126,619)**	**(108,295)**
REPLACEMENT RESERVE - RUNNING BALANCE												
Replacement Reserve Starting Balance			**930,000**	**1,023,000**	**1,116,000**	**1,209,000**	**1,302,000**	**1,395,000**	**1,488,000**	**1,581,000**	**1,674,000**	**1,767,000**
Replacement Reserve Deposits			**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**	**93,000**
Replacement Reserve Withdrawals (ideally tied to CNA)			-	-	-	-	-	-	-	-	-	-
Replacement Reserve Interest												
RR Running Balance			**1,023,000**	**1,116,000**	**1,209,000**	**1,302,000**	**1,395,000**	**1,488,000**	**1,581,000**	**1,674,000**	**1,767,000**	**1,860,000**
		RR Balance/Unit	*$5,500*	*$6,000*	*$6,500*	*$7,000*	*$7,500*	*$8,000*	*$8,500*	*$9,000*	*$9,500*	*$10,000*
OPERATING RESERVE - RUNNING BALANCE												
Operating Reserve Starting Balance			-	-	-	-	-	-	-	-	-	-
Operating Reserve Deposits			-	-	-	-	-	-	-	-	-	-
Operating Reserve Withdrawals												
Operating Reserve Interest												
OR Running Balance			-	-	-	-	-	-	-	-	-	-
		OR Balance as a % of Prior Yr Op Exps + Debt Service	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
OTHER REQUIRED RESERVE 1 - RUNNING BALANCE												
Other Reserve 1 Starting Balance			-	-	-	-	-	-	-	-	-	-
Other Reserve 1 Deposits			-	-	-	-	-	-	-	-	-	-
Other Reserve 1 Withdrawals												
Other Reserve 1 Interest												
Other Required Reserve 1 Running Balance			-	-	-	-	-	-	-	-	-	-
OTHER RESERVE 2 - RUNNING BALANCE												
Other Reserve 2 Starting Balance			-	-	-	-	-	-	-	-	-	-
Other Reserve 2 Deposits			-	-	-	-	-	-	-	-	-	-
Other Reserve 2 Withdrawals												
Other Reserve 2 Interest												
Other Required Reserve 2 Running Balance			-	-	-	-	-	-	-	-	-	-

<u>Attachment E: Syndication/Receiver Properties Sources and Uses</u>

Yosemite-Folsom Dore

Permanent Sources	Amount	Terms (new term	Status
MOHCD - GAP - CASH OUT	$7,000,000	5-year prom note	This Request
4% Tax Credit Equity	$22,319,551		Project is being run as scattered site 4%
Historic Tax Credit Equity	$4,139,129		
HCD Loan - Folsom Dore MHP	$6,868,656	55 yrs @ AFR	To be restructured via HCD LPR process
CCSF - Folsom-Dore HOME Loan	$8,435,636	55 yrs @ AFR	Existing to be restructured at syndication closing
CCSF - Yosemite CDBG CHRP	$479,501	Matured -- 55 yrs	Existing to be restructured at syndication closing
CCSF - Yosemite CDBG	$85,937	Matured -- 55 yrs	Existing to be restructured at syndication closing
CCSF - Yosemite CDBG/ARRA	$291,112	55 yrs @ AFR	Existing to be restructured at syndication closing
CCSF - O'Farrell Towers Proceeds	$1,800,000	55 yrs @ 3%	Committed to project at 2019 MOHCD Loan
General Partner Equity	$3,500,000		Not Committed
Seller Carryback Loan*	$16,289,158	55 yrs @ AFR	Not Committed
Project Reserves	$982,499		Committed
Permanent commercial loan	$5,052,260		
Total	**$77,243,439**		
Permanent Uses	**Amount**	**Per Unit**	**Per SF**
Acquisition	$33,223,750	$255,567	$343
Hard Costs	$22,918,073	$176,293	$237
Soft Costs	$14,484,117	$111,416	$150
Reserves	$617,499	$4,750	$6
Developer Fee	$6,000,000	$46,154	$62
Total	**$77,243,439**	$594,180	$798
*Includes deferred interest			

Ambassador-Ritz

Permanent Sources	Amount	Terms (new)	Status
MOHCD - GAP - CASH OUT	$3,439,827	5-year prom note (Se	This Request
CCSF - Ambassador Loan/1996 GO Bond	$2,948,887	55 yrs @ AFR	Existing; Restructure
HCD - Ritz CHRP-R	$4,828,735	55 yrs @ AFR	Existing; Restructure via HCD LPR
CCSF - Ritz CDBG/CHRP	$9,532,958	55 yrs @ AFR	Existing; Restructure via MOHCD Loan Committee
CCSF - Ritz HOME	$1,179,510	55 yrs @ AFR	Existing; Restructure
CCSF - Ritz CDBG Acquisition	$1,487,577	55 yrs @ AFR	Existing; Restructure, write down accrued interest
CCSF - Ritz CDBG/UDAG	$9,771,950	55 yrs @ AFR	Existing; Restructure, write down accrued interest
TNDC Loan (Existing to be recast)	$294,359	55 yrs @ AFR	
MOHCD - Accrued & Deferred Interest on Existing MOHCD Loans	$0	55 yrs @ AFR	
O'Farrell Tower syndication proceeds	$442,706	55 yrs @ AFR	Existing
Alexander Residence Outside Reserve	$981,808		Existing
Tax Credit Equity 4%	$31,004,618	$1.00 per Credit	Not Committed
Historic Tax Credit Equity	$7,042,276	$.85 per Credit	
Cash to Seller from 9% tax credit equity	$2,226,566	55 yrs @ AFR	Not Committed
Sponsor 50% Test Loan	$0		Not Committed
Project Reserves	$835,804		Committed
Retained Surplus Cash HCD (Ritz)	$4,428,075		Partially committed; request annually to HCD via AMR
GP contribution/Deferred Developer Fee	$4,462,500		
Federal Home Loan Bank - AHP	$1,250,000		Ambassador
Permanent commercial loan	$10,000,000	15 Year Term	Committed
Total	**$96,158,156**		
Permanent Uses	**Amount**	**Per Unit**	**Per SF**
Acquisition	$30,841,633	$164,929	$613
Hard Costs	$41,100,938	$219,791	$817
Soft Costs	$15,927,395	$85,173	$317
Reserves	$725,690	$3,881	$14
Developer Fee	$7,562,500	$40,441	$150
Total	**$96,158,156**	$514,215	$1,911
*Includes deferred interest			

Attachment F. Comparison of City Investment in Other Housing Developments

REHABILITATION COST COMPARISON (25 Units and larger)

Updated 9/4/2020

PROJECTS COMPLETED						Square Footage	DEVELOPMENT COSTS					
Project Name	**Address**	**Contract Date**	**Population Type**	**# of Units**	**# of BR[1]**	**Total**	**Acq. Cost[3]**	**Constr. Cost[4]**	**Soft Cost[5]**	**Local Subsidy[6]**	**Total Dev. Cost**	**Comments**
Franciscan Towers	217 Eddy	Jan-14	Senior	105	105	47,935	$ 3,400,000	$ 24,849,763	$ 10,746,064		$ 38,995,827	acq/rehab/seismic retro.
55 Laguna Richardson	55 Laguna	Sep-14	Senior	40	44	42,406	$ 2,312,000	$ 20,197,459	$ 6,141,035	$ 7,387,842	$ 28,650,494	acq/rehab/seismic retro. & adaptive reuse
O' Farrell Towers	477 O'Farrell	Aug-14	Senior	101	101	80,160	$ 31,265,803	$ 19,025,002	$ 5,774,551	$ -	$ 56,065,356	12 Story re-synd. w/seller carryback - significant rehab, unit, systems
Haight Street Apartments	398 Haight	Jun-17	Senior	12	15	10,041	-	$ 1,139,646	$ 179,653	$ 827,693	$ 1,319,299	acq/rehab/seismic retro. & adaptive reuse
Canon Kip Community	705 Natoma Street	Oct-16	Senior	104	104	54,169	6,413,947	$ 12,739,102	$ 4,987,025	$ 3,243,397	$ 24,140,074	SRO significant rehab
2698 California	2698 California	Nov-16	Senior	40	40	27,330	11,489,500	$ 12,444,807	$ 9,803,416	$ 2,847,704	$ 33,737,723	RAD Phase II - significant rehab
3850 18th Street	3850 18th St	Nov-16	Senior	107	107	27,489	24,640,550	$ 20,532,201	$ 13,948,341	$ -	$ 59,121,092	RAD Phase II - significant rehab
1750 McAllister	1750 McAllister	Nov-16	Senior	97	99	45,609	25,480,750	$ 20,532,201	$ 13,761,860	$ -	$ 59,774,811	RAD Phase II - significant rehab
Mission Dolores	1855 15th Street	Nov-16	Senior	91	91	44,005	21,389,975	$ 22,366,416	$ 13,160,157	$ -	$ 56,916,548	RAD Phase II - significant rehab
255 Woodside Avenue	255 Woodside	Oct-15	Senior	109	109	79,469	25,665,000	$ 17,305,660	$ 11,207,752	$ -	$ 54,178,411	RAD Phase I - significant rehab
25 Sanchez Street	25 Sanchez	Oct-15	Senior	90	90	51,716	21,565,000	$ 14,237,853	$ 10,198,424	$ 33,684	$ 46,001,277	RAD Phase I - significant rehab
462 Duboce Avenue	462 Duboce	Oct-15	Senior	42	42	29,663	9,067,000	$ 14,145,269	$ 8,542,057	$ 8,385,005	$ 31,754,326	RAD Phase I - significant rehab
227 Bay Street	227 Bay	Oct-15	Senior	50	50	27,291	8,786,500	$ 10,293,247	$ 7,159,561	$ 2,781,173	$ 26,239,308	RAD Phase I - significant rehab
990 Pacific Avenue	990 Pacific	Oct-15	Senior	92	92	78,690	18,428,500	$ 39,707,786	$ 16,429,449	$ 2,540,821	$ 74,565,735	RAD Phase I - significant rehab - Extensive seismic upgrade
666 Ellis Street	666 Ellis	Oct-15	Senior	99	99	62,077	15,389,375	$ 17,691,445	$ 9,153,750	$ 1,941,615	$ 42,234,570	RAD Phase I - significant rehab
1880 Pine Street	1880 Pine	Oct-15	Senior	97	99	81,804	17,577,750	$ 14,469,566	$ 9,625,042	$ -	$ 41,672,358	RAD Phase I - significant rehab
345 Arguello Street	345 Arguello	Oct-15	Senior	69	71	40,541	11,909,500	$ 14,371,586	$ 8,000,328	$ 1,044,231	$ 34,281,414	RAD Phase I - significant rehab
491-31st Avenue	491 31st Avenue	Oct-15	Senior	75	75	47,975	12,596,250	$ 10,739,343	$ 7,057,931	$ -	$ 30,393,525	RAD Phase I - significant rehab
350 Ellis	350 Ellis	Nov-16	Senior	96	96	59,101	18,236,875	$ 34,897,789	$ 16,954,369	$ -	$ 70,089,033	RAD Phase II - significant rehab
Robert B Pitts	1150 Scott Street	Dec-17	Family	203	543	80,251	36,224,828	$ 40,111,525	$ 11,048,441	$ -	$ 87,384,794	RAD Phase I - significant rehab
Westside Courts	2501 Sutter Street	Dec-18	Family	136	224	106,953	26,920,000	49,015,694	$ 19,973,193	$ 10,189,576	$ 95,908,887	RAD Phase II - significant rehab
Hunters Point East and West	1068 Palou	Jun-18	Family	213	532	258,406	47,300,000	$ 60,883,819	$ 25,701,216	$ 845,790	$ 133,885,035	RAD Phase I - significant rehab
Westbrook Apartments	40 Harbor Road	Jul-19	Family	223	656	233,493	42,570,000	$ 97,548,014	$ 12,288,549	$ 16,705,632	$ 152,406,563	RAD Phase II - significant rehab
320 and 330 Clementina	320-330 Clementina	Jul-19	Senior	276	276	175,045	42,156,875	$ 47,250,750	$ 28,506,910	$ -	$ 117,914,536	RAD Phase II - significant rehab
Ping Yuen	655, 711, 895 Pacific	Mar-19	Family	234	539	238,081	67,240,000	$ 66,893,637	$ 38,785,158	$ 5,787,522	$ 172,918,795	RAD Phase II - significant rehab
Ping Yuen North	838 Pacific	Sep-19	Senior	190	325	181,251	61,870,000	$ 61,731,771	$ 36,095,019	$ 3,893,831	$ 159,696,790	RAD Phase II - significant rehab
Alemany Apartments	951 Ellsworth	Nov-19	Family	150	340	137,652	51,008,000	$ 65,732,467	$ 28,892,921	$ 3,828,778	$ 145,633,388	RAD Phase II - significant rehab
Completed Projects:	***Average:***			116	184	***86,985***	***$ 24,477,925***	***$ 30,772,364***	***$ 14,226,747***	***$ 2,780,165***	***$ 69,477,036***	

PROJECTS UNDER CONSTRUCTION						Square Footage	DEVELOPMENT COSTS					
Project Name	**Address**	**Compl. Date**	**Population Type**	**# of Units**	**# of BR[1]**	**Total**	**Acq. Cost[3]**	**Constr. Cost[4]**	**Soft Cost[5]**	**Local Subsidy[6]**	**Total Dev. Cost**	**Comments**
Bernal Dwellings	3138 Kamille Court	Sep-21	Family	160	391	170,280	$ 41,929,181	50,124,996	$ 21,330,207	0	$ 113,384,384	RAD Phase IV - significant rehab large site, 2 story townhomes
Hayes Valley South	401 Rose	Dec-21	Family	110	236	132,658	$ 35,344,033	$ 45,312,032	$ 19,355,350	$ 7,207,832	$ 100,011,415	RAD Phase IV - significant rehab large site, 2 story townhomes
Gran Oriente	106 South Park	May-21	Senior	24	24	32,049	$ 21,050,000	$ 22,906,291	$ 12,946,956	$ 10,300,000	$ 56,903,247	3 Story over basement, SRO major rehab & seismic
Park View	102 South Park	Jan-21	Senior	39	39							4 Story partial basement, SRO modest rehab & seismic
Hotel Madrid	22 South Park	Sep-21	Senior	44	44							3 Story over basement, SRO modest rehab & seismic
Under Construction:	***Average:***			***75***	***147***	***111,662***	***32,774,405***	***39,447,773***	***17,877,504***	***8,753,916***	***54,059,809***	

PROJECTS IN PREDEVELOPMENT						Square Footage	DEVELOPMENT COSTS					
Project Name	**Address**	**Start Date (anticipated)**	**Population Type**	**# of Units**	**# of BR[1]**	**Total**	**Acq. Cost[3]**	**Constr. Cost[4]**	**Soft Cost[5]**	**Local Subsidy[6]**	**Total Dev. Cost**	**Comments**
San Cristina	1000 Market Street	Jan-21	Senior	58	58	34,500	$ 17,400,000	$ 16,245,728	$ 18,862,448	$ 2,566,506	$ 52,508,176	4 story, type III UMB (CHPC proforma 4/26/20)
Hayes Valley North	650 - 667 Linden	Dec-20	Family	85	211	132,660	$ 30,387,921	$ 44,902,964	$ 18,464,052	$ 15,332,872	$ 93,754,937	RAD Phase IV - significant rehab large site, 2 story tnhms (predev LE 4/20)
Throughline Scattered Sites	777 Bdwy, 1204 Mason, 1525 Grant	Apr-21	Mixed	88	88	49,870	$ 19,187,433	$ 21,506,475	$ 16,841,074	$ 14,152,435	$ 57,534,982	Bayside: 3-story over 1-story CMU garage building; Consorcia: 4-story with
Yosemite	480 Eddy Street	Apr-21	Mixed	32	32	20,178	$ 5,619,999	$ 15,166,293	$ 9,429,056	$ 1,800,000	$ 30,215,348	6 story masonry and steel blgd., significant rehab with seismic
The Ritz	55 Mason	Jan-21	Sr. Disabled	186	186	102,109	$ 30,841,633	$ 41,100,938	$ 24,215,585	$ 1,424,514	$ 96,158,156	2 bldgs 4-6 story SRO significant rehab (MOHCD app 5/26/20)
In Predevelopment	***Average:***			***90***	***115***	***67,863***	***$ 20,687,397***	***$ 27,784,480***	***$ 17,562,443***	***$ 7,055,265***	***$ 66,034,320***	
ALL PROJECTS	***Average:***			***94***	***149***	***88,837***	***$ 25,979,909***	***$ 32,668,205***	***$ 16,555,565***	***$ 6,196,449***	***$ 63,190,388***	
Turk Eddy Preservation - 249 Eddy / 165 Turk		**Jan-21**	**Senior Sec. 8**	**82**	**82**	**56,920**	**$ -**	**$ 1,902,471**	**$ 321,805**		**$ 22,680,073**	**2 mid-rise (5-6 stories) bldgs. located on adjacent parcels**

PROJECTS COMPLETED		Construction Costs			Total Dev Costs by Unit / Bed / SF			Subsidy
Project Name	**Contract Date**	**Const/unit**	**Const/Bedroom**	**Const / SF**	**Gross TDC / unit**	**Const/Bedroom**	**Gross TDC/sq.ft[7]**	**Subsidy / unit**
Franciscan Towers	Jan-14	$ 236,664	$ 236,664	$ 518	$ 371,389	$ 236,664	$ 814	$ -
55 Laguna Richardson	Sep-14	$ 504,936	$ 459,033	$ 476	$ 716,262	$ 459,033	$ 676	$ 184,696
O' Farrell Towers	Aug-14	$ 188,366	$ 188,366	$ 237	$ 555,103	$ 188,366	$ 699	$ -
Haight Street Apartments	Jun-17	$ 94,970	$ 75,976	$ 113	$ 109,942	$ 75,976	$ 131	$ 68,974
Canon Kip Community	Oct-16	$ 122,491	$ 122,491	$ 235	$ 232,116	$ 122,491	$ 446	$ 31,187
2698 California	Nov-16	$ 311,120	$ 311,120	$ 455	$ 843,443	$ 311,120	$ 1,234	$ 71,193
3850 18th Street	Nov-16	$ 191,890	$ 191,890	$ 747	$ 552,534	$ 191,890	$ 2,151	$ -
1750 McAllister	Nov-16	$ 211,672	$ 207,396	$ 450	$ 616,235	$ 207,396	$ 1,311	$ -
Mission Dolores	Nov-16	$ 245,785	$ 245,785	$ 508	$ 625,457	$ 245,785	$ 1,293	$ -
255 Woodside Avenue	Oct-15	$ 158,768	$ 158,768	$ 218	$ 497,050	$ 158,768	$ 682	$ -
25 Sanchez Street	Oct-15	$ 158,198	$ 158,198	$ 275	$ 511,125	$ 158,198	$ 889	$ 374
462 Duboce Avenue	Oct-15	$ 336,792	$ 336,792	$ 477	$ 756,055	$ 336,792	$ 1,071	$ 199,643
227 Bay Street	Oct-15	$ 205,865	$ 205,865	$ 377	$ 524,786	$ 205,865	$ 961	$ 55,623
990 Pacific Avenue	Oct-15	$ 431,606	$ 431,606	$ 505	$ 810,497	$ 431,606	$ 948	$ 27,618
666 Ellis Street	Oct-15	$ 178,701	$ 178,701	$ 285	$ 426,612	$ 178,701	$ 680	$ 19,612
1880 Pine Street	Oct-15	$ 149,171	$ 146,157	$ 177	$ 429,612	$ 146,157	$ 509	$ -
345 Arguello Street	Oct-15	$ 208,284	$ 202,417	$ 354	$ 496,832	$ 202,417	$ 846	$ 15,134
491-31st Avenue	Oct-15	$ 143,191	$ 143,191	$ 224	$ 405,247	$ 143,191	$ 634	$ -
350 Ellis	Nov-16	$ 363,519	$ 363,519	$ 590	$ 730,094	$ 363,519	$ 1,186	$ -
Robert B Pitts	Dec-17	$ 197,594	$ 73,870	$ 500	$ 430,467	$ 73,870	$ 1,089	$ -
Westside Courts	Dec-18	$ 360,410	$ 218,820	$ 458	$ 705,212	$ 218,820	$ 897	$ 74,923
Hunters Point East and West	Jun-18	$ 285,840	$ 114,443	$ 236	$ 628,568	$ 114,443	$ 518	$ 3,971
Westbrook Apartments	Jul-19	$ 437,435	$ 148,701	$ 418	$ 683,438	$ 148,701	$ 653	$ 74,913
320 and 330 Clementina	Jul-19	$ 171,198	$ 171,198	$ 270	$ 427,227	$ 171,198	$ 674	$ -
Ping Yuen	Mar-19	$ 285,870	$ 124,107	$ 281	$ 738,969	$ 124,107	$ 726	$ 24,733
Ping Yuen North	Sep-19	$ 324,904	$ 189,944	$ 341	$ 840,509	$ 189,944	$ 881	$ 20,494
Alemany Apartments	Nov-19	$ 438,216	$ 193,331	$ 478	$ 970,889	$ 193,331	$ 1,058	$ 25,525
Completed Projects:	***Average:***	***$ 257,165***	***$ 207,346***	***$ 378***	***$ 579,099***	***$ 207,346***	***$ 876***	***$ 33,282***

PROJECTS UNDER CONSTRUCTION		Construction Costs			Total Dev Costs by Unit / Bed / SF			Subsidy
Project Name	**Contract Date**	**Const/unit**	**Const/Bedroom**	**Const / SF**	**Gross TDC / unit**	**Const/Bedroom**	**Gross TDC/sq.ft[7]**	**Subsidy /unit**
Bernal Dwellings	Sep-21	$ 313,281	$ 128,197	$ 294	$ 708,652	$ 128,197	$ 666	-
Hayes Valley South	Dec-21	$ 411,928	$ 192,000	$ 342	$ 909,195	$ 192,000	$ 754	$ 65,526
Gran Oriente	May-21	$ 954,429	$ 954,429	$ 715	$2,370,969	$ 954,429	$ 1,776	$ 429,167
Park View	Jan-21							
Hotel Madrid	Sep-21							
Under Construction:	***Average:***	***$ 559,879***	***$ 424,875***	***$ 450***	***1,329,605***	***424,875***	***1,065***	***247,346***

PROJECTS IN PREDEVELOPMENT		Construction Costs			Total Dev Costs by Unit / Bed / SF			Subsidy
Project Name	**Start Date (anticipated)**	**Const/unit**	**Const/Bedroom**	**Const / SF**	**Gross TDC / unit**	**Const/Bedroom**	**Gross TDC/sq.ft[7]**	**Subsidy /unit**
San Cristina	Jan-21	$ 280,099	$ 280,099	$ 471	$ 905,313	$ 280,099	$ 1,522	$ 44,250
Hayes Valley North	Dec-20	$ 528,270	$ 212,810	$ 338	$1,102,999	$ 212,810	$ 707	$ 180,387
Throughline (Grant, Mason, Bdwy)	Apr-21	$ 244,392	$ 244,392	$ 431	$ 653,807	$ 244,392	$ 1,154	$ 160,823
Yosemite - 480 Eddy	Apr-21	$ 473,947	$ 473,947	$ 752	$ 944,230	$ 473,947	$ 1,497	$ 56,250
Ritz / Ambassador	Jan-21	$ 220,973	$ 220,973	$ 403	$ 516,979	$ 220,973	$ 942	$ 7,659
In Predevelopment	***Average:***	***$ 349,536***	***$ 286,444***	***$ 479***	***$ 824,666***	***$ 286,444***	***$ 1,164***	***$ 89,874***
All Projects:	***AVERAGE***	***388,860***	***306,222***	***436***	***911,123***	***306,222***	***1,035***	***123,501***
Turk Eddy Preservation	**Jan-00**	**$ 23,201**	**$ 23,201**	**$ 33**	**$ 276,586**	**$ 23,201**	**$ 398**	**$ -**

[0] items highlighted in yellow represent gaps in information
[1] includes studios as 1BRs
[2] *Residential sq. ft.* includes circulation, recreation, parking, office space and common areas; excludes day care centers, and commercial (non-res.)
[3] *Acquisition* includes cost of buying land/building including costs if City buys site; excludes demotion of existing building
[4] *Construction* includes unit construction, site preparation/demolition (if applicable), site improvements, environmental remediation and hard cost contingency for Predev & During Construction. Completed projects include used Contingency and are escalated per ENR CCI data
[5] *Soft Cost* = TDC less Acquisition and Hard Costs
[6] All non-amortized local funds
[7] *Total* square footage

REHABILITATION COST COMPARISON (25 Units and larger)

Updated *9/4/2020*

PROJECTS COMPLETED						Square Footage	DEVELOPMENT COSTS					
Project Name	Address	Contract Date	Population Type	# of Units	# of BR[1]	Total	Acq. Cost[3]	Constr. Cost[4]	Soft Cost[5]	Local Subsidy[6]	Total Dev. Cost	Comments
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55 Laguna Richardson	55 Laguna	Sep-14	Senior	40	44	42,406	$ 2,312,000	$ 20,197,459	$ 6,141,035	$ 7,387,842	$ 28,650,494	acq/rehab/seismic retro. & adaptive reuse
O' Farrell Towers	477 O'Farrell	Aug-14	Senior	101	101	80,160	$ 31,265,803	$ 19,025,002	$ 5,774,551	$ -	$ 56,065,356	12 Story re-synd. w/seller carryback - significant rehab, unit, systems
Haight Street Apartments	398 Haight	Jun-17	Senior	12	15	10,041	-	$ 1,139,646	$ 179,653	$ 827,693	$ 1,319,299	acq/rehab/seismic retro. & adaptive reuse
Canon Kip Community	705 Natoma Street	Oct-16	Senior	104	104	54,169	6,413,947	$ 12,739,102	$ 4,987,025	$ 3,243,397	$ 24,140,074	SRO significant rehab
2698 California	2698 California	Nov-16	Senior	40	40	27,330	11,489,500	$ 12,444,807	$ 9,803,416	$ 2,847,704	$ 33,737,723	RAD Phase II - significant rehab
3850 18th Street	3850 18th St	Nov-16	Senior	107	107	27,489	24,640,550	$ 20,532,201	$ 13,948,341	$ -	$ 59,121,092	RAD Phase II - significant rehab
1750 McAllister	1750 McAllister	Nov-16	Senior	97	99	45,609	25,480,750	$ 20,532,201	$ 13,761,860	$ -	$ 59,774,811	RAD Phase II - significant rehab
Mission Dolores	1855 15th Street	Nov-16	Senior	91	91	44,005	21,389,975	$ 22,366,416	$ 13,160,157	$ -	$ 56,916,548	RAD Phase II - significant rehab
255 Woodside Avenue	255 Woodside	Oct-15	Senior	109	109	79,469	25,665,000	$ 17,305,660	$ 11,207,752	$ -	$ 54,178,411	RAD Phase I - significant rehab
25 Sanchez Street	25 Sanchez	Oct-15	Senior	90	90	51,716	21,565,000	$ 14,237,853	$ 10,198,424	$ 33,684	$ 46,001,277	RAD Phase I - significant rehab
462 Duboce Avenue	462 Duboce	Oct-15	Senior	42	42	29,663	9,067,000	$ 14,145,269	$ 8,542,057	$ 8,385,005	$ 31,754,326	RAD Phase I - significant rehab
227 Bay Street	227 Bay	Oct-15	Senior	50	50	27,291	8,786,500	$ 10,293,247	$ 7,159,561	$ 2,781,173	$ 26,239,308	RAD Phase I - significant rehab
990 Pacific Avenue	990 Pacific	Oct-15	Senior	92	92	78,690	18,428,500	$ 39,707,786	$ 16,429,449	$ 2,540,821	$ 74,565,735	RAD Phase I - significant rehab - Extensive seismic upgrade
666 Ellis Street	666 Ellis	Oct-15	Senior	99	99	62,077	15,389,375	$ 17,691,445	$ 9,153,750	$ 1,941,615	$ 42,234,570	RAD Phase I - significant rehab
1880 Pine Street	1880 Pine	Oct-15	Senior	97	99	81,804	17,577,750	$ 14,469,566	$ 9,625,042	$ -	$ 41,672,358	RAD Phase I - significant rehab
345 Arguello Street	345 Arguello	Oct-15	Senior	69	71	40,541	11,909,500	$ 14,371,586	$ 8,000,328	$ 1,044,231	$ 34,281,414	RAD Phase I - significant rehab
491-31st Avenue	491 31st Avenue	Oct-15	Senior	75	75	47,975	12,596,250	$ 10,739,343	$ 7,057,931	$ -	$ 30,393,525	RAD Phase I - significant rehab
350 Ellis	350 Ellis	Nov-16	Senior	96	96	59,101	18,236,875	$ 34,897,789	$ 16,954,369	$ -	$ 70,089,033	RAD Phase II - significant rehab
Robert B Pitts	1150 Scott Street	Dec-17	Family	203	543	80,251	36,224,828	$ 40,111,525	$ 11,048,441	$ -	$ 87,384,794	RAD Phase I - significant rehab
Westside Courts	2501 Sutter Street	Dec-18	Family	136	224	106,953	26,920,000	49,015,694	$ 19,973,193	$ 10,189,576	$ 95,908,887	RAD Phase II - significant rehab
Hunters Point East and West	1068 Palou	Jun-18	Family	213	532	258,406	47,300,000	$ 60,883,819	$ 25,701,216	$ 845,790	$ 133,885,035	RAD Phase I - significant rehab
Westbrook Apartments	40 Harbor Road	Jul-19	Family	223	656	233,493	42,570,000	$ 97,548,014	$ 12,288,549	$ 16,705,632	$ 152,406,563	RAD Phase II - significant rehab
320 and 330 Clementina	320-330 Clementina	Jul-19	Senior	276	276	175,045	42,156,875	$ 47,250,750	$ 28,506,910	$ -	$ 117,914,536	RAD Phase II - significant rehab
Ping Yuen	655, 711, 895 Pacific	Mar-19	Family	234	539	238,081	67,240,000	$ 66,893,637	$ 38,785,158	$ 5,787,522	$ 172,918,795	RAD Phase II - significant rehab
Ping Yuen North	838 Pacific	Sep-19	Senior	190	325	181,251	61,870,000	$ 61,731,771	$ 36,095,019	$ 3,893,831	$ 159,696,790	RAD Phase II - significant rehab
Alemany Apartments	951 Ellsworth	Nov-19	Family	150	340	137,652	51,008,000	$ 65,732,467	$ 28,892,921	$ 3,828,778	$ 145,633,388	RAD Phase II - significant rehab
Completed Projects:	***Average:***			116	184	***86,985***	***$ 24,477,925***	***$ 30,772,364***	***$ 14,226,747***	***$ 2,780,165***	***$ 69,477,036***	

PROJECTS UNDER CONSTRUCTION						Square Footage	DEVELOPMENT COSTS					
Project Name	Address	Compl. Date	Population Type	# of Units	# of BR[1]	Total	Acq. Cost[3]	Constr. Cost[4]	Soft Cost[5]	Local Subsidy[6]	Total Dev. Cost	Comments
Bernal Dwellings	3138 Kamille Court	Sep-21	Family	160	391	170,280	$ 41,929,181	50,124,996	$ 21,330,207	0	$ 113,384,384	RAD Phase IV - significant rehab large site, 2 story townhomes
Hayes Valley South	401 Rose	Dec-21	Family	110	236	132,658	$ 35,344,033	$ 45,312,032	$ 19,355,350	$ 7,207,832	$ 100,011,415	RAD Phase IV - significant rehab large site, 2 story townhomes
Gran Oriente	106 South Park	May-21	Senior	24	24							3 Story over basement, SRO major rehab & seismic
Park View	102 South Park	Jan-21	Senior	39	39	32,049	$ 21,050,000	$ 22,906,291	$ 12,946,956	$ 10,300,000	$ 56,903,247	4 Story partial basement, SRO modest rehab & seismic
Hotel Madrid	22 South Park	Sep-21	Senior	44	44							3 Story over basement, SRO modest rehab & seismic
Under Construction:	***Average:***			***75***	***147***	***111,662***	***32,774,405***	***39,447,773***	***17,877,504***	***8,753,916***	***54,059,809***	

PROJECTS IN PREDEVELOPMENT						Square Footage	DEVELOPMENT COSTS					
Project Name	Address	Start Date (anticipated)	Population Type	# of Units	# of BR[1]	Total	Acq. Cost[3]	Constr. Cost[4]	Soft Cost[5]	Local Subsidy[6]	Total Dev. Cost	Comments
San Cristina	1000 Market Street	Jan-21	Senior	58	58	34,500	$ 17,400,000	$ 16,245,728	$ 18,862,448	$ 2,566,506	$ 52,508,176	4 story, type III UMB (CHPC proforma 4/26/20)
Hayes Valley North	650 - 667 Linden	Dec-20	Family	85	211	132,660	$ 30,387,921	$ 44,902,964	$ 18,464,052	$ 15,332,872	$ 93,754,937	RAD Phase IV - significant rehab large site, 2 story tnhms (predev LE 4/20)
Throughline Scattered Sites	777 Bdwy, 1204 Mason, 1525 Grant	Apr-21	Mixed	88	88	49,870	$ 19,187,433	$ 21,506,475	$ 16,841,074	$ 14,152,435	$ 57,534,982	Bayside: 3-story over 1-story CMU garage building; Consorcia: 4-story with
In Predevelopment	***Average:***			***77***	***119***	***72,343***	***24,673,877***	***30,174,698***	***17,293,976***	***9,911,929***	***72,142,551***	
ALL PROJECTS	***Average:***			***90***	***150***	***90,330***	***27,308,736***	***33,464,945***	***16,466,076***	***7,148,670***	***65,226,465***	
480 Eddy Street - Yosemite		**Apr-21**	**Mixed**	**32**	**32**	**20,178**	**$ 5,619,999**	**$ 15,166,293**	**$ 9,429,056**	**$ 1,800,000**	**$ 30,215,348**	**6 story masonry and steel blgd., significant rehab with seismic**
55 Mason - Ambassador 216 Eddy - Ritz		**Jan-21**	**Sr. Disabled**	**186**	**186**	**102,109**	**$30,841,633**	**$ 41,100,938**	**$ 24,215,585**	**$ 1,424,514**	**$ 96,158,156**	**2 bldgs 4-6 story SRO significant rehab (MOHCD app 5/26/20)**

PROJECTS COMPLETED		Construction Costs			Total Dev Costs by Unit / Bed / SF			Subsidy
Project Name	Contract Date	Const/unit	Const/Bedroom	Const / SF	Gross TDC / unit	Const/Bedroom	Gross TDC/sq.ft[7]	Subsidy / unit
Franciscan Towers	Jan-14	$ 236,664	$ 236,664	$ 518	$ 371,389	$ 236,664	$ 814	$ -
55 Laguna Richardson	Sep-14	$ 504,936	$ 459,033	$ 476	$ 716,262	$ 459,033	$ 676	$ 184,696
O' Farrell Towers	Aug-14	$ 188,366	$ 188,366	$ 237	$ 555,103	$ 188,366	$ 699	$ -
Haight Street Apartments	Jun-17	$ 94,970	$ 75,976	$ 113	$ 109,942	$ 75,976	$ 131	$ 68,974
Canon Kip Community	Oct-16	$ 122,491	$ 122,491	$ 235	$ 232,116	$ 122,491	$ 446	$ 31,187
2698 California	Nov-16	$ 311,120	$ 311,120	$ 455	$ 843,443	$ 311,120	$ 1,234	$ 71,193
3850 18th Street	Nov-16	$ 191,890	$ 191,890	$ 747	$ 552,534	$ 191,890	$ 2,151	$ -
1750 McAllister	Nov-16	$ 211,672	$ 207,396	$ 450	$ 616,235	$ 207,396	$ 1,311	$ -
Mission Dolores	Nov-16	$ 245,785	$ 245,785	$ 508	$ 625,457	$ 245,785	$ 1,293	$ -
255 Woodside Avenue	Oct-15	$ 158,768	$ 158,768	$ 218	$ 497,050	$ 158,768	$ 682	$ -
25 Sanchez Street	Oct-15	$ 158,198	$ 158,198	$ 275	$ 511,125	$ 158,198	$ 889	$ 374
462 Duboce Avenue	Oct-15	$ 336,792	$ 336,792	$ 477	$ 756,055	$ 336,792	$ 1,071	$ 199,643
227 Bay Street	Oct-15	$ 205,865	$ 205,865	$ 377	$ 524,786	$ 205,865	$ 961	$ 55,623
990 Pacific Avenue	Oct-15	$ 431,606	$ 431,606	$ 505	$ 810,497	$ 431,606	$ 948	$ 27,618
666 Ellis Street	Oct-15	$ 178,701	$ 178,701	$ 285	$ 426,612	$ 178,701	$ 680	$ 19,612
1880 Pine Street	Oct-15	$ 149,171	$ 146,157	$ 177	$ 429,612	$ 146,157	$ 509	$ -
345 Arguello Street	Oct-15	$ 208,284	$ 202,417	$ 354	$ 496,832	$ 202,417	$ 846	$ 15,134
491-31st Avenue	Oct-15	$ 143,191	$ 143,191	$ 224	$ 405,247	$ 143,191	$ 634	$ -
350 Ellis	Nov-16	$ 363,519	$ 363,519	$ 590	$ 730,094	$ 363,519	$ 1,186	$ -
Robert B Pitts	Dec-17	$ 197,594	$ 73,870	$ 500	$ 430,467	$ 73,870	$ 1,089	$ -
Westside Courts	Dec-18	$ 360,410	$ 218,820	$ 458	$ 705,212	$ 218,820	$ 897	$ 74,923
Hunters Point East and West	Jun-18	$ 285,840	$ 114,443	$ 236	$ 628,568	$ 114,443	$ 518	$ 3,971
Westbrook Apartments	Jul-19	$ 437,435	$ 148,701	$ 418	$ 683,438	$ 148,701	$ 653	$ 74,913
320 and 330 Clementina	Jul-19	$ 171,198	$ 171,198	$ 270	$ 427,227	$ 171,198	$ 674	$ -
Ping Yuen	Mar-19	$ 285,870	$ 124,107	$ 281	$ 738,969	$ 124,107	$ 726	$ 24,733
Ping Yuen North	Sep-19	$ 324,904	$ 189,944	$ 341	$ 840,509	$ 189,944	$ 881	$ 20,494
Alemany Apartments	Nov-19	$ 438,216	$ 193,331	$ 478	$ 970,889	$ 193,331	$ 1,058	$ 25,525
Completed Projects:	***Average:***	***$ 257,165***	***$ 207,346***	***$ 378***	***$ 579,099***	***$ 207,346***	***$ 876***	***$ 33,282***

PROJECTS UNDER CONSTRUCTION		Construction Costs			Total Dev Costs by Unit / Bed / SF			Subsidy
Project Name	Contract Date	Const/unit	Const/Bedroom	Const / SF	Gross TDC / unit	Const/Bedroom	Gross TDC/sq.ft[7]	Subsidy /unit
Bernal Dwellings	Sep-21	$ 313,281	$ 128,197	$ 294	$ 708,652	$ 128,197	$ 666	-
Hayes Valley South	Dec-21	$ 411,928	$ 192,000	$ 342	$ 909,195	$ 192,000	$ 754	$ 65,526
Gran Oriente	May-21							
Park View	Jan-21	$ 954,429	$ 954,429	$ 715	$2,370,969	$ 954,429	$ 1,776	$ 429,167
Hotel Madrid	Sep-21							
Under Construction:	***Average:***	***559,879***	***424,875***	***450***	***1,329,605***	***424,875***	***1,065***	***247,346***

PROJECTS IN PREDEVELOPMENT		Construction Costs			Total Dev Costs by Unit / Bed / SF			Subsidy
Project Name	Start Date (anticipated)	Const/unit	Const/Bedroom	Const / SF	Gross TDC / unit	Const/Bedroom	Gross TDC/sq.ft[7]	Subsidy /unit
San Cristina	Jan-21	$ 280,099	$ 280,099	$ 471	$ 905,313	$ 280,099	$ 1,522	$ 44,250
Hayes Valley North	Dec-20	$ 528,270	$ 212,810	$ 338	$1,102,999	$ 212,810	$ 707	$ 180,387
Throughline (Grant, Mason, Bdwy)	Apr-21	$ 244,392	$ 244,392	$ 431	$ 653,807	$ 244,392	$ 1,154	$ 160,823
In Predevelopment	***Average:***	***350,920***	***245,767***	***414***	***887,373***	***245,767***	***1,127***	***128,487***
All Projects:	***AVERAGE***	***389,322***	***292,663***	***414***	***932,026***	***292,663***	***1,023***	***136,372***
480 Eddy - Yosemite	**Apr-21**	**$ 473,947**	**$ 473,947**	**$ 752**	**$ 944,230**	**$ 473,947**	**$ 1,497**	**$ 56,250**
Ambassador / Ritz	**Jan-21**	**$ 220,973**	**$ 220,973**	**$ 403**	**$ 516,979**	**$ 220,973**	**$ 942**	**$ 7,659**

[0] items highlighted in yellow represent gaps in information
[1] includes studios as 1BRs
[2] *Residential sq. ft.* includes circulation, recreation, parking, office space and common areas; excludes day care centers, and commercial (non-res.)
[3] *Acquisition* includes cost of buying land/building including costs if City buys site; excludes demotion of existing building
[4] *Construction* includes unit construction, site preparation/demolition (if applicable), site improvements, environmental remediation and hard cost contingency for Predev & During Construction. Completed projects include used Contingency and are escalated per ENR CCI data
[5] *Soft Cost* = TDC less Acquisition and Hard Costs
[6] All non-amortized local funds
[7] *Total* square footage

<u>Attachment G: Sponsor Qualifications and Assignments</u>

TNDC has 35 years of experience developing both family and supportive housing in San Francisco. TNDC has 42 projects in its portfolio, with an additional 17 projects in the pipeline including recapitalization. The average units per project ranges from 75 to 120.

Staffing structure

Todd LeFurge (Director of Asset Management), Thomas Lauderbach (Associate Director of Housing Development), and Chris Cummings (Associate Director of Housing Development) are leading the Reinvestment Project, devoting a combined 10% of their time to it. Five project/asset managers have been assigned at a combined 35% of their time (see Attachment G: Project Team Qualifications and Assignments).

All assigned TNDC staff have been intimately familiar with these properties for at least the last eighteen months and have been actively engaged with MOHCD staff in developing the Reinvestment Project plan. All TNDC staff have been integrally involved in multiple acquisitions rehabs financed through tax credits and City gap financing.

TNDC is also utilizing two third-party consultant construction managers. Each has 35 years of experience and has worked on multiple TNDC rehab projects.

There are three full-time Asset Management employees. The department is headed by the Director of Asset Management, with two Asset Managers reporting to the Senior Asset Manager, who reports to the CFO. Each Asset Manager has a set number of projects in the portfolio. Each is responsible for developing asset management plans for each property, as well as managing the needs and requests of the partner and/or lender in each of the properties, examining opportunities related to the rental structure/operating subsidies, and developing, when necessary, partner exit strategies and/or resyndication and refinancing strategies for those projects that are approaching Year 15.

Members of the Asset Management Department work closely with other TNDC departments. Each project in development in the Housing Development Department has a multidisciplinary "interdepartmental team" to help inform rehab or new construction scopes in which one or more members of asset management participates. Additionally, TNDC has a Recapitalization Workgroup, in which all members of the Asset Management Department attend in order to update senior staff members and the Housing Development Department about asset management plans, partner exit strategies and other asset management related activities, challenges and opportunities.

Staff qualifications

Todd LeFurge
Director of Asset Management
Recapitalization Projects: Oversight of Recapitalization Plan/Staff (Resource Properties)

Todd LeFurge joined TNDC in March 2001. Todd has been directly involved in helping to shape TNDC's portfolio and position TNDC's projects well for recapitalization and long-term financial health. Since joining TNDC, Todd has developed asset management plans, structured and executed Year 15 tax credit partner exits, structured refinancings, and contributed tremendously to strategic planning around portfolio recapitalization.

Todd is leading the effort on the resource components of the Recapitalization Plan and contributing to the financing structures of the receiver properties. Todd supervises the two Asset Management department staff members, Svetlana Karasyova and Rachel Macaraeg. Svetlana and Rachel are each leading the refinancings of Folsom-Dore and Turk & Eddy, respectively.

Thomas Lauderbach
Associate Director of Housing Development
Recapitalization Projects: Oversight of Recapitalization Plan/Staff (Receiver Properties)

Tom Lauderbach joined TNDC in March 2014 as a Senior Project Manager and was subsequently promoted to Associate Director of Housing Development. At TNDC, Tom helped structure and plan for TNDC's RAD portfolio of projects and he directly managed several of the projects, including 430 Turk Street.
Tom currently provides oversight and management across TNDC's Housing Development department for both new construction and rehabilitation projects, and does not directly manage any development projects. Tom directly supervises six employees in the department.

Chris Cummings
Associate Director of Housing Development
Recapitalization Projects: Oversight of Recapitalization Plan/Staff (Resource/Receiver Properties)

Chris Cummings joined TNDC in October of 2013 as a Project Manager. During his time as a Project Manager, Chris managed TNDC's 1036 Mission new construction project from entitlements through perm conversion, as well as the 939 & 951 Eddy RAD project through design, construction, and perm conversion, and the Candlestick 10A project through entitlements and design. Chris also helped to develop TNDC's Portfolio Recapitalization Plan in 2018 and as Associated Director of Housing Development he provides oversight of implementation of the projects within the Housing Development department as well as new acquisition opportunities.
Chris currently supervises three employees within the department, and is closing out the 1036 Mission project as well.

Gabriel Speyer
Senior Project Manager
Recapitalization Projects: Plaza & Ramona Apartments (Phase II project)

Gabe Speyer joined TNDC in 2016 after having worked in Community Development finance with Bank of America. Since joining TNDC, Gabe has served as Project Manager for TNDC's 430 Turk and 350 Ellis RAD projects both of which he carried through construction to perm conversion. Gabe has also worked on predevelopment of TNDC's 681 Florida project (due to close in 2020), and Parcel U which is currently in the design and financing stages.
Gabe will provide project management of the Plaza & Ramona resyndication project in addition to completing design and assembling financing for Parcel U and completing a rehab of 270 Turk Street, a recent TNDC acquisition. Gabe also supervises two department staff members.

Emily Van Loon
Project Manager
Recapitalization Projects: Ambassador Hotel & Yosemite (Phase I projects)

Emily Van Loon joined TNDC in 2016 and immediately took over project management of TNDC's Rosa Parks RAD project that was just commencing construction. She led the project through construction completion to perm conversion. Emily also assisted with TNDC's O'Farrell Towers rehabilitation project.

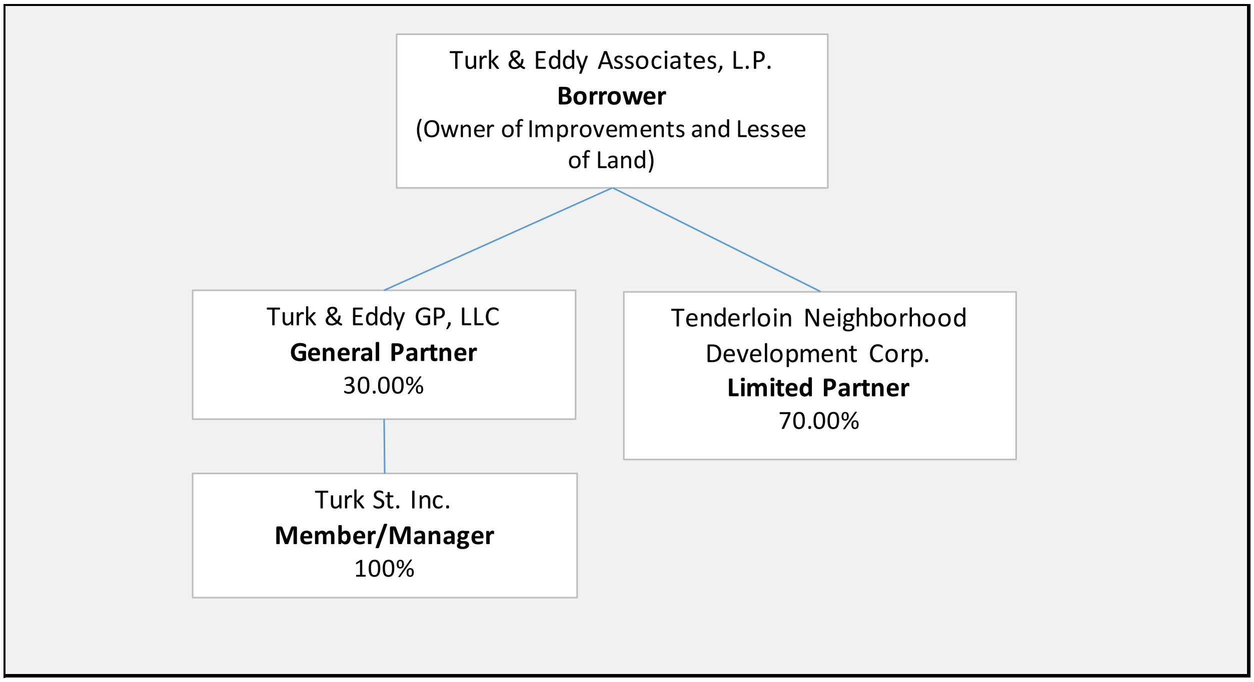
Emily is serving as Project Manager for the Ambassador 4%/9% hybrid resyndication project and the Yosemite component of the combined Yosemite-Ritz scattered site project with assistance from Assistant Project Manager Tim Ponti. Emily has been instrumental in developing a cost effective design strategy, including complex seismic upgrades, and in formalizing the financing structures for these projects. Emily and Tim will each spend 25% of their time on the Project, and Chris will dedicate 15% to providing oversight.

Nick Wilder
Project Manager
Recapitalization Projects: Ritz Hotel (Phase I project)

Nick Wilder joined TNDC in 2016 as an Assistant Project Manager, and assisted with the closing of and construction of 1036 Mission. Additionally, he assisted with final design, bidding, and closing of TNDC's Eddy & Taylor project and eventually rose to Project Manager, leading the construction and close-out of financing. Currently, Nick is working on predevelopment for the 180 Jones project, a new construction mid-rise in the Tenderloin.
Nick is serving as Project Manager for the Ritz Hotel component of the Yosemite-Ritz scattered site project, which is currently in schematic design.

Reinvestment Project Staff assignments

PHASE I PROPERTIES	SUPERVISION		PROJECT MANAGEMENT		PROJECT MGMT - ASSIST	
	Director of Asset Management	% Time	Asset Manager	% Time		% Time
Turk & Eddy Apartments	Todd LeFurge	5%	Rachel Macaraeg	20%	N/A	
Folsom Dore Apartments	Todd LeFurge	10%	Svetlana Karasyova	20%	N/A	
	Associate Director of HD	% Time	Project Manager	% Time	Assistant Project Mangr	% Time
Turk & Eddy Apartments	Thomas Lauderbach	5%	Nicole Guzman	50%	N/A	
Yosemite & Folsom Dore (Yosemite Component)	Chris Cummings	15%	Emily Van Loon	35%	Timothy Ponti	20%
Yosemite & Folsom Dore (Folsom Dore Component)	Chris Cummings	10%	Jackson Rabinowitsh	35%	Lex Gelb	20%
Ambassador Hotel - Ritz Hotel (Ambassador Component)	Chris Cummings	15%	Emily Van Loon	35%	Timothy Ponti	20%
Ambassador Hotel - Ritz Hotel (Ritz Component)	Thomas Lauderbach	15%	Nicole Guzman	35%	Mike Rogers (Consultant to TNDC)	20%


Turk & Eddy Associates, L.P.
Borrower
(Owner of Improvements and Lessee of Land)
Turk & Eddy GP, LLC
General Partner
30.00%
Tenderloin Neighborhood Development Corp.
Limited Partner
70.00%
Turk St. Inc.
Member/Manager
100%

Attachment I: Property Descriptions

Turk & Eddy Apartments – Resource Property

Property Description

Turk & Eddy Apartments ("Turk & Eddy") comprises two buildings totaling 82 units located on adjacent blocks and consisting of 100% Project Based Section 8 senior housing. The income levels are restricted to 50% area median income (AMI). TNDC acquired the properties in 2007. Turk Apartments is a six-story building with 27 units (22 Studios and five 1-Bedrooms) built in 1923. Eddy Apartments is a seven-story building with 55 Studio units built in 1925. The buildings underwent a rehab in 2010.

Turk & Eddy Associates L.P. is the Owner. The Limited Partnership consists of a limited partner, with TNDC holding 70% interest, and a general partner, Turk & Eddy GP LLC, holding 30% interest. Turk Street Inc., an affiliate of TNDC, is the sole member of Turk & Eddy GP LLC.

Property status

MOHCD Asset Management staff has reviewed and approved the Turk & Eddy 2019 Annual Monitoring Report (AMR). The property is in compliance with the requirements of the City's agreements, including affordability and maximum rent restriction requirements, reserves, and insurance. The property is fully subsidized through Project Based Section 8 and enjoys positive cash flow each year. Financial management has been consistently excellent with steady income and expenses and positive trends from 2014-2019. The vacancy rate has been below 1% year over those years. The Sponsor has made ground lease rent payments each year, and has been compliant with replacement reserve deposits.

Under the Freddie Mac loan, the operating budget provided by TNDC projects healthy financial performance for the next 20 years, with an average debt service coverage ratio of 1.22 over 20 years, and sufficient net operating income to adequately fund reserve accounts and to generate positive cash flow. Turk & Eddy will continue to deliver residual rent payments on the ground lease after the refinancing.

Fiscal

Loan and Ground Lease

Turk & Eddy is financed with a Tax Increment Loan, executed November 11, 2009, with an original loan amount of $8,770,890, and current balance of $1,266,302. Loan payments are through residual receipts, with a 3% interest rate. The outstanding balance with accrued interest is approximately $2.4 million. The Loan matures November 17, 2064, and will not be paid off with the refinance and the cash out. The debt will be restructured and affordability extended as a condition of the Excess Proceeds allocations, Promissory Note, and subordination of City financing to the new senior loan.

Turk & Eddy has a 55-year term ground lease from the Successor Agency to the Redevelopment Agency of the County and City of San Francisco, which was signed on November 17, 2009, with a 55 year term with expiration at 2064 (with an option to extend to 44 more years), annual $15K base rent and $325K residual rent to the extent of available residual receipts, and no accrued ground lease rent.

The Freddie Mac loan requires the ground lease to be amended. In February 2020, the Board of Supervisors approved the resolution to amend and City and the Sponsor will sign the amendment with the close of the loan in September 2020 (see "Refinancing" below). All material terms and conditions of the original Ground Lease remain in force and incorporates the MOHCD residual receipts policy.

Refinancing

The Sponsor is refinancing Turk & Eddy with a Freddie Mac loan for approximately $17,750,000, administered through Walker & Dunlop, for a term of 30 years and amortization period of 40 years with an interest rate of 4%. The loan is scheduled to close by October 2020. Any remaining balance is due at loan maturity 2050.

Proceeds will pay off the Citibank loan (with an interest rate of 7.6%) and transaction fees (approximately $3.1M), support the Property's capital needs, and provide Excess Proceeds for Receiver Properties. MOHCD will remain in a subordinate position to this loan.

Physical needs and Replacement Reserves

The Freddie Mac loan requires that the Property undergo a major seismic upgrade, budgeted at $1.3MM. In addition, according to the July 2020 RULA provided by the Sponsor, the Property will undergo an immediate major rehab valued at $840K. As discussed above the, the general contractor budgets and scopes have been reviewed and approved by the MOHCD Construction Representative team. The rehab work and seismic upgrade will be funded with proceeds from the refinance (to capitalize the replacement reserve), a one-time additional reserve deposit (from the owner's share of 2019 residual receipts), and the funds held in a HUD reserve account (which HUD has released).

The Freddie Mac loan requires a $36,900 annual Replacement Reserve deposit. MOHCD staff has approved additional annual deposits of $53,100, based on the CNA and running replacement reserve of the RULA, from the operating account for a total annual deposit of $90,000 (see Attachment B: 20-year cash flow). These deposits ensure a positive running replacement reserve balance through Year 15/2034, when the Sponsor proposes to resyndicate the Property.

Yosemite Apartments -- Receiver Property syndicated with Folsom Dore

Property description

Yosemite is a 32-unit building six-story building located at 480 Eddy Street in the Tenderloin. The building is comprised of 31 Studios, one 1-Bedroom (the manager's unit), and one commercial space. This is one of TNDC's original acquisitions in 1983. Constructed in 1924, the building is on the National Register of Historic Places, as contributing to the Uptown Tenderloin Historic District. Eight Section 8 units are currently restricted to 50% AMI and 30 units are restricted at 80% AMI.

Property status

The MOHCD Asset Management staff has reviewed and approved the 2019 Annual Monitoring Report (AMR). The property is in compliance with the requirements of the City's agreements, including affordability and maximum rent restriction requirements. Of the 32 units, eight are subsidized with Project Based Section 8; three households have Section 8 vouchers. The Property enjoys small positive cash flow each year. Financial management has been consistently excellent with steady income and expenses and positive trends from 2014-2019 with a small positive cash flow each year. The Property's reserve accounts are not regulated and the Sponsor has made only nominal deposits. There are no residual receipts payment obligations on the City's soft debt.

Physical needs

Since acquisition, TNDC has only performed limited building upgrades. The Property contains many of the original building components and has many significant capital needs, including major seismic/structural strengthening, life safety, and accessibility upgrades.

The TNDC team is in the final stages of conducting due diligence on the building, including narrowing in the scope of the seismic upgrade, and has scheduled a pre-application meeting with Planning to discuss the design and proposed rehabilitation scope. The rehabilitation scope and budget have been reviewed and approved by MOHCD's Construction Representative team. The Sponsor has provided an updated RULA in conjunction with the 75% rehab construction documents, and the CR has reviewed and approved the RULA with the caveat that a final RULA is required with final construction docs and construction contract.

The table below illustrates the current City financing. All current debt will be restructured with the close of financing in June 2021.

Loan Type/Program	Loan Date	Original Loan Amount	Int. Rate	Maturity Date	Repayment Terms	Outstanding Loan

						Amount
CDBG - CHRP	10/18/1983 (amended 1985)	$479,501	6%	12/1/2005	Deferred payment	$479,501
CDBG	7/5/1989	$85,937	6%	7/5/1999	Deferred payment	$85,937
CDBG/ARRA Grant	8/31/2011	$291,112	0%	8/31/2016	Grant	$291,112

Folsom Dore – Receiver Property to be syndicated with Yosemite

Property Description

Folsom Dore Apartments ("Folsom Dore", the "Property"), at 1340 Folsom Street, is a 98-unit project owned by Folsom/Dore Associates L.P., a California Limited Partnership, and an affiliate of TNDC. Seventy-four (74) units are restricted for special needs households, and 76 units receive an operating subsidy. The property was originally built by Citizens Housing Corporation in 2005 to house low-income individuals with special needs and then acquired by TNDC in 2009. The property has a LOSP contract that subsidizes 20 units; 22 units receive Shelter Plus Care subsidy; 26 units receive project-based Section 8; and eight units are currently occupied by households with Section 8 vouchers. Affordability is restricted at 50% AMI and 80% AMI.

The Property was originally financed with Low Income Housing Tax Credits (LIHTCs) and Multi-Family Housing Revenue (tax-exempt) Bonds issued by the City in 2002. Folsom Dore's 15-year tax credit period ended in 2019, and the Apollo-RBC limited partners exited the partnership in 2016. With Taylor Family Housing, Inc. as limited partner and Turk Street, Inc. as general partner, the post-exit Folsom/Dore Associates, L.P. consists of TNDC affiliates.

Property Status

MOHCD Asset Management staff has reviewed and approved the 2019 Annual Monitoring Report (AMR) for the Property. It is in compliance with the requirements of the City's HOME and Bond regulatory agreements, including affordability and maximum rent restriction requirements, reserves, and insurance.

The Property demonstrated positive financial performance from 2014-2019, with an average annual increase in total revenue of 8.4% (due mostly to increases in rental assistance payments) and in operating costs of 3.3%. After meeting its debt service obligations and reserve requirements, Folsom Dore has generated positive cash flow since 2016. In 2019, the property made a residual HOME loan payment of $97K.

In conjunction with the subordination for a recent bridge loan (with Local Initiatives Support Corporation ("LISC"), TNDC submitted a Remaining Useful Life Analysis (RULA) including an annual reserve analysis, which was used to inform the annual replacement reserve deposit reflected in the 20-year cash flow also submitted with the 2019 application. Additionally, TNDC provided an updated Capital Needs Assessment (CNA). The RULA demonstrates a positive running balance for 15 years.

The 20-year cash flow projects a healthy financial performance for the next 20 years, with a debt service coverage ratio ranging from 2.13 to 2.54 during the first two years and from 1.15 to 1.75 for the remaining 18 years. The budgets also project sufficient net operating income to adequately fund the reserves.

After meeting its debt obligations and reserve requirements, Folsom Dore has generated positive cash flow since 2016. In 2019, the property made a residual HOME loan payment of $97K.

Physical needs

The Property is relatively new and has not yet undergone a substantial rehab. The Project team has identified approximately $4MM in capital needs which will be funded through the proceeds of the syndication. The rehabilitation scope and budget has been reviewed and approved by MOHCD's Construction Representative team.

Fiscal

The table below illustrates the current City financing. All current debt will be restructured with the close of financing in June 2021.

Loan Type/Program	Loan Date	Original Loan Amount	Int. Rate	Maturity Date	Repayment Terms	Outstanding Loan Amount
General Funds - LOSP – HSH (20 units)	12/16/11	$2,483,701	0%	n/a	Grant	$1,421,400
HOME	7/2/2002 - Amend 04/19/04	$8,755,884	0%	7/2/2077	Residual Receipts	$8,435,636

Other financing

MHP Loan: In addition to City financing, the Property is financed with an MHP loan with a balance of $5.2 MM, 3% interest rate, and maturity at March 2061.

LISC Bridge Loan: Folsom Dore original permanent financing included tax-exempt bonds with a maturity date of 2036. The bond financing structure included a Letter of Credit (LOC) by Citibank, N.A. with an expiration date of March 19, 2020. In addition, Folsom Dore had an interest swap agreement with Citibank that was scheduled to expire on August 1, 2020. As a preparatory step for the 2021 syndication, on December 2, 2019, TNDC executed a bridge loan with LISC to pay off the balance of the tax-exempt bond loan of approximately $2.8 million, the value of the swap, the transactional costs, and the City's Annual Administrative Bond Prepayment Fee. The bridge loan will be paid off with the close of the Yosemite-Folsom Dore scattered site syndication.

Ambassador Hotel -- Receiver Property to be syndicated with Ritz

Property description

The Ambassador is a 134-unit Single Room Occupancy (SRO) hotel located at 55 Mason Street in the Tenderloin. The building is also comprised of five occupied ground floor commercial spaces. This L-shaped six-story building from 1911 is on the National Register of Historic Places. It was substantially rehabbed in 2003.

The Ambassador houses low-income individuals through a combination of Shelter Plus Care program vouchers, other Coordinated Entry referrals, and Veteran Affairs Supportive Housing vouchers, for a population earning less than 50% AMI. TNDC acquired the Ambassador in 1998, and it received a 1999 Prop A loan from MOHCD. Since acquisition, TNDC performed one major rehabilitation in 2002 leveraging 9% Low Income Housing Tax Credits.

Property status

MOHCD Asset Management staff has reviewed and approved the 2019 AMR for the Ambassador and has found it in compliance with the requirements of the City's Taxable GO Bond, CDBG, HOPWA and other loan agreements, including affordability and maximum rent restriction requirements, project reserves, and insurance. (The Borrower for the HOPWA loan is the parent organization and not the Ambassador partnership.)

Physical needs

The Ambassador is now facing significant capital needs, including the need for seismic/structural strengthening, life safety, accessibility, and quality-of life upgrades. The Project Team is in the final stages of conducting due diligence on the building including narrowing in the scope of the seismic upgrade, and has met with Planning regarding the proposed rehabilitation.

Fiscal

The property has been underperforming with negative cash flow in 2018 and 2019. The negative cash flow will be eliminated when Ambassador and Ritz are syndicated as one entity with Ritz cross-subsidizing Ambassador. The table below illustrates the current City financing. All current debt will be restructured with the close of financing in June 2021.

Loan Type/Program	Loan Date	Original Loan Amount	Int. Rate	Maturity Date	Repayment Terms	Outstanding Loan Amount
1996 GO Bond	10/23/2001	$587,606	0%	10/23/2051	Grant	$587,606
1996 GO Bond	3/31/1999	$1,682,830	3%	3/31/2049	Deferred Pymt	$2,948,887
CDBG/Site acq.	3/31/1999	$1,900,421	3%	3/31/2049	Deferred Pymt	$2,508,185
HOPWA	2/23/1999	$2,000,000	6%	2/23/2049	Deferred Pymt	$2,000,000

The Ambassador-Ritz syndication will also use as a source the $442K proceeds from the O'Farrell Tower syndication and $981K from the Alexander Residence outside reserve.

Ritz Hotel – Receiver Property to be syndicated with Ambassador

Property description

The Ritz Hotel (the "Ritz") is an 89-unit Single Room Occupancy Hotel (SRO) building located at 216 Eddy Street in the Tenderloin. The owner is The Tenderloin Hotels, a California limited partnership; the general partner is North of Market Development Corporations, a California nonprofit corporation; the sole limited partner is San Francisco Residential Hotels, L.P., a California Limited Partner. Eighty-eight (88) units are restricted at 50% AMI (with one manager's unit). The building also has four occupied commercial spaces.

TNDC acquired the Ritz in 1991 utilizing a CDBG loan. At that time, TNDC conducted a comprehensive rehabilitation of the building using 9% tax credits, an HCD Community Housing Rehabilitation Program (CHRP-R) loan, and an additional MOHCD loan for $401,381. In 2009, TNDC entered into another loan agreement for $1,179,510 to conduct full elevator upgrade and structural/seismic reinforcement.

Property status

MOHCD Asset Management staff has reviewed and approved the 2019 AMR for the Ritz Hotel. The Ritz is in compliance with the requirements of the City's HOME and other loan agreements, including affordability and maximum rent restriction requirements, project reserves, and insurance. It has consistently made residual receipts payments to the City and required deposits to reserves.

Physical needs

Recent assessments of the Ritz's physical condition indicate that it has several immediate rehab needs including several building code and disability access upgrades and life and safety and seismic upgrades and deferred maintenance items. The Sponsor has provided a Physical Needs Assessment (PNA) from a third-party consultant to refine the rehabilitation scope of work and determine associated costs as well as general contractor scopes and budgets. The MOHCD Construction Rep team has reviewed and approved the scope and budget for the substantial rehab and post-rehab RULA.

Fiscal

Due to the Ritz's RAD Moderate Rehab conversion in 2017, after several years of operating deficits, in 2018 the Property finally demonstrated positive financial performance positive cash flow. This resulted in an improvement in the five-year (2014-2019) average annual increase in total revenue of 20.1% and an increase of operating costs of only 5.6%. The Property is subsidized with 100% project based Section 8. There is no ground lease.

The table below illustrates the current City financing for the Ritz. All current debt will be restructured with the close of financing in June 2021.

Loan Type/Program	Loan Date	Original Loan Amount	Int. Rate	Maturity Date	Repayment Terms	Outstanding Loan Amount
CDBG	8/31/11	$620,603	0%	8/31/2016	Grant	$326,306
CDBG/Site Acq.	10/29/91	$1,487,577	10%	10/30/2041	Forgivable Loan	$1,487,577
CDBG/UDAG	10/29/91	$1,025,010	12%	10/30/2041	Forgivable Loan	$1,025,010
CDBG/CHRP	10/29/91	$636,381	10%	10/30/2041	Residual Receipts	$636,381
HOME	7/24/09	$1,179,510	0%	7/24/2064	Residual Receipts	$1,179,510

TNDC requested that MOHCD allow the surplus cash flow generated in 2018 ($598, 639) and $1.04 million from 2019 to be set aside in a special replacement reserve account for use as a complementary source during the resyndication/rehabilitation contemplated in the Reinvestment Project. Both MOHCD and HCD have approved this request. The resyndication sources include $4.42MM in retained surplus cash accumulated through 2021. TNDC is aware that the annual set aside requires HCD approval.

Attachment J. MOHCD Cash-Out Acquisition/Rehabilitation, Resyndication, and Refinancing Policy (effective June 19, 2020)

MOHCD CASH OUT ACQUISITION/REHABILITATION,
RESYNDICATION, AND REFINANCING POLICY
Update: June 19, 2020

I. BACKGROUND:

This MOHCD Cash Out Acquisition/Rehabilitation, Resyndication, and Refinancing Policy (this "**Policy**") governs the conditions under which a sponsor may take cash out from a MOHCD-regulated affordable housing development ("**Projects**") through an acquisition/rehabilitation, resyndication, or refinancing that is subject to MOHCD's consent under a City and County of San Francisco ("**City**") ground lease, financial agreement, and/or other subsidy agreement (collectively, "**City Documents**").

Between 2017-2020, the City, through MOHCD, will have contributed approximately $1.2 billion in subsidies to build or preserve over 6,000 affordable housing units. MOHCD's substantial subsidies (including "soft" predevelopment and gap loans at zero or below market interest rates repaid through surplus cash, grants, operating subsidies, land write-down, below market ground lease rent, forgiveness of residual rent, forgiveness of loans, subordination, and others) strengthen the social, physical, and economic infrastructure of San Francisco's low-income neighborhoods and communities in need. Working with community-based organizations and affordable housing developers (collectively, "**Sponsor**"), MOHCD's contribution of public resources has created an affordable housing portfolio ("**MOHCD Portfolio**") exceeding 22,000 units.

In general, MOHCD allows a Sponsor to secure new loans for financing or refinancing the acquisition/rehabilitation of a Project, but only if MOHCD determines in its sole discretion that such financing/refinancing is necessary to ensure the viability of the Project. Under City Documents, a Sponsor must obtain MOHCD's prior written consent for such new financing/refinancing, encumbrance of a leasehold estate, subordination of MOHCD's existing liens, and/or prepayment of existing debt. Therefore, to ensure the financial viability and sustainability of a Project, a Sponsor is generally **<u>not permitted</u>** to obtain a loan in an amount that exceeds the amount necessary to acquire/rehabilitate a Project, which is commonly known as a "**Cash Out**."

But for the City's substantial contributions of public resources, and ongoing stewardship, the MOHCD Portfolio would not exist today, nor would individual projects within the MOHCD Portfolio support a cash out through an acquisition/rehabilitation, resyndication, or refinancing. In light of the City's substantial prior subsidies and funding, and to support the preservation of properties in the MOHCD Portfolio, effective June 7, 2019 ("**Effective Date**"), MOHCD approved the Policy to establish criteria for a Sponsor to obtain MOHCD's consent to waive the prohibition on a cash out. This Policy updates and replaces the Policy adopted on June 7, 2019 in its entirety.

II. POLICY ON CASH OUT (UPDATED):

This Policy applies to Projects subject to a City Ground Lease, or where the City has provided funding (i.e. Loans, Grants, LOSP, or other funding) of at least $50,000 per restricted unit. This includes Projects where MOHCD has been assigned such agreements, as the successor housing agency, from the former Redevelopment Agency of the City and County of San Francisco.

If a Sponsor is obtaining a new loan for conducting an acquisition/rehabilitation, resyndication, or refinancing, and desires withdrawal of Cash Out from the loan proceeds (equity or acquisition Excess Proceeds as defined below), MOHCD will waive the prohibition of such Cash Out under the following conditions:

(i) Sponsor complies with the general conditions set forth in Section IV below.

(ii) Excess Proceeds is subject to a 50-50 split between the Sponsor and MOHCD to be paid on a pari passu basis. MOHCD's share of Excess Proceeds (MOHCD Payment as defined below) shall partially recapture the City's previous subsidy to the Project.

"**Excess Proceeds**" is defined as the remaining funds available after paying off and/or funding, as applicable, the senior financing, all MOHCD financing and ground rent, buying out the limited partner, rehabilitation/improvements, seller carry-back loan (if any), reserves, and other costs (such as transaction costs) approved by MOHCD. MOHCD will not restrict the Sponsor's use of its share of Excess Proceeds approved pursuant to this Policy. Notwithstanding the foregoing, this Policy does not modify any restrictions imposed by other government funding that govern a Sponsor's use of project income, program income, or cash out equity or acquisition proceeds, or in any way modify a Sponsor's obligation to comply with such restrictions. A Sponsor is solely responsible for ensuring compliance with any other government requirements and this Policy.

"**MOHCD Payment**" is defined as MOHCD's share of Excess Proceeds pursuant to this Policy. Such amount shall be paid at the close of escrow and documented through a consent agreement.

MOHCD's share of Excess Proceeds will be restricted to affordable housing purposes, utilized to provide critical funding to support the City's existing investments in affordable housing, and ensure the long-term viability of San Francisco's affordable housing stock. The MOHCD Payment shall be deployed across MOHCD's existing and successor financing programs that prioritize the preservation of the City's existing affordable housing portfolio (e.g. Existing Non-Profit Owned Rental Housing Capital Repairs).

III. GOVERNING DOCUMENTS, POLICY AND REGULATIONS:

Cash out withdrawals of equity or acquisition proceeds from properties in MOHCD's Portfolio are highly regulated through various mechanisms, including, but not limited to:

- Transaction Documents:
    - Long-term affordability covenants which keep project income low and reduce available equity
    - Long-term asset management requirements requiring regular reinvestment into the physical needs of the properties
    - Loan Agreement provisions regarding property transfer rights

    - Secured Promissory Note provisions regarding prepayment privileges
    - Contracts providing rental assistance
    - Restrictions related to other funding sources (e.g. HCD, CDBG Program Income)
- Policy & Regulations:
    - Cash Out Acquisition/Rehabilitation, Resyndication, and Refinancing Policy
    - Subordination Policy
    - Ground Lease Policy
    - Residual Receipts Policy
    - Operating Fee Policy
    - Developer Fee Policy for Tax Credit Projects
    - Multifamily Securities Program Manual
    - Other third-party restrictions (e.g. HCD, CDLAC & CTCAC Regulations)

IV. GENERAL CONDITIONS:

MOHCD consent to waive the prohibition on Cash Out is subject to the Sponsor complying with the following general conditions:

i. Long-term extension of the compliance term and affordability restrictions for a minimum of 55 years.
ii. Demonstration to MOHCD's reasonable satisfaction that the proposed financing does not threaten the viability of the Project through the extended compliance term.
iii. Demonstration of compliance with asset management requirements, including either completion of all capital repair needs or a capital repair expenditure plan that meets the building's physical needs.
iv. Fully funded operating and replacement reserves.
v. Full repayment of MOHCD financing (including principal and accrued interest), as applicable.
vi. Full repayment of MOHCD accrued ground rent, as applicable; and
vii. No event of default exists under the City Documents.

V. WAIVERS:

Subject to MOHCD's review of supporting documentation, the Citywide Affordable Housing Loan Committee ("**Loan Committee**") may recommend to waive or modify any portion of the Policy for the purpose of ensuring project feasibility, maximizing affordability, and minimizing the use of public resources.

A Sponsor may also request an alternative to the 50-50 split of Excess Proceeds as follows:

A. Proportionality Waiver

MOHCD may consider a waiver to a 50-50 split of Excess Proceeds if the Sponsor can demonstrate that the Sponsor's equity investment (including cash contributions and parent company loans, "**Sponsor Funding**") in the Project is greater than 50% of the sum of i) total equity (excluding tax credit investment), and ii) subsidy contributed by the City (collectively, "**Total Funding**"). In the event the Sponsor has invested more than 50% of the Total Funding, the Sponsor may retain the percentage of the Excess Proceeds in proportion to the Sponsor's Funding, as illustrated below. Approval of the Proportionality Waiver is subject to MOHCD verification of the original development budget and additional documentation (e.g. final underwriting, audited financial statements, bank statements, loan documents, etc.) related to Sponsor Funding.

50-50 Split with Sponsor Funding equal to less than 50% of Total Funding

Sponsor Funding	MOHCD subsidy	Total Funding	Sponsor Funding %	Excess Proceeds	MOHCD Share of Excess Proceeds	Sponsor Share of Excess Proceeds
$3,000,000	$7,000,000	$10,000,000	30%	$6,000,000	$3,000,000	$3,000,000

Proportional Waiver for Sponsor Funding equal to greater than 50% of Total Funding

Sponsor Funding	MOHCD subsidy	Total Funding	Sponsor Funding %	Excess Proceeds	MOHCD Share of Excess Proceeds	Sponsor Share of Excess Proceeds
$7,000,000	$3,000,000	$10,000,000	70%	$6,000,000	$1,800,000	$4,200,000

B. Reinvestment Waiver

MOHCD may also consider waivers, subject to MOHCD's review of supporting documentation (described in **EXHIBIT A**), and approval of the Loan Committee, that result in an increased net public benefit (example in table below) to MOHCD's Portfolio, whereby a Sponsor commits to reinvest all Excess Proceeds into MOHCD-regulated properties within the Sponsor's affordable housing portfolio. Such requests must demonstrate that the proposed uses are strategically optimal investments, and be justified by recent Capital Needs Assessments ("**CNA**") approved by MOHCD, feasible underwriting, Sponsor capacity, and long-term cash flow projections.

Additional conditions and requirements for Reinvestment Waiver requests:

i. Waiver requests approved by the Loan Committee may require additional City approvals.
ii. Projects generating Excess Proceeds ("**Resource Properties**") and Projects where Excess Proceeds are reinvested ("**Receiver Properties**") must be specified. The proposed reinvestment plan, and any changes related to such Resource Properties or Receiver Properties is subject to MOHCD's approval.
iii. Excess Proceeds may only be used at MOHCD approved Receiver Properties for actual rehab expenses (as opposed to refinancing, for example), with a minimum threshold cost of $50,000 per unit. Eligible uses include hard costs, and certain soft costs, as applicable.
iv. Sponsor must report the use of all Excess Proceeds to MOHCD annually, and MOHCD shall have the authority to monitor the use of Excess Proceeds on a more frequent basis.

v. Sponsor must execute a Promissory Note, or Notes, payable in five (5) years to MOHCD for 100% of the Excess Proceeds to be reinvested in Receiver Properties; each Promissory Note must be secured with a deed of trust against the Resource Property. The outstanding balance of the Promissory Note shall be reduced proportionately to the completion of the rehabilitation/improvements, and the deed of trust will be reconveyed after all the rehabilitation/improvements have been completed.
vi. Rehabilitation/Improvements funded by Excess Proceeds must be completed within five (5) years of the execution of the Promissory Note, or unused Excess Proceeds will be due and payable upon maturity of the Note.
vii. Sponsor's Reinvestment Waiver request must include all the materials listed in **EXHIBIT A**.

EXAMPLE REINVESTMENT WAIVER		**50/50 Split**		**Waiver**
Sources				
New Senior Loan		7,000,000		7,000,000
Total Sources		**7,000,000**		**7,000,000**
Uses				
Rehab		1,200,000		1,200,000
Repay Existing Senior Debt		1,450,000		1,450,000
Paydown MOHCD Accrued Ground Lease Rent		1,965,000		1,965,000
Payoff MOHCD debt		875,000		875,000
Excess Proceeds		1,510,000		1,510,000
Total Uses		**7,000,000**		**7,000,000**
MOHCD share of Excess Proceeds	50%	755,000	0%	-
Sponsor share of Excess Proceeds	50%	755,000	100%	1,510,000
Paydown MOHCD Accrued Ground Lease Rent		1,965,000		1,965,000
Payoff MOHCD debt		875,000		875,000
MOHCD Share of Excess Proceeds		755,000		-
Total due to MOHCD		**3,595,000**		**2,840,000**
Amount of Promissory Note to MOHCD		-		1,510,000
Net public benefit to MOHCD Portfolio		**3,595,000**		**4,350,000**

VI. IMPLEMENTATION AND EFFECTIVE DATE:

This Policy applies to any development in MOHCD's Portfolio that is seeking a Cash Out on or after the Effective Date.

EXHIBIT A

Additional Materials Related to Reinvestment Waiver Requests

- Detailed recapitalization project narrative/proposal
- Portfolio-wide preservation strategy with rationale for the Resource Properties and Receiver Properties selected for the waiver request
- Proposal Review Request Form for each property
- Resource Properties-to-Receiver Properties flow chart
- Third-party CNAs for each property
- Preliminary title reports for each property
- MOHCD Proformas for each property – including 20-year cash flow analyses before and after use of Excess Proceeds
- Sources and uses chart including MOHCD debt/obligations on each property
- Refinancing debt and equity term sheets or letters of intent, as applicable
- Seismic report and rehab budgets for each property, as appropriate
- Project schedule for each property as well as for the overall multi-project plan
- Sponsor and staff capacity/assignments for each aspect of the proposed project(s)

MOHCD reserves the right to request additional materials as needed to evaluate waiver requests.

<u>Attachment K. CCSF Human Services Agency audit letter to Sponsor, May 23, 2019</u>

City and County of San Francisco

London Breed, Mayor

Human Services Agency

Department of Human Services
Department of Aging and Adult Services
Office of Early Care and Education

Trent Rhorer, Executive Director

May 23, 2019

Don Falk
Executive Director
Tenderloin Neighborhood Development Corporation
201 Eddy Street
San Francisco, CA 94102

Subject: Fiscal Monitoring of HSA Grants for Tenderloin Neighborhood Development Corp for FY18-19

Department/Program	Contract Name/Description
HSA	320-330 Clementina-RAD Seniors
HSA	430 Turk-RAD Seniors
HSA	939-951 Eddy - RAD Seniors
HSA	1251 Turk Rosa Parks - RAD Seniors

Dear Mr. Falk:

This letter conveys the results of the Citywide fiscal and compliance desk audit monitoring conducted on 05/03/2019.

The fiscal monitoring included the review of the following documents:

1. Agency-wide budget and cost allocation plan
2. Board minutes
3. Recent 990 form
4. Recent DE 9, DE 9C, and 941 reports
5. Most recent audited financial statements
6. Financial reports, balance sheets, and profit loss statements
7. Supporting documentation for invoices for two current year billing months
   A. For 430 Turk RAD:
      - NCPHS-Office Supplies - $690.02
      - Utilities - $474.60
   B. For the 939 Eddy RAD:
      - NCPHS – Rent $28.22

The compliance monitoring included the review of the following documents:

1. Board roster, bylaws, meeting minutes

We are pleased to report that there were no findings identified in our fiscal and compliance monitoring.

Monitoring staff also reviewed governance practices (based on Section 3 of the Standard Monitoring Form: Board of Director Best Practices). While governance best practice results are not classified as "findings" for the purposes of this Monitoring Report Letter, they are important indicators of healthy nonprofit agencies. We are pleased to report that your agency is also in conformance with all governance best practices.

Please extend our appreciation to your staff for their preparation in advance of the monitoring and assistance during the process. We thank you for your work in serving the San Francisco community.

Sincerely,

Esperanza Zapien

Esperanza Zapien
Senior Contract Manager
Human Services Agency

cc: Paul Carney – TNDC-Fiscal Officer
Lisa Blakely – TNDC- Board President
Ofelia Trevino – HSA Program Manager